

25 November 2020

SourceBio International plc
("SourceBio", the "Company" or the "Group")

Update on key COVID-19 testing contracts, capacity
& Trading Update

SourceBio International plc (AIM: SBI), a leading international provider of integrated state-of-the-art laboratory services and products, provides the following update on its testing contracts, its capacity for COVID-19 antigen RT-PCR testing services and an update on trading for its current financial year, ending 31 December 2020.

Highlights

- *Renewal of testing services contract with Spire Healthcare Limited ("Spire")*
- *Over 330,000 COVID-19 tests provided under existing Department of Health and Social Care ("DHSC") contract*
- *Public Health England's ("PHE") National Microbiology Framework now expected to be awarded to successful applicants from February 2021*
- *SourceBio continues to build capacity for COVID-19 testing services to support expected further demand into 2021*
- *Application for National Microbiology Framework has been submitted on the basis of building testing volume capacity above management's earlier expectation of 10,500 tests per day*
- *Award of NHS England framework for cancer testing services*
- *The Group now expects to report revenue of approximately £50.0m (2019: £21.2m) and EBITDA of approximately £14.0m (2019: £3.0m) for the year ending 31 December 2020*

Since May 2020, SourceBio has provided COVID-19 testing services as part of its newly formed Infectious Disease Testing business unit. These services passed all of the auditing requirements of the NHS and the DHSC in April 2020.

Two key customers for the Company's COVID-19 testing services are the DHSC, under which SourceBio has been contracted to contribute to the critical national COVID-19 testing requirement, and the private healthcare group, Spire. The Spire contract was renewed in early November, as expected, and under the DHSC contract, which is set to expire on 12 December 2020, the Company has successfully processed over 330,000 COVID-19 PCR antigen tests. The DHSC contract is expected to be extended through Public Health England's ("PHE") National Microbiology Framework Lot 4 – Clinical Laboratory Diagnostic Testing Services ("Lot4"), however this framework is now not expected to be awarded until February 2021, although this may be subject to further change, having originally been expected to be awarded in November 2020. This delay is expected to impact testing volumes into Q1 2021 but the Board remains confident in its financial outlook for FY21 as a whole.

Following the Company's Admission to AIM in October 2020, funds have underpinned further scale-up plans for COVID-19 testing and as a result the Company has submitted an updated Lot 4 application based on Directors' assumption of increased testing capacity beyond their original target of 10,500 tests per day. The Directors believe that the Company is well placed to bid for this framework given its capability, track record and high level of accreditation.

In addition, the Company announces that it has been accepted into the Increasing Capacity Framework Agreement for cancer testing services to NHS England. This Framework is designed to reduce the significant backlog of elective surgeries impacting the NHS due to the COVID pandemic and is expected to support the continued growth of the Healthcare Diagnostics business unit in 2021.

Due to the considerable ramp-up in COVID-19 testing revenues delivered in the second half of the year SourceBio expects to report total revenue of approximately £50.0m (2019: £21.2m) and EBITDA of approximately £14.0m (2019:

£3.0m) for the year ending 31 December 2020, with the vast majority of this increase in expected earnings driven by the contribution of COVID-19 testing revenues.

Jay LeCoque, Executive Chairman, said: *“A key part of our investment case has always been our positioning to deliver against an unprecedented COVID-19 testing opportunity. The funds from our IPO are enabling us to further scale our COVID-19 testing services, to successfully deliver against expected increases in future testing. We believe we are in a very strong position for the Lot4 bid, and when awards are made in the New Year we have the potential to increase our testing volumes over the course of this framework.”*

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