



**30 JUNE 2023**

**TRISTEL PLC PRELIMINARY RESULTS  
INVESTOR PRESENTATION**

**Paul Swinney, CEO**

**Liz Dixon, CFO**

**Heidi Allard, CFC**

**16-19 October 2023**

# Our Company

- Global infection prevention
- Focus on healthcare
- Unique proposition: chlorine dioxide

**Tristel**<sup>™</sup>



Achieving decontamination of medical instruments by hand

The image shows two Tristel product containers: a large white bottle labeled 'WIPES' and a smaller white bottle labeled 'FOAM'. To the right, a hand in a purple glove is shown applying foam from the 'FOAM' bottle onto a medical instrument. A smartphone on a stand is also visible next to the products.

**cache**<sup>™</sup>



Eliminating plastic wipes by separating the disinfectant from the wipe

The image shows a hand in a purple glove pouring a yellow liquid from a clear plastic bottle onto a white wipe. To the right, a hand in a purple glove is holding a clear plastic container labeled 'TANK' which contains a blue liquid and a wipe.

Simple, focussed, global opportunity

# Multiple Applications

**Tristel™**

Department	Medical Device	Revenue
Obs & gynae	Trans-vaginal u/sound probes	£11.7m
Radiology	Trans-rectal u/sound probes	
Hospital wide	Skin-surface u/sound probes	
Cardiology	Echo cardio probes	£7.4m
ENT	Nasendoscopes	£6.8m
A&E & theatres	Intubation laryngoscopes	£1.5m
Ophthalmology	Tonometers	£1.2m
Urology	Cystoscopes	£0.6m
Other	Various	£1.6m

**Status:** “Global market leader in manual high-level disinfection of medical devices”

**cache™**

Surface	Revenue
Mattresses	£3.3m
IV Poles	
Trolleys	
Commodes	
Floors	
Walls	
High touch points	

**Ambition:** “Global market leader in emerging niche - sporicidal surface disinfectants”

# Financial Highlights

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- 16% growth in turnover to £36.0m (2022: £31.1m)
- 22% growth from continuing products to £36m (2022: £29.6m)
- Overseas sales up 17% to £23.5m (2022: £20.1m) = 65% of total sales (2022: 65%)
- Gross margin 81% (2022: 80%)
- Adjusted EBITDA\* margin of 25% (2022: 24%)
- Adjusted pre-tax profit\* of £6.2m (2022: £4.5m) slightly above consensus forecasts
- Reported pre-tax profit of £5.1m (2022: £1.6m)
- Adjusted EPS\* of 10.67p up 39% (2022: 7.68p). Reported EPS of 9.44p (2022: 2.09p)
- Dividend per share for the full year up 10% to 10.50p (2022: 9.55p)
- Net cash & deposits of £9.5m (2022: £8.9m) - strong operating cashflow of £8.5m (2022: £5.6m)

*\* before share-based payments and 2022 impairment of intangibles*

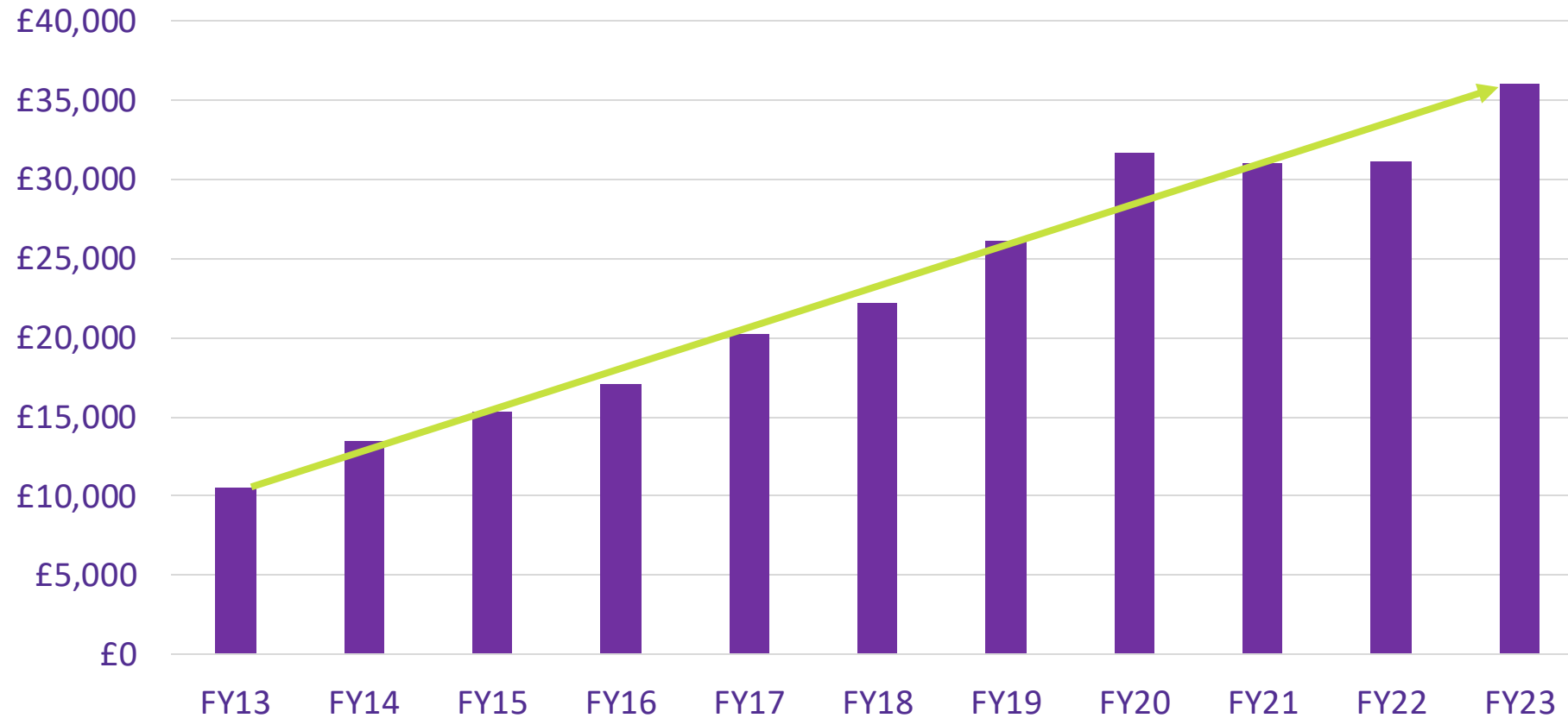
# Operational Highlights

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- US FDA Class II device approval for Tristel ULT as a high-level disinfectant for ultrasound probes, with nationwide launch underway
- Regulatory approval in Canada for Tristel OPH as a high-level disinfectant for ophthalmic devices with first sales recorded in Q1 FY 2024
- Majority of UK and European regulatory approvals for Cache product range expected to be secured in FY 2024
- Continued investment in exciting pipeline of new product innovations
- Global headcount 224 (2022: 204)

**Post-period end:** US manufacturing has commenced and first products shipped

# 10 Year Growth - CAGR 13%



Sources of £4.9m growth:

- £2.8m volume
- £1.4m pricing (4.5%)
- £0.7m currency

Y-O-Y Growth

- 28% 14% 12% 19% 10% 18% 21% -2% 0% 16%

# Sales Growth by Geography

£m	2021-22	2022-23	Year on year change	% change
Australasia	4.0	4.6	0.6	15%
China & Hong Kong	1.7	2.0	0.3	18%
Malaysia & Singapore	0.6	0.8	0.2	33%
Western Europe	4.8	5.8	1.0	21%
Central Europe	5.4	6.1	0.7	13%
Southern Europe	1.0	1.4	0.4	40%
Overseas distributors	2.6	2.8	0.2	8%
<b>Total overseas sales</b>	<b>20.1</b>	<b>23.5</b>	<b>3.4</b>	<b>17%</b>
Total UK sales	11.0	12.5	1.5	14%
<b>Global sales</b>	<b>31.1</b>	<b>36.0</b>	<b>4.9</b>	<b>16%</b>

 = Wholly owned subsidiary, selling directly to hospital market

 = Third party distributor

# Sales Growth by Portfolio and Channel

£m		2021-22	2022-23	Y-O-Y change	% change
Tristel Hospital Medical Device Decontamination	UK direct	7.6	9.5	1.9	25%
	EMEA direct	10.5	12.5	2.0	19%
	APAC direct	5.3	6.4	1.1	21%
	Worldwide distributors	2.0	2.4	0.4	20%
		<b>25.4</b>	<b>30.8</b>	<b>5.4</b>	<b>21%</b>
Cache Hospital Surface Disinfection	UK direct	2.1	2.2	0.1	5%
	EMEA direct	0.4	0.4	-	-
	APAC direct	0.5	0.5	-	-
	Worldwide distributors	0.2	0.2	-	-
		<b>3.2</b>	<b>3.3</b>	<b>0.1</b>	<b>3%</b>
Other	All geographies and channels	1.0	1.9	0.9	90%
Continuing products		<b>29.6</b>	<b>36.0</b>	<b>6.4</b>	<b>22%</b>
Discontinuations		1.5	0	(1.5)	-
Total		<b>31.1</b>	<b>36.0</b>	<b>4.9</b>	<b>16%</b>



# FY24 Tailwinds & Headwinds

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## Positive:

- Diagnostic procedures are increasing organically in all countries
- Hospital selection of appropriate surface disinfectants is better informed
- Unprecedented concern around single-use pre-wetted wipes
- Some insulation from inflation and energy cost pressures
- Pricing power – aligned to global inflation rate

## Negative:

- Under-resourced regulators
- Hospital staff shortages / further COVID waves / UK industrial action



# Product Development

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3T platform:

App-based Train, Trace and Test tool to record all steps of the decontamination process.



AI:

Capabilities incorporated into the app for objective verification that the key steps are performed correctly.



Colour change technology:

Visual indicators to ensure key steps in the decontamination process are performed correctly.

62 patent applications, 6 applications went to grant. £0.9m invested in product development and £0.3m in securing and maintaining intellectual property protection.

# North America - Product Strategy

## USA

### Tristel ULT

- High level disinfectant
- Ultrasound probes
- FDA De Novo
- On sale



### Tristel DUO

- Low/mid level disinfectant
- Ultrasound equipment
- EPA
- On sale



### Next: USA: Tristel OPH

- High level disinfection
- Ophthalmic devices
- FDA 510k
- Testing started

### USA: Tristel ORL

- High level disinfection
- Ear, Nose & Throat devices
- FDA 510k
- Testing stage

### Canada: Duo ORL

- High level disinfection
- Ear, Nose & Throat devices
- Health Canada
- Testing stage

## Canada

### Duo OPH

- High level disinfectant
- Ophthalmic devices
- Health Canada
- On sale



### Duo ULT

- High level disinfectant
- Ultrasound probes
- Health Canada
- Dossier submitted



# North America - Operational Update

## Manufacturing:

- Process validation complete
- Production underway & inventory available

## Sales and marketing:

- First orders shipped & invoiced
- Parker distributors include: Medline Industries / Henry Schein / Owens & Minor / McKesson Corp
- Listing in hospital and distributor procurement systems underway
- FY24 Parker exhibiting at 7 major USA conferences and Innova at 2 major Canadian conferences, supported by Tristel team



**APIC**

Spreading knowledge.  
Preventing infection.®



ASSOCIATION FOR VASCULAR ACCESS  
*Protect the Patient • Educate the Clinician • Save the Line*



# FY23 - FY25 Financial Targets

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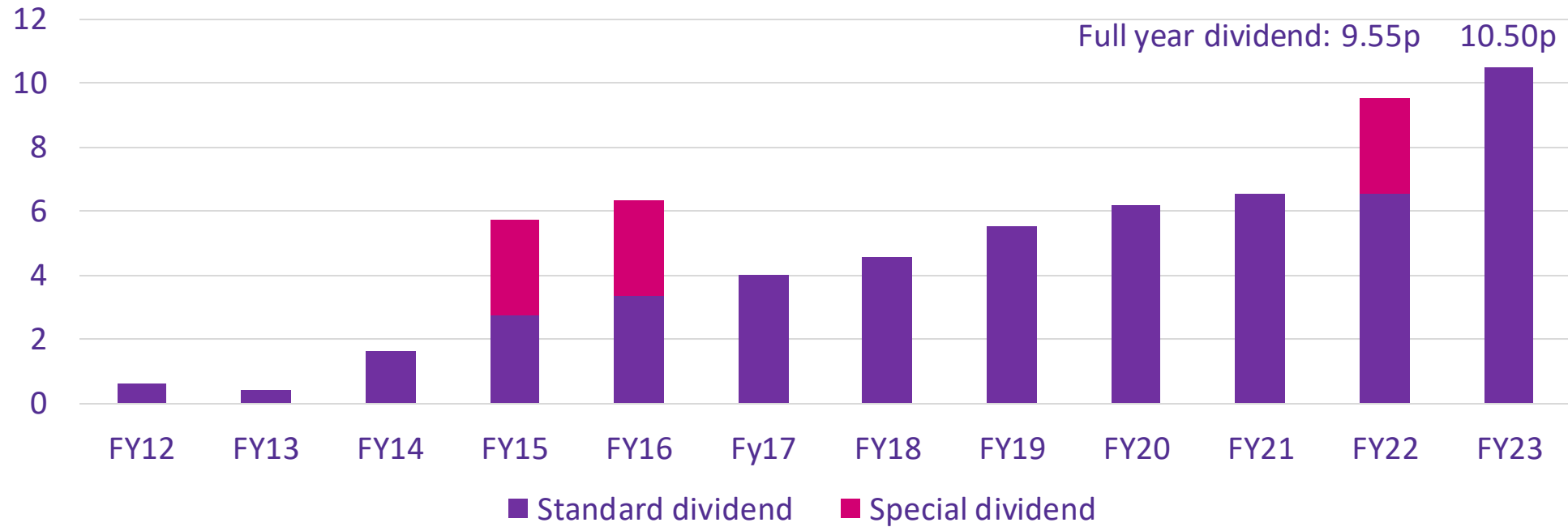
## Returning to growth

- Sales growth in the range of 10% to 15% per annum as an annual average over the three years  
*(Over 14 year period to FY19 CAGR was 17%)*
- EBITDA margin (excluding share-based payment charge) of at least 25%  
*(FY19 EBITDA margin was 27%)*

*Targets to be updated February 2024*

# Dividend

- Change of policy - progressive year-on-year dividend increase by a minimum of 5%
- Full year dividend 2023 10.5p.
- Final dividend 2023 7.88p payable 22 December 2023



# ESG Highlights

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- ESG strategy published
- Carbon Zero target of 2030 and route to success defined
- Carbon profiling of key products underway with packaging adjustments and reductions planned
- Partnership with ESG consultants to ensure best practice adhered to
- Recruitment into specialist sustainability officer role underway
- Board evaluation completed, assisted by external advisors. Resulting actions undertaken
- Numerous staff wellbeing and support initiatives in place, alongside local community connections

**Doing the right thing, in the right way**

# Summary & Outlook

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- Strong set of results on all levels
- Global expansion to accelerate with North America launch
- Significant growth opportunity in both portfolios
- Profitable, cash generative, debt free, progressive dividend
- Exciting future ahead

**Simple, focussed, global opportunity**



# TSTL

Any questions?

Tristel™

# APPENDIX – INCOME STATEMENT

	Year ended 30.06.23	Year ended 30.06.22
	£'000	£'000
Turnover	36,009	31,123
Cost of sales	(6,834)	(6,182)
Gross profit	29,175	24,941
Gross margin %	81%	80%
Administrative and distribution expenses less other operating income	(20,215)	(17,385)
Net interest	(169)	(194)
Operating profit before amortisation & shared based payments	8,791	7,362
Amortisation & Depreciation	(2,618)	(2,772)
Impairment of intangibles / Movement in fair value of investment	-	(2,439)
Share based payments	(1,061)	(596)
Pre-tax profit	<b>5,112</b>	<b>1,555</b>
Tax charge /(credit)	(651)	(568)
Profit after tax	4,461	987
Basic EPS – pence	9.44	2.09
Diluted EPS – pence	9.34	2.07

# APPENDIX – BALANCE SHEET

	30.06.23	30.06.22
Non-current assets	£'000	£'000
Goodwill	5,156	5,242
Intangible assets	4,757	4,138
Property, plant and equipment	7,827	8,359
Deferred tax	1,286	1,826
	<hr/>	<hr/>
	18,693	19,565
Current assets		
Inventories	4,569	4,420
Trade and other receivables	7,081	5,851
Income tax receivable	1,146	962
Cash and short term investments	9,545	8,883
	<hr/>	<hr/>
	22,341	20,116
Total assets	<hr/>	<hr/>
	41,367	39,361

Continued...

# APPENDIX – BALANCE SHEET ...Continued

	30.06.23	30.06.22
	£'000	£'000
Capital and reserves		
Share capital	474	473
Share premium account	14,188	13,996
Merger reserve	2,205	2,205
Foreign exchange reserve	(279)	(65)
Retained earnings	14,089	13,078
Non-controlling interests	7	7
<b>Total equity</b>	<b>30,684</b>	<b>29,694</b>
Current liabilities		
Trade and other payables	4,904	3,471
Other current liabilities	859	942
<b>Total current liabilities</b>	<b>5,763</b>	<b>4,413</b>
Deferred tax	599	720
Other non-current liabilities	4,321	4,854
<b>Total liabilities</b>	<b>10,683</b>	<b>9,987</b>
<b>Total equity and liabilities</b>	<b>41,367</b>	<b>39,681</b>

# APPENDIX – CASH FLOW STATEMENT

	Year ended 30.06.23	Year ended 30.06.22
	£'000	£'000
Profit before tax	5,112	1,555
Add back non-cash items	3,917	6,021
Working capital movements	(49)	(636)
Interest received	(167)	(192)
Purchase of tangible fixed assets	(853)	(305)
Purchase of intangible assets	(1,570)	(898)
Payment of lease liabilities (IFRS16)	(1,126)	(1,103)
Dividends paid	(4,511)	(3,091)
Shares issued	193	398
Corporation tax paid	(313)	(1,021)
FX	<b>29</b>	<b>61</b>
Increase/(Decrease) in cash	<b>662</b>	<b>789</b>