



2022 Interim Results

Investor Presentation

14 September 2022



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Presenting today

Ian Johnson, Executive Chairman

Ian has spent his business career in life science and was founder and CEO of Biotrace International PLC, which was a listed company until its sale to 3M in December 2006. In addition to his appointment with NIOX Group plc Ian was until recently Senior Independent Director of Clinigen plc. Previous appointments include Executive Chairman of Bioquell PLC, Non-executive Chairman of Redcentric PLC, Quantum Pharma PLC, Cyprotex PLC and Celsis Group Ltd and Non-executive Director of Ergomed PLC.

Michael Roller, CFO

Experienced public company and healthcare/ life science finance director. Previously at Bioquell plc and Corin Group plc.

Jonathan Emms, COO

Jonathan has worked in the healthcare and life sciences industry for 30 years. He started his career at GSK, initially in the respiratory business and then progressing to run the UK HIV business unit. Latterly he worked for Pfizer for 20 years in a variety of roles in the various medicines and device businesses in the Pfizer portfolio. His last role was Chief Commercial Officer of Pfizer's Internal Medicines business before that UK General Manager and prior to that European Marketing Head. During his time at Pfizer, Jonathan was involved in several successful business turnaround situations, 16 product launches and a number of successful transactions.

Agenda

◇ H1 Overview

Ian Johnson, Executive Chairman

◇ Financial Review

Michael Roller, CFO

◇ Business Review

Jonathan Emms, COO

◇ Summary & Outlook

Ian Johnson, Executive Chairman

H1 Overview

- ◇ Underlying double digit sales growth despite Covid continuing to impact China and Japan
- ◇ Profitability increased significantly due to reduction in overheads & higher margins
- ◇ FDA approval of Beyond Air's LungFit PH device received on 28 June 2022, initiating payments of \$10.5m plus further \$6m in royalties
- ◇ Company name changed to NIOX Group plc on 1 September 2022
- ◇ Application for a capital reduction scheme underway

Financial Review - Highlights

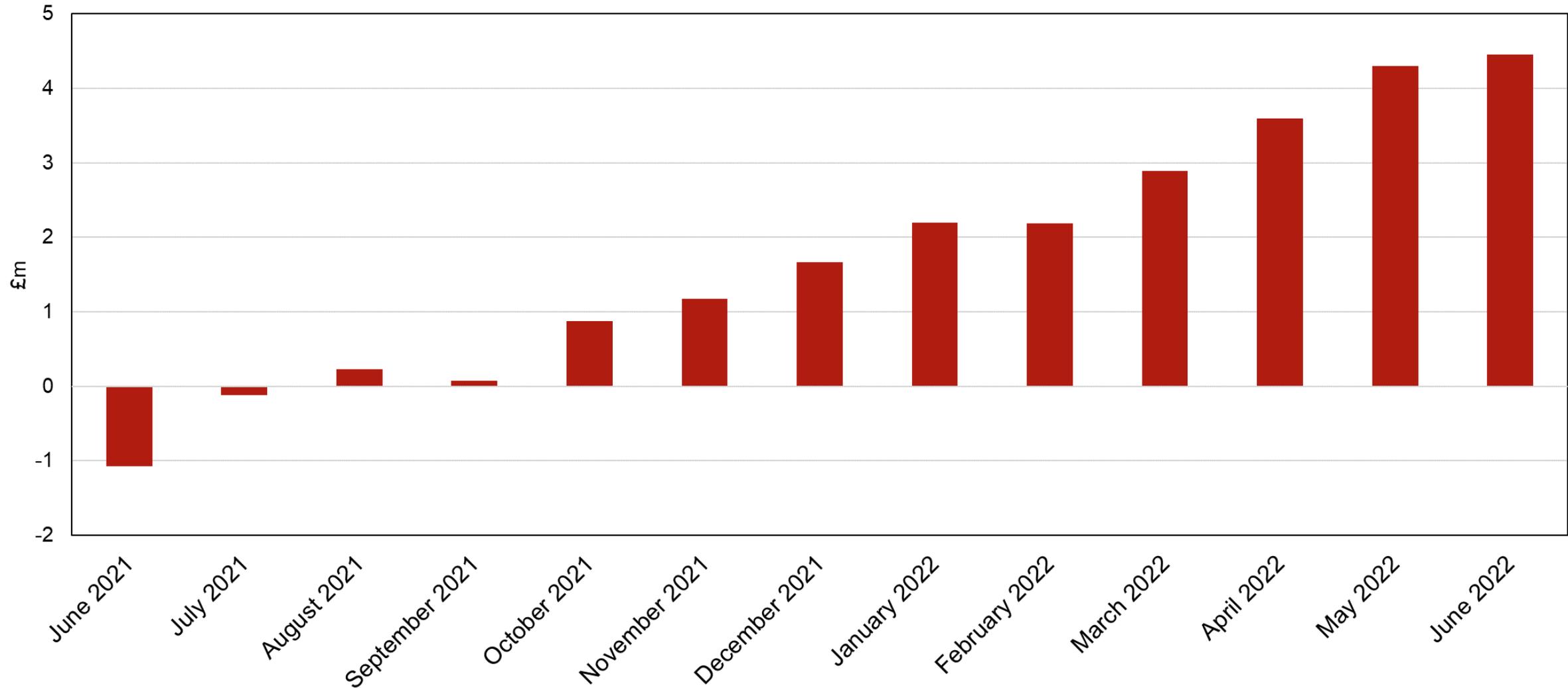
- ◇ H1 revenues of £15.5m (H1 2021: £14.6m)
- ◇ Gross margin 71% (H1 2021: 68%)
- ◇ Adjusted EBITDA of £3.2m (H1 2021 loss: £0.3m)
- ◇ Cash £13.8m at 30 June 2022 (31 December 2021: £12.6m), £17.6m at 31 August 2022
- ◇ First Beyond Air instalment of \$2.5m received in August

Financial Review – Summary Statement of Income

	2022 H1	2021 H1
	£m	£m
Revenue	15.5	14.6
Gross margin	71%	68%
Overheads	(12.3)	(14.9)
Adjusted EBITDA*	3.2	(0.3)
Operating profit / (loss)	0.6	(2.6)
Beyond Air settlement	8.1	-
Discontinued operations	0.3	1.1
Profit/ (loss) before tax	9.2	(0.9)

* Earnings before interest, tax, depreciation, amortisation, impairment and share option charge.

Financial Review – TTM Group Adjusted EBITDA*



* Earnings before interest, tax, depreciation, amortisation, impairment and share option charge.

Financial Review - Impact of Macro Factors

- ◇ No manufacturing – low energy usage / cost
- ◇ Key suppliers invoice in US\$ and € - devices from Japan, sensors from Germany
- ◇ High gross margin reduces impact of price increases from suppliers
- ◇ No component shortages that have affected ability to supply
- ◇ Able to increase prices in most (but not all) markets
- ◇ Benefit from a weak £, adversely impacted by a weak €

Financial Review – Cash Flow

	NIOX®	COPD (Discontinued)	Head office	Group
	£m	£m	£m	£m
Adjusted EBITDA	4.2	0.3	(1.0)	3.5
Net working capital movements*	(1.6)	(0.4)	-	(2.0)
Other non-cash movements	-	-	(0.3)	(0.3)
Cash generated /(used) in operations by business unit	2.6	(0.1)	(1.3)	1.2

* Excludes the impact of the Beyond Air consideration

Business Review

Highly focussed on strategic execution

◇ Distributor strategy:

- Good progress made in the continued build out of our networks in the U.S. and China
- Benefits to come

◇ Geographic markets:

- EMEA demonstrating strong growth, primarily driven by the UK and Spain
- APAC continues to experience lower FeNO testing rates, as a result of the zero Covid policy in China and the seventh Covid wave in Japan
- Americas growing modestly, will gather momentum over time as the full impact of the recently established distributor network begins to be felt

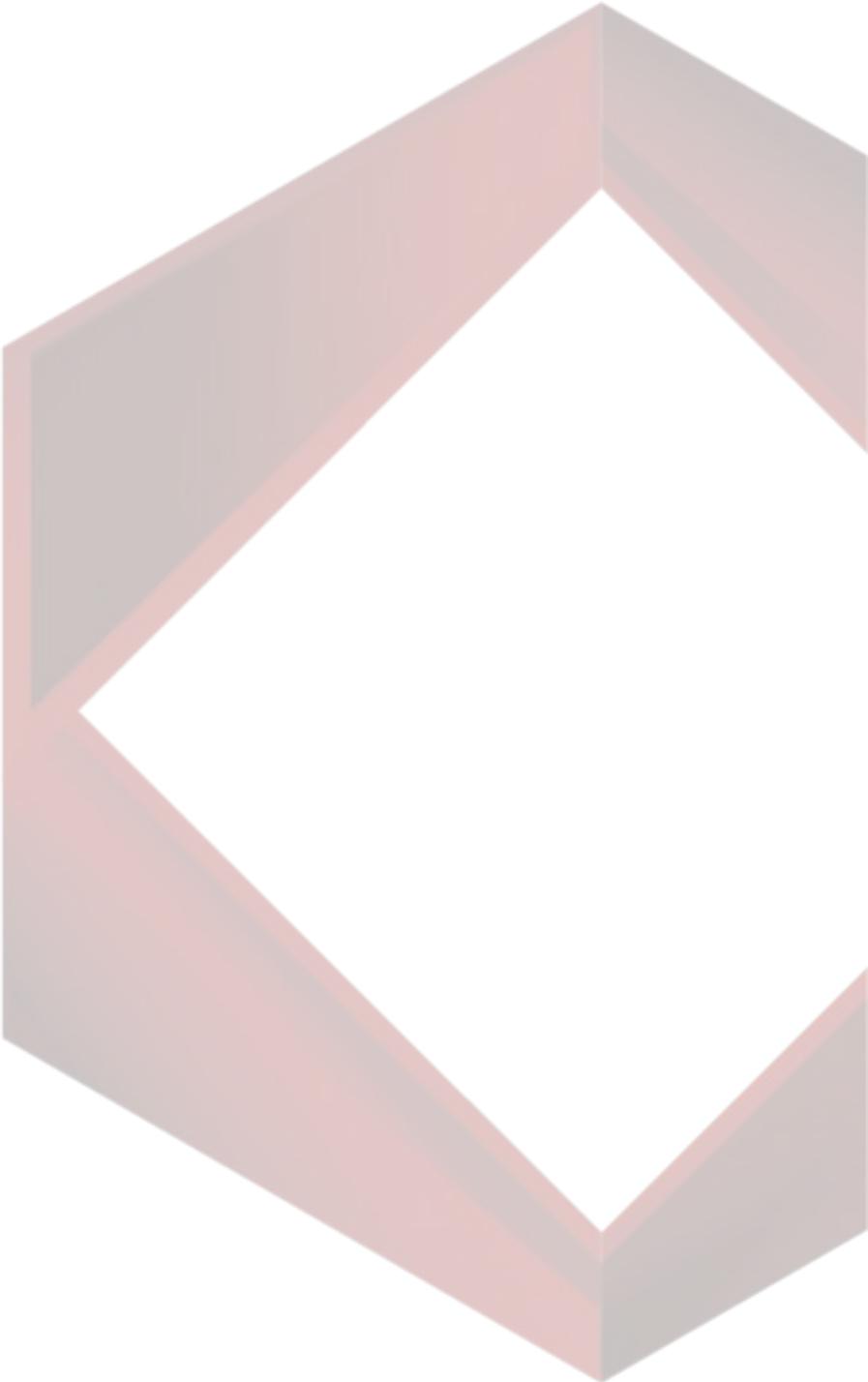
◇ Top line growth:

- H2 sales are up 25% for first two months compared with same period last year

Summary & Outlook

Strong business model delivering profitable growth

- ◇ Significant growth opportunity as patient access to FeNO testing improves
- ◇ High margins (~70%) and high recurring revenues (85%)
- ◇ Profitable business with EBITDA margins ~30% (excl. plc costs)
- ◇ Very scalable model via distributor-led sales strategy
- ◇ Capital light due to third party manufacture
- ◇ Strong financial position (debt free, sustainable cash generation) enables investment in growth initiatives



Appendix

Our Mission

*To improve asthma diagnosis & management
by greater patient access to FeNO testing*



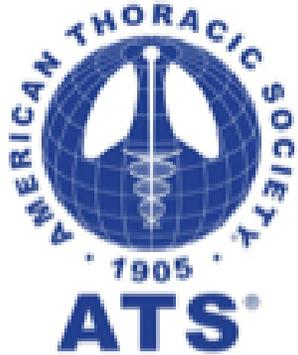
Asthma

- One of the **biggest healthcare problems** in the world
- There are over **340 million asthma sufferers** worldwide
- Asthma causes the **loss of 1,000 lives every day**, with the consequences felt worldwide
- More than 200 million patients are **at risk of an asthma attack** every year
- Over 60% of patients have **uncontrolled symptoms**
- Improving asthma control **saves significant medical costs** per patient annually

Why FeNO testing?

- Fraction of exhaled Nitric Oxide (FeNO) is a **precise biomarker** for asthma
- Asthma is **not diagnosed** or is **mis-diagnosed** in up to 50% of patients
- A FeNO test provides a **7x greater chance** of a correct diagnosis
- A measurement of FeNO is **quick, easy and non-invasive**
- Regular FeNO testing can **predict and help prevent** exacerbations by 50%

Strong scientific and health economic support for FeNo testing



Why NIOX®?



- The **market leader**, authorised in most major markets and available in over 50 countries
- Most **accurate and reproducible** FeNO device on the market
- **First choice** for **healthcare professionals (HCP)** with nearly **45 million tests** to date
- Thousands of NIOX® devices are **in daily use by HCP** and in clinical trials
- Portable and easy to use with **real-time results**

Improving patient access to FeNO testing

The global trend is to **shift healthcare out of clinical settings** and into the home - Covid accelerated this

The vast majority of asthmatics are treated in **Primary Care / pharmacy** settings today

Personal FeNO devices will lead to better management of asthma and a **reduction in healthcare costs**

