

**EKF Diagnostics Holdings plc**  
**("EKF", the "Company", or the "Group")**

**Half-year Report**

EKF Diagnostics Holdings plc (AIM: EKF), the AIM-listed global diagnostics business, announces its unaudited interim results for the six months ended 30 June 2024 ("H1 2024"), a period showing strong improvement in gross margins, earnings growth and cash generation, in-line with management expectations.

Guidance for the full year performance remains unchanged from the 24 July 2024 [Trading Update](#).

In 2023 EKF focussed on simplifying its business around key product lines within its two divisions, Point-of-Care and Life Sciences, as well as reducing and stabilising its cost base. The first half has seen the results of these efforts as the Company successfully focussed on its higher margin product ranges and core operations, with benefits continuing into the second half.

**Financial highlights**

- Revenue from continuing operations of £25.2m (H1 2023: £26.9m)
  - Reflecting winding down of non-core and low margin product lines and services
  - Revenues (excluding COVID-related and clinical chemistry sales) of £24.5m (H1 2023: £24.4m)
- Gross profit of £12.1m (H1 2023: £11.8m)
- Gross margins further improved to 48% (H1 2023: 44%; FY 2023: 45%)
- Adjusted EBITDA\* up 22.7% to £5.4m (H1 2023: £4.4m)
- Profit before tax of £3.1m (H1 2023: loss before tax of £0.03m)
- Net cash generated from operations of £7.9m (H1 2023: £2.5m) including effect of £2.1m US tax refund
- Cash and cash equivalents net of bank borrowing as at 30 June 2024 of £9.8m (30 June 2023: £9.1m; 31 December 2023: £4.7m)
  - Revolving credit facility of £3.0m repaid in full
  - £2.2m held by EKF's Russian subsidiary and subject to regulatory restrictions (30 June 2023: £2.4m; 31 December 2023: £1.7m), with £0.3m in further dividends received in the period

\* Earnings before interest, tax, depreciation and amortisation adjusted for exceptional items and share-based payments

**Operational highlights**

- Business division revenues:
  - **Point-of-Care:** £15.2m (H1 2023: £15.6m)
  - **Life Sciences:** £8.6m (H1 2023: £8.1m)
  - **Other:** £0.7m (H1 2023: £0.7m)
  - **Other (products being phased out):** £0.7m (H1 2023: £2.5m)
- Life Sciences division's fermentation business revenues up 41% year-on-year with increased revenue generation from new facility in South Bend
- Ongoing operational efficiency measures to further benefit FY 2024 performance
- Continued review of product portfolio to maximise margin improvements

**Julian Baines, Executive Chair of EKF, commented:** *"The Board remains confident in the outlook for the business overall and with orders already in house for the second half we are very confident that the Point of Care performance in Europe, Middle East and Africa will improve significantly. The actions we've taken are expected to yield further improvements in gross margins, earnings growth and cash generation, and as a result of our efficiency drive we now have a leaner business, with a cost base correctly aligned to a more focussed higher-margin product mix."*

*"The Company expects the improvement in performance to continue in H2 2024 and remains confident that full year results will be in-line with market expectations."*

Copies of the interim results and associated investor presentation are available here:

<https://www.ekfdiagnostics.com/documents-reports.html>

### **Investor Presentation**

EKF Diagnostics will be hosting a live online presentation open to all existing and potential investors on Wednesday 18 September 2024 at 4.30pm (BST), via the Investor Meet Company platform. Investors can sign up to Investor Meet Company for free and add to meet EKF Diagnostics via:

<https://www.investormeetcompany.com/ekf-diagnostics-holdings-plc/register-investor>

Investors who already follow EKF on the Investor Meet Company platform will automatically be invited.

A recording of the presentation, a PDF of the slides used, and responses to the Q&A session will be available on the Investor Meet Company platform afterwards.

**EKF Diagnostics Holdings plc**  
Julian Baines, Executive Chair / Stephen Young, CFO

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*The persons responsible for arranging the release of this announcement on behalf of the Company are Julian Baines, Executive Chair, and Stephen Young, CFO.*

## **About EKF Diagnostics Holdings plc ([www.ekfdiagnostics.com](http://www.ekfdiagnostics.com))**

EKF is an AIM-listed global diagnostics business focussed on:

- **Point-of-Care** analyzers in the key areas of Hematology and Diabetes
- **Life Sciences** services provide specialist manufacture of enzymes and custom products for use in diagnostic, food and industrial applications.

EKF has headquarters in Penarth (near Cardiff) and operates five manufacturing sites across the US and Germany, selling into over 120 countries world-wide.

## **EXECUTIVE CHAIR'S STATEMENT**

In the previous financial year we simplified the business by removing non-core, low-margin products from our portfolio, focussing on key product lines within our Point-of-Care and Life Sciences divisions. At the same time, we also reduced and stabilised our cost base in order to drive further margin improvement and enhance cash generation. I'm delighted to report that these actions are bearing fruit with our half year results showing strong improvement in gross margins, earnings growth and cash generation, in-line with management expectations.

## **OPERATIONAL OVERVIEW**

Total revenues for the six months ended 30 June 2024, from core operations (excluding COVID-related, clinical chemistry and testing revenues), were £24.5m (H1 2023: £24.4m). Gross Margins improved further to 48.1% (H1 2023: 44.0%) and adjusted EBITDA was £5.4m (H1 2023: £4.4m).

## **Promised efficiencies delivered in H1**

For much of last year we focussed on delivering efficiencies across both our operations and within our product portfolio and these have delivered improved gross margins, earnings growth and cash generation. By optimising efficiencies within our operations we were able to reduce the cost base by £1.9m and have established headcount at a sustainable level. We have cancelled low margin contracts, reviewed suppliers, and identified

outsourcing opportunities. In terms of our external production needs, we have brought one process in-house at our facility in Magdeburg, Germany and have consolidated all of our liquid chemistry production into our in-house facility in Boerne, Texas. These actions have helped reduce costs, improve margin and allow us to manage raw material costs more effectively. A newly implemented electronic Quality Management System and upgraded IT infrastructure is expected to deliver further efficiencies and support further growth.

Within the portfolio we have discontinued several low margin product lines including the entire Clinical Chemistry range. We had committed to adding new features and functionality to our POC range and we expect to see the benefit of this in H2 as new tender opportunities are now available to us due to the connectivity that EKF Link™ provides across a number of products. Within Life Sciences we have been able to significantly increase the yield for  $\beta$ -HB production having reviewed processes and run cycles to deliver better value. We have also looked to cancel or renegotiate all non-preferential partner agreements which will have a positive impact on overall product margins as the mix improves.

#### **Further margin improvement expected**

We expect that the adjusted EBITDA margin will improve in the second half following the delivery of efficiencies above, change of product mix and the increased weighting of higher margin product sales. Margins should continue to benefit further from the ramp-up in higher margin enzyme fermentation revenues within Life Sciences as utilisation of our additional capacity builds.

These improvements do not come at the expense of investment into capital expenditure, but allows us to focus on a core product range and we have an R&D roadmap in place which will deliver product improvements and cost reductions, as well as new product introductions. Further investment in injection moulding tool requirements and planned upgrades to existing production lines are expected to provide improved efficiencies and additional capacity to support growth. We also expect to benefit from further efficiencies driven by planned investment in automation in production and packing.

The first half shows broadly flat performance from Point-of-Care ("POC"), which is a reflection of the changing of product mix and the timings of a number of tender awards, such that we expect to see performance improve across a number of our POC product lines in the second half. The Life Sciences division has benefitted from continued growth in  $\beta$ -HB sales, and a ramp-up in fermentation revenues.

<b>Divisional revenues</b> <i>£ millions</i>	<b>H1 2024</b>	<b>H1 2023</b>	<b>% Change</b>
<b>Point-of-Care (POC) - hematology and diabetes</b>	<b>14.0</b>	<b>14.2</b>	<b>-1.4%</b>
<b>Point-of-Care (POC) - <i>other</i> *</b>	<b>1.2</b>	<b>1.4</b>	<b>-14.3%</b>
<b>Life Sciences (<math>\beta</math>-HB and Fermentation)</b>	<b>8.1</b>	<b>7.2</b>	<b>+12.5%</b>
<b>Life Sciences - <i>other</i> **</b>	<b>0.5</b>	<b>0.9</b>	<b>-44.4%</b>
<b>Other ***</b>	<b>0.7</b>	<b>0.7</b>	<b>0.0%</b>
<b>Other - <i>products being phased out</i></b>	<b>0.7</b>	<b>2.5</b>	<b>-72.0%</b>
<b>Total Revenues (exc. COVID-related &amp; clinical chemistry revenues)</b>	<b>24.5</b>	<b>24.4</b>	<b>+0.4%</b>
<b>Total Revenues (inc. COVID-related &amp; clinical chemistry revenues)</b>	<b>25.2</b>	<b>26.9</b>	<b>-6.3%</b>

\* POC - other, relating to other diagnostics tests.

\*\* Life Sciences - Other, relating to contract manufacturing.

\*\*\* Other revenue relating to shipping and handling recharges, repairs and other sundries.

## **(1) Point-of-Care**

EKF continues to maintain a strong position within the global market for hematology and diabetes testing, with over 12,000 Point-of-Care analyzers and over 95 million individual test consumables sold in 2023.

### **· Hematology**

Total sales of our hematology analyzers and consumables were up 4% year-on-year. Our largest contributor to hematology revenues, Hemocontrol, grew by 10% reversing the declines we saw in FY 2023 (down 5%) and driving the overall performance of this product group. We expect this performance to continue into the second half as new tenders are now available to us due to the connectivity that our EKF Link™ data management platform now provides for this product.

Revenues in our second largest hematology product, Diaspect Tm, were broadly flat year-on-year although the timing of sales related to our ongoing support of Egypt's Vision 2030 programme will deliver an improved performance in the second half, as these orders will be fulfilled entirely using in-house resources.

We continue to grow our presence in the global blood bank market and secured two new contract wins from the Red Cross in Hong Kong and in Thailand post-period end.

### **· Diabetes**

Our diabetes product portfolio saw an overall 11% decline in year-on-year

sales, with all three key product lines (Biosen, Quo-Test and Quo-Lab) down compared to H1 2023. We are also seeing some movement in our user base for glycosylated haemoglobin (HbA1c) testing products as customers transition away from Quo-Lab to our higher margin Quo-Test; however, we expect to see this positively impact performance in the second half as we see greater consumable pull-through, particularly from a substantial tender in South Africa where analyzers have already been shipped, and many installed, but there has been a delay for diagnostic programmes using this equipment in becoming operational.

Biosen sales, our largest contributor within diabetes, were impacted by the greater effect of sanctions in Russia, and other customers have refrained from ordering new systems ahead of the launch of the new and enhanced Biosen C-Line, which offers improved connectivity and usability. Post-period end this updated product was made available to customers.

Whilst we expect to see a stronger performance from Quo-Test and Biosen in H2 2024, we don't expect overall revenues across the Diabetes product portfolio to exceed those levels seen in 2023.

## **(2) Life Sciences**

### **· $\beta$ -HB**

Sales of our  $\beta$ -HB LiquiColor® reagent rose by 6% year-on-year as we continue to benefit from the White Label ("WL") contract with Thermo Fisher. Thermo Fisher has now depleted its pre-existing EKF-branded stock and regular stock ordering, and replenishment of the inventory with the new WL  $\beta$ -HB reagent has resumed.

Following the discontinuation of our STAT-Site M  $\beta$ -HB, we have been focussing on growing our userbase for our STAT-Site WB Analyzer, a handheld device for the quantitative determination of  $\beta$ -HB in whole blood. The roll-out of this product is continuing to develop well with a 50% increase in total sales year-on-year. We expect further sustained growth in consumables for the STAT-Site WB driven by the heavy push for initial analyzer sales in H2 2023.

### **· Fermentation**

Having opened the South Bend site in October 2023, we have seen a steady increase in revenues in the first half as we scale up output for our customers. Revenues for H1 2024 are up 41% through sales to new and existing customers compared to a low base in H1 2023 and we continue to aim to operate the site closer to optimal capacity by the beginning of 2026.

## **Russia and Ukraine**

EKF owns 60% of O.O.O. EKF Diagnostika, a distribution subsidiary located in Moscow which sells EKF POC products and other third-party products into Russia and neighbouring states. As expressed earlier, sales continue to be impacted by the increased effect of sanctions in the region, even for essential medical supplies.

Cash held in Russia totalled £2.2m at the period end. Restrictions remain in place regarding the payment of foreign dividends in Russia and so this cash remains partly inaccessible, although £0.3m of further dividends were received from Russia during the period.

## **Outlook**

Life Sciences has seen good growth in fermentation revenues and  $\beta$ -HB sales have continue to perform well. Within Point of Care, Hematology has delivered a robust performance and we expect to see this improve in H2 based on new shipments to Egypt confirmed and a number of additional wins relating to blood bank centres going live since the period-end. We should see improvements with Diabetes in the second half but as highlighted previously, it is unlikely that these products will reach the revenue levels seen in 2023. It is the nature of a business with a wide variety of products to see mixed performances across this portfolio.

The Board remains confident in the outlook for the business overall and with orders already in house for the second half we are very confident that the Point of Care performance in Europe, Middle East and Africa will improve significantly. All of the actions described above are expected to yield further improvements in gross margins, earnings growth and cash generation, and as a result of our efficiency drive we now have a leaner business, with a cost base correctly aligned to a more focussed higher-margin product mix.

The Company expects the improvement in performance to continue in H2 2024 and remains confident that full year results will be in-line with market expectations.

Julian Baines

**Executive Chair**

*17 September 2024*

**Financial review**

## Revenue

Revenue for the period was £25.2m (H1 2023: £26.9m). During H1 2023, Advanced Diagnostic Laboratory (ADL), the Group's former testing business, was sold and UK contract manufacturing and testing ceased. These businesses had a combined revenue in H1 2023 of £1.2m. In H2 2023 we announced that we were winding down our Clinical Chemistry business due to its low margins, and had discontinued our STAT-Site M  $\beta$ -HB product line. These had a combined revenue in H1 2023 of £1.4m.

### Revenue by Business Unit:

	<b>Unaudited 6 months ended 30 June 2024 £'000</b>	Unaudited 6 months ended 30 June 2023 £'000	+/- %
Point-of-care	<b>15,191</b>	15,641	(2.9%)
Life sciences	<b>8,599</b>	8,083	6.4%
Other*	<b>667</b>	642	3.8%
<b>Revenue from core operations</b>	<b>24,457</b>	24,366	0.4%
Testing and UK manufacture	-	1,155	(100%)
Clinical chemistry	<b>755</b>	1,018	(25.8%)
STAT-Site M $\beta$ -HB	-	333	(100%)
<b>Total revenue</b>	<b>25,212</b>	26,872	(6.2%)

Revenue from core operations (excluding testing, clinical chemistry and STAT-Site M  $\beta$ -HB revenues) increased by 0.4%, with Point-of-care revenues affected by customers holding off on placing orders for the new Biosen product that is being launched in H2 2024.

\* Other revenue relating to shipping and handling recharges, repairs and other sundries

### Revenue by Geographical Segment:

	<b>Unaudited 6 months ended 30 June 2024 £'000</b>	Unaudited 6 months ended 30 June 2023 £'000	+/- %
<b>Continuing business</b>			
Germany	<b>9,916</b>	11,014	(10.0%)
USA	<b>13,658</b>	13,376	+2.1%
Russia	<b>1,638</b>	1,690	(3.1%)
UK	-	792	(100%)
<b>Total revenue</b>	<b>25,212</b>	26,872	(6.2%)

Revenue in Germany was down, due to the Biosen launch previously



highlighted, Quo-Lab, and an element of COVID related product sales.

In the USA, H1 2023 included Testing revenue achieved by ADL, plus higher levels of sales of the low margin products that are being phased out, however growth overall was still achieved.

The Group's Russian subsidiary, which is 60% owned by the Group, is consolidated in full in accordance with accounting standards. The interest of the minority shareholders is included as a separate item in the Consolidated Income statement.

### ***Gross profit***

Gross profit was £12.1m (H1 2023: £11.8m). The gross profit margin was 48.1% (H1 2023: 44.0%). The gross profit has increased marginally mainly as a result of the mix of products and services. The gross profit margin on an Adjusted Earnings basis (i.e. excluding depreciation, amortisation, exceptional items and share-based payments included in cost of sales) was 51.5% (H1 2023: 47.8%).

### ***Administrative expenses***

In H1 2024, administration expenses (excluding exceptionals) further reduced to £9.2m (H1 2023: £10.9m), representing 36.3% of revenue for the period (H1 2023: 40.7%, FY 2023: 37.4%). The decrease is largely due to cost savings and lower amortisation. The Board expects that the cost savings and efficiency measures that have been implemented will continue to benefit in the second half of the year.

The charge for depreciation of fixed assets and for the amortisation of intangibles is £2.4m (H1 2023: £3.3m).

### ***Headcount***

The Group had an average of 309 employees during H1 2024 (H1 2023: 345)

### ***Operating profit and adjusted earnings before interest tax and depreciation***

The Group generated an operating profit of £3.1m (H1 2023: loss of £0.07m). We continue to consider that adjusted EBITDA gives a more meaningful measure of performance which for H1 2024 was £5.4m (H1 2023: £4.4m).

In H1 2024 adjusted EBITDA excludes an exceptional credit of £0.03m (H1 2023: charge of £1.2m). The exceptional credit relates mainly to the reversal of provisions against inventory originally charged to exceptional items.

### ***Finance income***

Net finance cost is £0.01m (H1 2023: income of £0.04m). The charge is largely because of bank interest on loans offset by higher interest income on funds held

in Russia. The £3m drawn down on the revolving credit facility has been repaid during the period.

### ***Tax***

There is a tax charge of £0.8m (H1 2023: £0.1m). The increase largely reflects the increase in profit. A tax refund relating to the USA of £2.1m has been received during the period.

### ***Earnings per share***

Basic earnings per share from continuing operations has increased to 0.46 pence (H1 2023: 0.08 pence loss). There are no dilutive effects.

### ***Balance sheet***

#### ***Fixed assets***

We have capitalised £2.0m (H1 2023: £3.4m) of property, plant and equipment. The expenditure includes continuing work on adding capacity for Life Sciences in South Bend, and the effect of the capitalisation of new operating leases including the renewal of the lease on the Group's headquarters in Penarth. While some further expenditure in Life Sciences to complete the new facility in South Bend is planned for the second half of the year, the bulk of the expenditure has now been completed.

#### ***Intangible assets***

The value of intangible fixed assets is £29.5m (31 December 2023: £30.2m). The decrease is mainly the result of amortisation. An amount of £0.3m (H1 2023: £0.1m) has been capitalised during the first half, largely for R & D expenses.

#### ***Investments***

Investments are held at fair value which has been calculated based on the market value of the shares for Verici Dx. The value of the Group's investment in Llusern Scientific was decreased following a further fund raising in which the Group did not participate.

#### ***Cash and working capital***

The gross cash position at 30 June 2024 was £9.8m (31 Dec 2023: £7.7m), and the Group had cash net of bank borrowings of £9.8m (31 Dec 2023: £4.7m). During the period the loan from HSBC UK which at 31 December 2023 was £3m was repaid in full.

Cash generated from operating activities in H1 2024 is £7.9m (H1 2023: £2.5m). A tax repayment of £2.1m has been received in the USA and there has been

further benefit from lower payments on account.

Cash and cash equivalents held by the Russian subsidiary as at 30 June 2024 totalled £2.2m (31 Dec 2023: £1.7m). These deposits are subject to regulatory restrictions, and therefore may not be available for general use by the other entities within the Group. We have been able to organise further dividends from Russia during the period of £0.3m which have limited our exposures.

### ***Share capital***

1,200,000 ordinary shares were returned to the Company in April 2023 by the acquirer of ADL. These shares remain in treasury. We have maintained shareholder authority to buy back shares, however we currently have no plans to make any further purchases.

### ***Dividend***

In December 2023, the Company paid a final dividend of 1.2p per ordinary share. Based on the need for continued investment in our core areas the Board has decided that it would be prudent to discontinue dividend payments. The Board will however consider recommencing the payment of dividends if and when appropriate.

### ***Going concern***

The Directors have considered the applicability of the going concern basis in the preparation of these financial statements. This included the review of internal budgets and financial results which show, taking into account reasonably plausible changes in financial performance, that the Group will be able to operate within the level of its current funding arrangements.

The Group has revenues from customers in Russia which are serviced by our entity based in Moscow. As a result of the continuing sanctions imposed on Russia by the EU, the USA and other countries, there are enhanced risks in respect of our Russian entity, including regulatory restrictions and credit risk to cash balances, its ability to collect debtors, and EKF's ability to import products into Russia. In addition, while we have been able to make some dividend payments out of Russia, action by the Russian Government continues to restrict the Russian entity's ability to pay dividends to its shareholders. In preparing a downside going concern forecast we have discounted future sales and cash from this region entirely.

The strength of the Group's balance sheet aligned to the continuing performance of the business gives the Directors confidence that the business can continue to meet its obligations as they fall due, even under our worst-

case scenarios, for at least the next 12 months. The Group has unutilised facilities of £3m from HSBC UK and a further £3m from the North Atlantic Smaller Companies Investment Trust, both of which are available until 2026, which can be drawn down if necessary. Accordingly, the Directors are satisfied they can prepare the accounts on a going concern basis.

Stephen Young  
**Chief Financial Officer**

17 September 2024

**CONSOLIDATED INCOME STATEMENT  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

	Notes	Unaudited 6 months ended 30 June 2024 £'000	Unaudited 6 months ended 30 June 2023 £'000	Audited Year ended 31 December 2023 £'000
<b>Continuing operations</b>				
Revenue	3	25,212	26,872	52,611
Cost of sales		(13,150)	(14,855)	(28,175)
Exceptional items - other credited/(charged) to cost of sales		58	(196)	(577)
<b>Gross profit</b>		<b>12,120</b>	11,821	23,859
Administrative expenses		(9,160)	(10,939)	(19,680)
Exceptional items - impairment of assets		-	(671)	(961)
Exceptional items - other		(29)	(341)	(1,295)
Other income		139	63	158
<b>Operating profit/(loss)</b>		<b>3,070</b>	(67)	2,081
Depreciation and amortisation		(2,382)	(3,274)	(5,472)
Share-based payments		-	-	2
Exceptional items	4	29	(1,209)	(2,833)
<b>EBITDA before exceptional items and share-based payments</b>		<b>5,423</b>	4,416	10,384
Finance income		98	59	125
Finance costs		(111)	(18)	(75)
<b>Profit/(loss) before income tax</b>		<b>3,057</b>	(26)	2,131
Income tax charge	5	(837)	(144)	600
<b>Profit/(loss) for the period</b>		<b>2,220</b>	(170)	2,731
<b>Profit/(loss) is attributable to:</b>				
Owners of the parent		2,066	(358)	2,352
Non-controlling interest		154	188	379
		<b>2,220</b>	(170)	2,731
<b>Earnings/(loss) per ordinary share attributable to the owners of the parent during the period</b>				
	6			
		Pence	Pence	Pence

<b>Basic</b>	<b>0.46</b>	(0.08)	0.52
<b>Diluted</b>	<b>0.46</b>	(0.08)	0.52

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

	<b>Unaudited 6 months ended 30 June 2024 £'000</b>	<b>Unaudited 6 months ended 30 June 2023 £'000</b>	<b>Audited Year ended 31 December 2023 £'000</b>
<b>Profit/(loss) for the period</b>	<b>2,220</b>	(170)	2,731
<b>Other comprehensive (expense)/income:</b> <i>Items that will not be reclassified to profit or loss</i>			
Changes in fair value of equity instruments at fair value through other comprehensive income (net of tax)	<b>(29)</b>	437	489
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences	<b>(300)</b>	(3,502)	(3,564)
<b>Other comprehensive (loss)/income (net of tax)</b>	<b>(329)</b>	(3,065)	(3,075)
<b>Total comprehensive income/(loss) for the period</b>	<b>1,891</b>	(3,235)	(344)
<b>Attributable to:</b>			
Owners of the parent	<b>1,684</b>	(3,139)	(438)
Non-controlling interests	<b>207</b>	(96)	94
<b>Total comprehensive income/(loss) for the period</b>	<b>1,891</b>	(3,235)	(344)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	<b>Notes</b>	<b>Unaudited as at 30 June 2024 £'000</b>	<b>Unaudited as at 30 June 2023 £'000</b>	<b>Audited as at 31 December 2023 £'000</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	<b>7</b>	<b>23,696</b>	21,576	23,744
Right-of-use assets	<b>7</b>	<b>1,212</b>	507	1,031
Intangible assets	<b>8</b>	<b>29,466</b>	31,163	30,224
Investments		<b>226</b>	1,556	276
Deferred tax assets		<b>17</b>	878	18
<b>Total non-current assets</b>		<b>54,617</b>	55,680	55,293
<b>Current Assets</b>				
Inventories		<b>8,157</b>	9,414	8,766
Trade and other receivables		<b>6,600</b>	7,979	6,787

Corporation tax receivable		13	2,277
	<b>133</b>		
Cash and cash equivalents *		9,165	7,726
	<b>9,820</b>		
<b>Total current assets</b>	<b>24,710</b>	26,571	25,556
<b>Total assets</b>	<b>79,327</b>	82,251	80,849
<b>Equity attributable to owners of the parent</b>			
Share capital	<b>4,537</b>	4,537	4,537
Share premium	<b>7,375</b>	7,375	7,375
Other equity - Ordinary shares held in treasury	<b>12</b>	-	12
Other reserve	<b>51</b>	(182)	80
Foreign currency reserves	<b>6,003</b>	6,129	6,356
Retained earnings	<b>50,823</b>	46,326	48,757
	<b>68,801</b>	64,185	67,117
<b>Non-controlling interest</b>	<b>1,134</b>	1,081	1,100
<b>Total equity</b>	<b>69,935</b>	65,266	68,217
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	<b>1,009</b>	223	618
Deferred tax liability	<b>3,006</b>	2,140	2,517
<b>Total non-current liabilities</b>	<b>4,015</b>	2,363	3,135
<b>Current liabilities</b>			
Trade and other payables	<b>4,844</b>	11,702	5,512
Lease liabilities	<b>237</b>	400	495
Current income tax liabilities	<b>296</b>	2,476	504
Borrowings	-	44	2,986
<b>Total current liabilities</b>	<b>5,377</b>	14,622	9,497
<b>Total liabilities</b>	<b>9,392</b>	16,985	12,632
<b>Total equity and liabilities</b>	<b>79,327</b>	82,251	80,849

\*including restricted cash of £2,229 (June 2023: £2,366 & Dec 2023: £1,706)

#### FOR THE 6 MONTHS ENDED 30 JUNE 2024

	Unaudited 6 months ended 30 June 2024 £'000	Unaudited 6 months ended 30 June 2023 £'000	Audited Year to 31 December 2023 £'000
<b>Cash flow from operating activities</b>			
Profit/(Loss) before income tax	<b>3,057</b>	(26)	2,131
Adjustments for			
- Depreciation	<b>1,733</b>	1,590	3,276
- Amortisation and impairment charges	<b>649</b>	1,684	2,196
- Exceptional items - other, charged to cost of sales	<b>58</b>	196	577
- Exceptional items - impairment	-	671	961
- Exceptional items - other	<b>(29)</b>	342	1,295
- Loss on disposal of assets	<b>67</b>	5	-
- Share-based payments	-	-	(2)
- Cash outflows relating to exceptional items	<b>(18)</b>	(157)	(721)
- Foreign Exchange	<b>(104)</b>	-	(5)
- Bad debt written (back)/down	<b>(28)</b>	174	214
- Finance income	<b>(98)</b>	(59)	(125)
- Finance costs	<b>111</b>	18	75
Changes in working capital			
- Inventories	<b>922</b>	(445)	(745)
- Trade and other receivables	<b>343</b>	1,708	2,495
- Trade and other payables	<b>(715)</b>	(2,862)	(2,799)
<b>Cash generated from operations</b>	<b>5,948</b>	2,839	8,823
Interest received	<b>98</b>	59	125
Interest paid	<b>(89)</b>	(3)	(47)
Income tax received/(paid)	<b>1,908</b>	(389)	(2,590)
<b>Net cash generated from operating activities</b>	<b>7,865</b>	2,506	6,311
<b>Cash flow from investing activities</b>			
Payment for property, plant and equipment (PPE)	<b>(1,495)</b>	(3,345)	(6,598)
Payment for intangibles	<b>(263)</b>	(138)	(377)
Proceeds from sale of PPE	-	59	1,333
<b>Net cash used in investing activities</b>	<b>(1,758)</b>	(3,424)	(5,642)
<b>Cash flow from financing activities</b>			
Dividend paid to company shareholders	-	-	(5,445)

Repayments of borrowings	(3,000)	(93)	(137)
Proceeds from new borrowings	-	-	3,000
Fees for borrowing	-	-	(14)
Principal elements of lease payments	(897)	(507)	(879)
Dividends payment to non-controlling interests	(173)	-	(171)
<b>Net cash used in financing activities</b>	<b>(4,070)</b>	<b>(600)</b>	<b>(3,646)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,037</b>	<b>(1,518)</b>	<b>(2,977)</b>
Cash and cash equivalents at beginning of period	7,726	11,578	11,578
Exchange gains on cash and cash equivalents	57	(895)	(875)
<b>Cash and cash equivalents at end of period</b>	<b>9,820</b>	<b>9,165</b>	<b>7,726</b>

At 30 June 2024 cash and cash equivalents totalling £2.2m (31 Dec 2023: £1.7m) are held by the Group's 60% owned Russian subsidiary. As a result of action by the Russian Government following international sanctions being imposed on Russia, access to this cash is currently restricted.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE 6 MONTHS ENDED 30 JUNE 2024**

	Share Capital	Share Premium	Other Equity	Other Reserve	Foreign Currency Reserve	Retained earnings	Total	Non-controlling interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 1 January 2023</b>	<b>4,549</b>	<b>7,375</b>	<b>-</b>	<b>(629)</b>	<b>9,590</b>	<b>52,461</b>	<b>73,346</b>	<b>1,177</b>	<b>74,523</b>
<b>Comprehensive income/(expense)</b>									
Profit for the period	-	-	-	-	-	(358)	(358)	188	(170)
<b>Other comprehensive income/(expense)</b>									
Changes in fair value of equity instruments at fair value through other comprehensive income/(expense)	-	-	-	437	-	-	437	-	437
Currency translation differences	-	-	-	(2)	(3,461)	12	(3,451)	(284)	(3,735)
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>435</b>	<b>(3,461)</b>	<b>(346)</b>	<b>(3,372)</b>	<b>(96)</b>	<b>(3,468)</b>
<b>Transactions with owners</b>									
Acquisition of own shares	(12)	-	12	-	-	(344)	(344)	-	(344)
Dividends to owners	-	-	-	-	-	(5,445)	(5,445)	-	(5,445)
Dividends to non-controlling interest	-	-	-	-	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>(12)</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>(5,789)</b>	<b>(5,789)</b>	<b>-</b>	<b>(5,789)</b>
<b>At 30 June 2023 (unaudited)</b>	<b>4,537</b>	<b>7,375</b>	<b>12</b>	<b>(194)</b>	<b>6,129</b>	<b>46,326</b>	<b>64,185</b>	<b>1,081</b>	<b>65,266</b>
<b>Comprehensive income/(expense)</b>									
Profit for the period	-	-	-	-	-	2,710	2,710	191	2,901
<b>Other comprehensive income/(expense)</b>									
Changes in fair value of equity instruments at fair value through other comprehensive income/(expense)	-	-	-	52	-	-	52	-	52
Reserves transfer	-	-	-	262	-	(262)	-	-	-
Currency translation differences	-	-	-	1	227	(56)	172	(1)	171
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>315</b>	<b>227</b>	<b>2,392</b>	<b>2,934</b>	<b>190</b>	<b>3,124</b>
<b>Transactions with owners</b>									
Acquisition of own shares	-	-	-	-	-	-	-	-	-
Share based payment reserve	-	-	-	-	-	(2)	(2)	-	(2)
Dividends to non-controlling interest	-	-	-	-	-	-	-	(171)	(171)
Reserve transfer	-	-	-	(41)	-	41	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(41)</b>	<b>-</b>	<b>39</b>	<b>(2)</b>	<b>(171)</b>	<b>(173)</b>
<b>At 31 December 2023</b>	<b>4,537</b>	<b>7,375</b>	<b>12</b>	<b>80</b>	<b>6,356</b>	<b>48,757</b>	<b>67,117</b>	<b>1,100</b>	<b>68,217</b>
<b>Comprehensive income</b>									
Profit for the period	-	-	-	-	-	2,066	2,066	154	2,220
<b>Other comprehensive income/(expense)</b>									
Changes in fair value of equity instruments at fair value through other comprehensive income/(expense)	-	-	-	(29)	-	-	(29)	-	(29)
Currency translation differences	-	-	-	-	(353)	-	(353)	53	(300)
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(29)</b>	<b>(353)</b>	<b>2,066</b>	<b>1,684</b>	<b>207</b>	<b>1,891</b>
<b>Transactions with owners</b>									
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	(173)	(173)
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(173)</b>	<b>(173)</b>
<b>At 30 June 2024 (unaudited)</b>	<b>4,537</b>	<b>7,375</b>	<b>12</b>	<b>51</b>	<b>6,003</b>	<b>50,823</b>	<b>68,801</b>	<b>1,134</b>	<b>69,935</b>

## **NOTES FORMING PART OF THE INTERIM FINANCIAL STATEMENTS**

### **1. General information and basis of presentation**

EKF Diagnostics Holdings Plc is a company incorporated and domiciled in the United Kingdom. The Company is a public limited company, which is listed on the Alternative Investment Market of the London Stock Exchange. The address of the registered office is Avon House, 19 Stanwell Road, Penarth, Cardiff CF64 2EZ.

The principal activity of the Group is the development, manufacture, and supply of products and services into the in-vitro diagnostic (IVD) market place. The Group has presence in the UK, USA, Germany, and Russia, and sells throughout the world including Europe, the Middle East, the Americas, Asia, and Africa.

The financial statements are presented in British Pounds Sterling, the currency of the primary economic environment in which the Company's headquarters is operated. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial liabilities at fair value through profit and loss and certain financial assets measured at fair value through other comprehensive income.

The financial information in these interim results is that of the holding company and all of its subsidiaries as at 30 June 2024. It has been prepared in accordance with UK-adopted International Accounting Standards and the Companies Act 2006 as applicable to companies reporting under those standards. The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the year ended 31 December 2023 and which will form the basis of the 2024 financial statements except for a number of new and amended standards which have become effective since the beginning of the previous financial year. These new and amended standards are not expected to materially affect the Group. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. There has been no material change either in relation to the critical accounting estimates used or the judgement required.

Certain statements in this announcement constitute forward-looking statements.



Any statement in this announcement that is not a statement of historical fact including, without limitation, those regarding the Company's future expectations, operations, financial performance, financial condition and business is a forward-looking statement. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, amongst other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this announcement and the Company undertakes no obligation to update its view of such risks and uncertainties or to update the forward-looking statements contained herein. Nothing in this announcement should be construed as a profit forecast.

The financial information presented herein does not constitute full statutory accounts under Section 434 of the Companies Act 2006 and was not subject to a formal review by the auditors. The financial information in respect of the year ended 31 December 2023 has been extracted from the statutory accounts which have been delivered to the Registrar of Companies. The Group's Independent Auditor's report on those accounts was unqualified, did not include references to any matters to which the auditor drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006. The financial information for the half years ended 30 June 2024 and 30 June 2023 is unaudited and the twelve months to 31 December 2023 is audited.

## **2. Significant accounting policies**

### **Going concern**

The Directors have considered the applicability of the going concern basis in the preparation of these financial statements. This included the review of internal budgets and financial results which show, taking into account reasonably plausible changes in financial performance, that the Group will be able to operate within the level of its current funding arrangements.

The Group has revenues from customers in Russia which are serviced by our entity based in Moscow. As a result of the continuing sanctions imposed on Russia by the EU, the USA and other countries, there are enhanced risks in respect of our Russian entity, including regulatory restrictions and credit risk to cash balances, its ability to collect debtors, and EKF's ability to import products into Russia. In addition, while we have been able to make some dividend payments out of Russia, action by the Russian Government continues to

restrict the Russian entity's ability to pay dividends to its shareholders. In preparing a downside going concern forecast we have discounted future sales and cash from this region entirely.

The strength of the Group's balance sheet aligned to the continuing performance of the business gives the Directors confidence that the business can continue to meet its obligations as they fall due, even under our worst-case scenarios, for at least the next 12 months. The Group has unutilised facilities of £3m from HSBC UK and a further £3m from the North Atlantic Smaller Companies Investment Trust, both of which are available until 2026, which can be drawn down if necessary. Accordingly, the Directors are satisfied they can prepare the accounts on a going concern basis.

### **3. Segmental reporting**

Management has determined the Group's operating segments based on the monthly management reports presented to the Chief Operating Decision Maker ('CODM'). The CODM is the Executive Directors and the monthly management reports are used by the Group to make strategic decisions and allocate resources.

The principal activity of the Group is the design, development, manufacture and sale of diagnostic instruments, reagents and certain ancillary products, as well as central laboratory reagents, primarily into the in-vitro diagnostic (IVD) market. This activity takes place across various countries, such as the USA, Germany, Russia, and the UK, and as such the Board considers the business primarily from a geographic perspective. Although not all the segments meet the quantitative thresholds required by IFRS 8, management has concluded that all segments should be maintained and reported. In addition, the CODM considers the segmental revenue performance of business segments.

The reportable segments derive their revenue primarily from the manufacture and sale of medical diagnostic equipment and reagents. Other services include the servicing and distribution of third party company products under separate distribution agreements. Transactions between segments consist of the sale of products for resale. The basis of accounting for these transactions is the same as for external revenue.

Currently the key operating performance measures used by the CODM are Revenue and adjusted EBITDA (earnings before interest, tax, depreciation and amortisation, adjusted for exceptional items and share-based payments).

The segment information provided to the Board for the reportable geographic

segments is as follows:

### Period ended 30 June 2024 unaudited

	Germany £'000	USA £'000	Russia £'000	UK £'000	Total £'000
<b>Income statement</b>					
Revenue	12,012	13,658	1,638	-	27,308
Inter-segment	(2,096)	-	-	-	(2,096)
<b>External revenue</b>	<b>9,916</b>	<b>13,658</b>	<b>1,638</b>	<b>-</b>	<b>25,212</b>
<b>Adjusted EBITDA*</b>	<b>2,415</b>	<b>4,656</b>	<b>417</b>	<b>(2,065)</b>	<b>5,423</b>
Exceptional items	46	13	-	(30)	29
<b>EBITDA</b>	<b>2,461</b>	<b>4,669</b>	<b>417</b>	<b>(2,095)</b>	<b>5,452</b>
Depreciation	(430)	(1,234)	(28)	(41)	(1,733)
Amortisation	(468)	(134)	-	(47)	(649)
<b>Operating profit/(loss)</b>	<b>1,563</b>	<b>3,301</b>	<b>389</b>	<b>(2,183)</b>	<b>3,070</b>
Net finance costs					(13)
Income tax					(837)
<b>Profit for the period</b>					<b>2,220</b>
<b>Segment assets</b>					
Operating assets	31,160	78,430	812	(25,466)	84,936
Inter-segment assets	233	(23,250)	-	7,588	(15,429)
External operating assets	31,393	55,180	812	(17,878)	69,507
Cash and cash equivalents	1,995	5,342	2,229	254	9,820
<b>Total assets</b>	<b>33,388</b>	<b>60,522</b>	<b>3,041</b>	<b>(17,624)</b>	<b>79,327</b>
<b>Segment liabilities</b>					
Operating liabilities	(6,905)	22,675	282	8,769	24,821
Inter-segment liabilities	10,639	(18,819)	-	(7,249)	(15,429)
<b>Total liabilities</b>	<b>3,734</b>	<b>3,856</b>	<b>282</b>	<b>1,520</b>	<b>9,392</b>
<b>Other segmental information</b>					
Non-current assets - PPE	6,242	16,131	137	1,186	23,696
Non-current assets - Right-of-use assets	222	734	5	251	1,212
Non-current assets - Intangibles	17,513	7,828	72	4,053	29,466
Intangible assets - additions	258	5	-	-	263
PPE - additions	266	1,229	1	3	1,499
Right-of-use assets - additions	156	73	23	265	517

### Year ended December 2023 audited

	Germany £'000	USA £'000	Russia £'000	UK £'000	Total £'000
<b>Income statement</b>					
Revenue	27,122	26,133	3,568	816	57,639
Inter-segment	(5,027)	-	-	(1)	(5,028)
<b>External revenue</b>	<b>22,095</b>	<b>26,133</b>	<b>3,568</b>	<b>815</b>	<b>52,611</b>
<b>Adjusted EBITDA*</b>	<b>6,459</b>	<b>6,851</b>	<b>1,092</b>	<b>(4,018)</b>	<b>10,384</b>
Exceptional items - impairments	(677)	(120)	-	(164)	(961)
Exceptional items - other	(86)	(1,186)	-	(23)	(1,295)
Exceptional items - other to cost of sales	205	(775)	-	(7)	(577)
Share-based payments	-	-	-	2	2
<b>EBITDA</b>	<b>5,901</b>	<b>4,770</b>	<b>1,092</b>	<b>(4,210)</b>	<b>7,553</b>

Depreciation	(907)	(2,065)	(37)	(267)	(3,276)
Amortisation	(1,182)	(929)	-	(85)	(2,196)
<b>Operating profit/(loss)</b>	<b>3,812</b>	<b>1,776</b>	<b>1,055</b>	<b>(4,562)</b>	<b>2,081</b>
Finance income					125
Finance cost					(75)
Income tax					600
<b>Profit for the year</b>					<b>2,731</b>
<b>Segment assets</b>					
Operating assets	42,131	53,717	1,271	9,304	106,423
Inter-segment assets	(10,818)	(20,493)	(210)	(1,779)	(33,300)
External operating assets	31,313	33,224	1,061	7,525	73,123
Cash and cash equivalents	1,269	3,955	1,706	796	7,726
<b>Total assets</b>	<b>32,582</b>	<b>37,179</b>	<b>2,767</b>	<b>8,321</b>	<b>80,849</b>
<b>Segment liabilities</b>					
Operating liabilities	4,959	23,125	160	14,701	42,945
Inter-segment liabilities	(770)	(19,184)	-	(13,346)	(33,300)
External operating liabilities	4,189	3,941	160	1,355	9,645
Borrowings (excluding lease liabilities)	-	-	-	2,986	2,986
<b>Total liabilities</b>	<b>4,189</b>	<b>3,941</b>	<b>160</b>	<b>4,341</b>	<b>12,631</b>
<b>Other segmental information</b>					
Non-current assets - PPE	6,176	15,834	138	1,596	23,744
Non-current assets - Right-of-use assets	148	884	-	(1)	1,031
Non-current assets - Intangibles	18,117	7,650	68	4,389	30,224
PPE - additions	1,240	5,495	56	8	6,799
Intangible assets - additions	314	63	-	-	377
Right-of-use assets - additions	67	544	-	-	611

## Period ended 30 June 2023 unaudited

	Germany	USA	Russia	UK	Total
	£'000	£'000	£'000	£'000	£'000
<b>Income statement</b>					
Revenue	13,419	13,376	1,690	792	29,277
Inter-segment	(2,405)	-	-	-	(2,405)
<b>External revenue</b>	<b>11,014</b>	<b>13,376</b>	<b>1,690</b>	<b>792</b>	<b>26,872</b>
<b>Adjusted EBITDA*</b>	<b>2,765</b>	<b>3,059</b>	<b>546</b>	<b>(1,954)</b>	<b>4,416</b>
Share-based payment	-	-	-	-	-
Exceptional items	37	(719)	-	(527)	(1,209)
<b>EBITDA</b>	<b>2,802</b>	<b>2,340</b>	<b>546</b>	<b>(2,481)</b>	<b>3,207</b>
Depreciation	(418)	(967)	(25)	(180)	(1,590)
Amortisation	(880)	(125)	-	(679)	(1,684)
<b>Operating profit/(loss)</b>	<b>1,504</b>	<b>1,248</b>	<b>521</b>	<b>(3,340)</b>	<b>(67)</b>
Net finance costs					41
Income tax					(144)
<b>Loss for the period</b>					<b>(170)</b>
<b>Segment assets</b>					
Operating assets	32,860	74,876	578	(21,265)	87,049
Inter-segment assets	254	(18,662)	-	4,445	(13,963)
External operating assets	33,114	56,214	578	(16,820)	73,086
Cash and cash equivalents	2,592	4,100	2,388	85	9,165
<b>Total assets</b>	<b>35,706</b>	<b>60,314</b>	<b>2,966</b>	<b>(16,735)</b>	<b>82,251</b>
<b>Segment liabilities</b>					
Operating liabilities	(3,824)	21,217	324	13,187	30,904

Inter-segment liabilities	9,494	(17,775)	-	(5,682)	(13,963)
External operating liabilities	5,670	3,442	324	7,505	16,941
Borrowings	44	-	-	-	44
<b>Total liabilities</b>	<b>5,714</b>	<b>3,442</b>	<b>324</b>	<b>7,505</b>	<b>16,985</b>
<b>Other segmental information</b>					
Non-current assets - PPE	6,043	14,143	95	1,295	21,576
Non-current assets - Right-of-use assets	197	288	2	20	507
Non-current assets - Intangibles	18,554	8,292	68	4,249	31,163
Intangible assets - additions	112	26	-	-	138
PPE - additions	428	2,910	-	7	3,345
Right-of-use assets - additions	52	-	-	-	52

- \* Adjusted EBITDA represents earnings before interest, tax, depreciation and amortisation adjusted for exceptional items and share-based payments

### Russian operations

In the context of an increased level of uncertainty, the Group has exercised critical judgements in applying its accounting policies in whether the Group should continue to consolidate its Russian business. The Group has applied judgement in regards to whether the Group continues to control its Russian subsidiary due to the restrictions imposed by the Russian government or any other authority. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Russian government introduced various sanctions, including restrictions on the payment of dividends to "unfriendly states" that require consent from the Ministry of Finance of Russia. Since the Group continued to direct the operations and the Russian regulations currently do not prohibit the declaration and payment of dividends, the Group has taken the view that it has retained control through the six months ended 30 June 2024. Were the Group to conclude that it no longer retains control, the Russian operations would be treated as if they had been disposed of, with the associated assets and liabilities derecognised.

In July 2023, the Group sought and gained permission for its Russian entity to commence limited dividend payments, totalling around €140,000 per quarter, paid in two tranches per quarter each of around €70,000. Four such payments were received during H1 2024. There is no certainty how long these payments will be able to continue.

### Disclosure of Group revenues by geographic location

	<b>Unaudited 6 months ended 30 June 2024</b>	<b>Unaudited 6 months ended 30 June 2023</b>	<b>Audited Year ended 31 December 2023</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Americas</b>			
United States of America	11,215	10,832	21,187
Rest of Americas	1,421	1,689	3,791
<b>Europe, Middles East and Africa (EMEA)</b>			
Germany	3,689	4,248	8,231
United Kingdom	402	374	767
Ireland	142	1,006	1,277
Rest of Europe	2,084	2,207	4,094
Russia	1,638	1,690	3,568
Middle East	449	859	1,656

Africa	1,436	1,340	2,805
<b>Asia and Rest of World</b>			
China	625	640	1,246
Rest of Asia and Oceania	2,111	1,987	3,989
<b>Total Revenue</b>	<b>25,212</b>	<b>26,872</b>	<b>52,611</b>

#### 4. Exceptional items

Included within administration expenses and cost of sales are exceptional items as shown below:

		<b>Unaudited 6 months ended 30 June 2024</b>	<b>Unaudited 6 months ended 30 June 2023</b>	<b>Audited year ended 31 December 2023</b>
	Note	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Exceptional items include:</b>				
- Business reorganisation costs - other credited/(charged) to cost of sales	a	<b>58</b>	(196)	(577)
- Business reorganisation costs - Impairment	b	-	(671)	(961)
- Business reorganisation costs - other charged to operating expenses	c	<b>(29)</b>	(342)	(1,295)
<b>Exceptional items</b>		<b>29</b>	(1,209)	(2,833)

- Costs associated with the transition and restructure of certain operations in the US, UK and Germany, which have been charged to cost of sales. The costs include provisions against certain COVID-19 related and other inventory and provisions for certain onerous contracts following the decision to focus on its other businesses. In 2024 some of these provisions have been released.
- Impairments associated with the transition and restructure of certain operations in the US, UK and Germany, which have been charged to operating expenses.
- Costs associated with the transition and restructure of certain operations in the US, UK and Germany, which have been charged to operating expenses.

#### 5. Income tax

	<b>Unaudited 6 months ended 30 June 2024</b>	<b>Unaudited 6 months ended 30 June 2023</b>	<b>Audited Year ended 31 December 2023</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current tax</b>			
Current tax on profit for the period	<b>350</b>	431	1,182
Adjustments for prior periods	<b>(9)</b>	(9)	(2,729)
<b>Total current tax</b>	<b>341</b>	422	(1,547)
<b>Deferred tax</b>			
Origination and reversal of temporary differences	<b>496</b>	(278)	947
<b>Total deferred tax</b>	<b>496</b>	(278)	947
Income tax charge	<b>837</b>	<b>144</b>	(600)

## 6. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

Diluted profit per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. The Company no longer has any dilutive potential ordinary shares. The Company is holding 1,200,000 ordinary shares in treasury. These shares have therefore been excluded from the earnings per share calculation.

	<b>Unaudited 6 months ended 30 June 2024 £'000</b>	<b>Unaudited 6 months ended 30 June 2023 £'000</b>	<b>Audited year ended 31 December 2023 £'000</b>
Profit/(loss) attributable to owners of the parent	<b>2,066</b>	(358)	2,352
Weighted average number of ordinary shares in issue	<b>453,730,564</b>	454,492,995	454,105,359
Assumed conversion of share awards	-	-	-
Weighted average number of ordinary shares - diluted	<b>453,730,564</b>	454,492,995	454,105,359
	<b>Pence</b>	Pence	Pence
Basic	<b>0.46</b>	(0.08)	0.52
Diluted	<b>0.46</b>	(0.08)	0.52

## 7. Property, plant and equipment

Group	<b>Land and buildings £'000</b>	<b>Fixtures and fittings £'000</b>	<b>Plant and machinery £'000</b>	<b>Motor vehicles £'000</b>	<b>Assets under construct-ion £'000</b>	<b>Right-of- use assets £'000</b>	<b>Total £'000</b>
<b>Cost</b>							
At 1 January 2023	<b>12,150</b>	<b>1,972</b>	<b>14,877</b>	<b>210</b>	<b>6,415</b>	<b>3,322</b>	<b>38,946</b>
Additions	1,033	23	1,432	-	857	52	3,397
Transfers	88	-	636	-	(724)	-	-
Disposal	-	(403)	(92)	-	(8)	(1,136)	(1,639)
Disposal of subsidiary	(5)	-	(1,584)	-	-	-	(1,589)
Exchange differences	(435)	(48)	(516)	(44)	(296)	(127)	(1,466)
<b>At 30 June 2023</b>	<b>12,831</b>	<b>1,544</b>	<b>14,753</b>	<b>166</b>	<b>6,244</b>	<b>2,111</b>	<b>37,649</b>
Additions	1,548	85	747	55	1,019	559	4,013
Transfers	107	(22)	5,933	-	(6,075)	-	(57)
Disposals	-	(180)	(224)	(13)	4	669	256
Exchange differences	27	10	58	-	(4)	(16)	75
<b>At 31 December 2023</b>	<b>14,513</b>	<b>1,437</b>	<b>21,267</b>	<b>208</b>	<b>1,188</b>	<b>3,323</b>	<b>41,936</b>
Additions	918	80	390	-	111	517	2,016
Transfers	73	-	940	-	(1,013)	-	-
Disposal	-	(1)	(20)	(10)	(45)	(1,053)	(1,129)
Exchange differences	(35)	(18)	(187)	10	(19)	4	(245)
<b>At 30 June 2024</b>	<b>15,469</b>	<b>1,498</b>	<b>22,390</b>	<b>208</b>	<b>222</b>	<b>2,791</b>	<b>42,578</b>

<b>Depreciation</b>							
At 1 January 2023	<b>3,344</b>	<b>1,371</b>	<b>10,397</b>	<b>77</b>	-	<b>2,043</b>	<b>17,232</b>
Exchange differences	(143)	(31)	(351)	(16)	-	(74)	(615)
Disposal	-	(378)	(89)	-	-	(1,112)	(1,579)
Disposal of subsidiary	(5)	-	(1,410)	-	-	-	(1,415)
Impairment	-	-	-	-	-	353	353
Transfers	18	-	(18)	-	-	-	-
Charge for the period	310	193	682	11	-	394	1,590
<b>At 30 June 2023</b>	<b>3,524</b>	<b>1,155</b>	<b>9,211</b>	<b>72</b>	-	<b>1,604</b>	<b>15,566</b>
Exchange differences	(2)	6	43	-	-	(1)	46
Disposal	-	(202)	(236)	(9)	-	645	198
Impairment	-	-	-	-	-	(278)	(278)
Transfers	(18)	-	(39)	-	-	-	(57)
Charge for the period	366	106	883	9	-	322	1,686
<b>At 31 December 2023</b>	<b>3,870</b>	<b>1,065</b>	<b>9,862</b>	<b>72</b>	-	<b>2,292</b>	<b>1</b>
Exchange differences	(5)	(15)	(145)	3	-	-	(162)
Disposal	-	(1)	(11)	(10)	-	(1,040)	(1,062)
Charge for the period	383	94	920	9	-	327	1,733
<b>At 30 June 2024</b>	<b>4,248</b>	<b>1,143</b>	<b>10,626</b>	<b>74</b>	-	<b>1,579</b>	<b>17,670</b>
Net book value							
<b>30 June 2024</b>	<b>11,221</b>	<b>355</b>	<b>11,764</b>	<b>134</b>	<b>222</b>	<b>1,212</b>	<b>24,908</b>
<b>31 December 2023</b>	10,643	372	11,405	136	1,188	1,031	24,775
<b>30 June 2023</b>	9,307	389	5,542	94	6,244	507	22,083

## 8. Intangible Fixed Assets

Group	Good-will £'000	Trademarks trade names & licences £'000	Customer relationships £'000	Trade secrets £'000	Develop- ment costs £'000	Softwar e £'000	To tal £'0 00
<b>Cost</b>	<b>29,376</b>	<b>4,632</b>	<b>17,273</b>	<b>14,050</b>	<b>6,166</b>	<b>3,731</b>	<b>75,228</b>
At 1 January 2023							<b>228</b>
Additions	-	15	-	-	118	5	138
Disposal	-	-	-	-	(427)	-	(427)
Disposal of subsidiary	(4,161)	(517)	(1,293)	-	-	(2,975)	(8,946)
Transfer	-	726	-	(520)	(206)	-	-
Exchange differences	(911)	(211)	(739)	(366)	(182)	(94)	(2,503)
<b>At 30 June 2023</b>	<b>24,304</b>	<b>4,645</b>	<b>15,241</b>	<b>13,164</b>	<b>5,469</b>	<b>667</b>	<b>63,490</b>
Additions	-	(7)	-	-	251	(5)	239
Disposal	-	-	-	-	(212)	-	(212)
Exchange differences	121	40	30	92	31	2	316
<b>At 31 December 2023</b>	<b>24,425</b>	<b>4,678</b>	<b>15,271</b>	<b>13,256</b>	<b>5,539</b>	<b>664</b>	<b>63,833</b>
Additions	-	6	-	-	257	-	263
Disposal	-	-	-	-	(1,816)	-	(1,816)
Transfer	-	-	-	-	-	-	-
Exchange differences	(280)	(58)	(45)	(229)	(83)	1	(694)
<b>At 30 June 2024</b>	<b>24,145</b>	<b>4,626</b>	<b>15,226</b>	<b>13,027</b>	<b>3,897</b>	<b>665</b>	<b>61,586</b>
<b>Amortisation</b>							
At 1 January 2023	<b>4,254</b>	<b>4,047</b>	<b>15,586</b>	<b>12,014</b>	<b>2,211</b>	<b>3,344</b>	<b>41,456</b>
Exchange differences	(93)	(154)	(668)	(323)	(129)	(78)	(1,445)



Disposal	-	-	-	-	(423)	-	(423)
Disposal of subsidiary	(4,161)	(517)	(1,293)	-	-	(2,975)	(8,946)
Charge for the period	-	208	620	191	584	81	1,684
<b>At 30 June 2023</b>	<b>-</b>	<b>3,584</b>	<b>14,245</b>	<b>11,882</b>	<b>2,243</b>	<b>372</b>	<b>32,606</b>
Exchange differences	0	(8)	26	80	47	(5)	140
Disposal	-	-	-	-	(256)	-	(256)
Impairment	-	-	-	-	887	-	887
Charge for the period	-	221	388	152	(297)	48	512
<b>At 31 December 2023</b>	<b>-</b>	<b>3,797</b>	<b>14,659</b>	<b>12,114</b>	<b>2,624</b>	<b>415</b>	<b>33,609</b>
Exchange differences	-	(39)	(44)	(202)	(38)	1	(322)
Disposal	-	-	-	-	(1,816)	-	(1,816)
Charge for the period	-	162	168	94	173	52	649
<b>At 30 June 2024</b>	<b>-</b>	<b>3,920</b>	<b>14,783</b>	<b>12,006</b>	<b>943</b>	<b>468</b>	<b>32,120</b>
Net book value							
<b>30 June 2024</b>	<b>24,145</b>	<b>706</b>	<b>443</b>	<b>1,021</b>	<b>2,954</b>	<b>197</b>	<b>29,466</b>
<b>31 December 2023</b>	24,425	881	612	1,142	2,915	249	30,224
<b>30 June 2023</b>	24,304	1,061	996	1,282	3,226	295	31,164

## 9. Dividends

In December 2023, the Company paid a final dividend of 1.2p per ordinary share. Based on the need for continued investment in our core areas the Board has decided that it would be prudent to discontinue dividend payments. The Board will however consider recommencing the payment of dividends if and when appropriate.

## 10. Availability of this announcement

This announcement and the Group's Interim Report for the six months ended 30 June 2024 are available from the Company's website, [www.ekfdiagnostics.com](http://www.ekfdiagnostics.com). If you would like to receive a hard copy of the Interim Report, please contact the EKF Diagnostics Holdings plc offices on +44 (0)29 2071 0570 to request a copy.

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