



Advanced Medical Solutions Group plc

Annual General Meeting

June 7th 2017

Christopher Meredith
Chief Executive Officer

2016 Business Highlights

- Good sales progress across all Business Units
- Continued strong performance in the US with LiquiBand® tissue adhesive range:
 - **Revenues up 39% to £12.5 million**
 - **Market share increased to 23%**
- Successful launch of antimicrobial and atraumatic foam dressings into Europe
- Antimicrobial dressing revenues including both silver and PHMB up 9% to £17.5 million
- Sales of LiquiBand® Fix8™ increased 68% to £1.7 million and in use in 25 countries
- Successful launch of RESORBA® sutures into the US
- ActivHeal® business declined 5% to £6.0 million





All results are shown at constant currency

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Own brand products

Third-party products

<p>Branded Distributed</p> 	<p>Sales of AMS Group brands: LiquiBand® and RESORBA®, through our global network of distributors.</p> <ul style="list-style-type: none"> Global network of >100 distribution partners (incl. Russia) 	<p>Revenue £20.8m +30%</p>
<p>Branded Direct</p> 	<p>Direct sales of AMS Group brands: ActivHeal®, LiquiBand®, and RESORBA®.</p> <ul style="list-style-type: none"> Direct sales teams in Germany, U.K. and Czech Republic 	<p>Revenue £24.6m +3%</p>
<p>OEM</p> 	<p>Sales of finished products to our OEM partners.</p> <ul style="list-style-type: none"> Global advanced woundcare customer base 	<p>Revenue £32.1m +12%</p>
<p>Bulk Materials</p> 	<p>Sales of bulk materials to converters and healthcare companies.</p> <ul style="list-style-type: none"> Convertors, packers, advanced woundcare partners 	<p>Revenue £5.2m +21%</p>

Quality outcomes

Protecting patients

Value for payors

Long-term value for shareholders

Solid balance sheet

Branded Distributed 2016

Revenue up 30% to £20.8 million (2015: £14.6 million)

- **LiquiBand®**
 - US sales up 39% to £12.5 million
 - Market share up to 23% & targeting a minimum 30% share by 2019
 - EU and ROW sales up 28%
 - Sales up in Asia Pacific through distributors with on-the-ground personnel and 7 additional distributorships agreed
 - Hernia Mesh Fixation device – LiquiBand® Fix8™
 - Sales up 69% to £1.1 million
 - US regulatory PMA process initiated, expected to take 3 years with an investment of at least £3 million
- **RESORBA®**
 - Sales to all export markets (excl. Russia) up 12% to £3.9 million
 - Sales of dental products up 20% to £1.9 million with US launch of dental sutures in March 2016
 - Sales in Russia increased 28% to £1.0 million

Branded Direct: 2016

Revenue up 3% to £24.6 million (2015: £22.3 million)

- **LiquiBand®**
 - UK OR sales up 31% to £0.9 million
 - Germany and Czech Republic sales up 8% to £1.7 million
 - LiquiBand® Fix8™ up 69% to £0.6m
- **RESORBA®**
 - Germany and Czech Republic sales up 4% to £13.1 million
 - NHS sales up 18% to £0.2 million
- **ActivHeal®**
 - Sales down 5% to £6.0 million
 - Initiatives to increase sales include: refocused sales efforts, introduction of new products, refreshed marketing materials

OEM: 2016

Revenue up 12% to £32.1 million (2015: £27.7 million)

- **Successful launch of new foam dressing range**
 - Antimicrobial foam range (PHMB) and atraumatic foam range (silicone) both launched in Europe
 - PHMB US approval process underway with expected launch in 2017
- **Silver alginate business**
 - Sales flat at £16.2 million - impacted by slowdown of activity in the Middle East in H2 2016
 - Excluding this partner's sales, the rest of the silver alginate business would have grown 5%
- **Continued growth across all products**
 - Combined sales of antimicrobial ranges up 9% to £17.5 million
 - Foam-based dressing sales up 191% to £5.3 million
 - Sales of other woundcare products up 5% to £10.5 million

2016 Financial Highlights

	2016	2015	Reported growth	Constant growth
Group revenue (£m)	82.6	68.6	20%	13%
Adjusted operating margin (%)	23.9	25.4	(150bps)	
Adjusted profit before tax (£m)	19.7	17.4	13%	
Profit before tax (£m)	19.1	17.0	12%	
Adjusted diluted earnings per share (p)	7.66	6.86	12%	
Diluted earnings per share (p)	7.38	6.68	10%	
Net operating cash flow pre exceptional items (£m)	22.3	22.5	(1%)	
Net cash (£m)	51.1	34.2	49%	

Proposed final dividend of 0.62p, making a total dividend for the year of 0.92p (2015: 0.80p), up 15%

Adjusted operating profit and margin is shown before amortisation of acquired intangibles and before exceptional items

Summary & Outlook

- 13% revenue growth with good profitability and cash generation
- All Business Units have delivered a strong performance
- Very strong US Liquiband performance with 23% market share and targeting to reach 30% in next 3 years
- Continued success of LiquiBand Fix8™ with approval process for new indications and markets underway
- Successful launches of new antimicrobial and atraumatic foam dressings
- Continued investment in research and development to deliver innovation benefitting payors and patients
- Well placed to deliver growth and optimistic about future prospects