



29 September 2021

MyHealthChecked Plc
("MyHealthChecked", "MHC" or the "Company")

Half-year Report

MyHealthChecked Plc, the consumer home-testing healthcare company, announces its unaudited half year report for the six months ended 30 June 2021, a period of considerable growth driven by a dramatic ramp-up in COVID-19 PCR testing service revenues.

The Company also provides an update on further strong trading in Q3 (revenues of at least £8.5m, adjusted EBITDA* of no less than £1.4m, and cash generative for the first time) as well as a statement on trading outlook for the full year.

Commercial Highlights

- Signed two commercial agreements with Boots UK Limited for supply of COVID-19 PCR test kits and associated laboratory services
- Signed a commercial agreement with AAH Pharmaceuticals Limited (Lloyds Pharmacy) for supply of COVID-19 PCR test kits and associated laboratory services
- Acquisition and integration of Nell Health Limited, a provider of genetic testing and personalized nutrition consultancy
- Accreditation by UKAS of ISO 15189 stage 3

Financial Position

- Revenue of £3,274,145 during the period (H1 2020: £12,707)
- Adjusted EBITDA* loss of -£199,670 (H1 2020 : loss of -£1,171,359)
- Completion of share placing of £3.4m (before expenses) at 1.75p per share in Feb 2021
- Cash balance at the period end was £2,214,496 (H1 2020 : £1,351,745)

**adjusted EBITDA is Operating profit adjusted for depreciation, amortisation and share based payments*

Penny McCormick, Chief Executive Officer of MyHealthChecked Plc, said: *"I'm incredibly proud of the progress the Company has made during the last six months. We have secured commercial contracts with both of the UK's top pharmacy retailers, ending H1 2021 with a strong cash position and significantly increased revenues compared to H1 2020.*

"We continue to grow as an organisation and with our talented team, which has been enhanced through the acquisition of Nell Health, I look forward to seeing the Company go from strength to strength in H2. While COVID-19 has been the predominant focus for us during the last 12 months, I am excited to continue development of our extended product pipeline to market and continue to build MyHealthChecked's reputation for high-quality products and services."

MyHealthChecked plc

Penny McCormick, Chief Executive Officer
Gareth Davies, Chief Financial and Operations Officer

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About MyHealthChecked PLC (www.myhealthcheckedplc.com)

MyHealthChecked PLC, based in Cardiff, is an AIM-quoted pioneering UK healthcare company focused on a range of at-home healthcare and wellness tests.

MyHealthChecked is the umbrella brand of a range of at-home DNA and RNA tests, now in development following the acquisition of The Genome Store in November 2020. The tests will be made available online, and would be viable for over the counter purchase.

The MyHealthChecked portfolio has been identified as part of a change in mindset as customers become more familiar with the concept of accessible healthcare in the growing at home testing kit market with a focus on accessibility at the right price, led by UK-based experts.

Chairman & CEO Joint Statement

Overview

The Company reports a strong performance this year, having made significant progress since the launch of its COVID-19 PCR testing service in December 2020.

Trading for the year began to ramp up in Q2 following the signing of a contract with Boots UK Limited, the UK's largest pharmacy retailer, and launch on 17 April, followed by a second contract and the launch of the Day 2 and 8 COVID-19 testing service on 7 May. Subsequently a contract has been signed with Lloyds Pharmacy, the UK's second largest pharmacy retailer for supply of COVID-19 PCR test kits and associated laboratory services.

The Board is confident that trading for the full year will deliver performance in H2 considerably higher than H1, due to the continued high demand through the peak holiday period during the summer months in Q3. Beyond the period, MHC is well placed with its established customer base to continue to supply a good proportion of the COVID-19 testing market, whilst factoring recent Government changes to COVID-19 testing requirements for travellers to the UK announced in mid-September 2021.

The Board expects that revenue generated in Q3 to be at least £8.5m and deliver an adjusted EBITDA profit for the quarter of no less than £1.4m. The business will be cash generative in the quarter and expects cash balances to be at least £3.4m at the end of Q3.

However it is too early to fully assess the effect of the recent changes to the Government COVID-19 testing requirements as we move into the quieter fourth quarter of this financial year, therefore given this uncertainty the Company is not making a forecast for either revenue or profitability for Q4 at this time.

We have made progress in the following key areas in 2021:

Commercial Relationships

During the past 6 months we have secured contracts with both of the UK's top pharmacy retailers, Boots and Lloyds. Following robust due diligence processes and collaboration for successful on-time launches, we have worked to build supportive relationships with both of our primary customers. Whilst the relationships are still in their early stages, we are building upon our reputation within these key organisations daily and are well positioned to collaborate further both inside and out of the COVID-19 testing arena.

Outside of retail, we have worked with several smaller accounts to deliver a first class COVID-19 testing service. This has included partners within the independent pharmacy, travel and media production industries and academia.

Personalised Wellness Tests

We completed a second acquisition in July 2021 – Nell Health Limited - which brought to us a broader range of validated saliva-based DNA tests. Our pipeline is defined and is currently in development. We will accelerate our developments at every opportunity, ensuring our talent and operation is sourced to deliver to the most efficient timeline.

Technology

Following the acquisition of Nell Health Limited, MHC has the ability to create innovative technology in-house, that is secure, adaptable, and robust for future product and service developments. In 2021 we have developed a new scalable platform customer facing e-commerce platform and Laboratory Information Management System that will house our future portfolio, and we transitioned our core business across to this.

Capital Expenditure on facilities

We have invested in building a UKAS approved ISO-15189 facility in Manchester, offering COVID-19 testing services to customers including same day turnaround.

Cash position

Following the completion of an equity raise in February 2021, we are pleased to report a £2.21m cash position at 30 June 2021 and report no material borrowings. These funds will be reinvested in 2021 into the talent and pipeline of the organisation, priming us for new market launches in 2022.

Strategy in 2022

There is a likelihood that due to the nature of the COVID-19 virus, private testing could continue into 2022, and whilst the Company will continue to deliver to its retail and consumer market, it is firmly focused on re-investing earnings generated in 2021 into its new product pipeline of at-home wellness tests, and long-term growth drivers including a Smartphone App, and wellness-enhancing customer education. Building upon the foundations laid this year and the reputation that has been built in the consumer and retail testing spaces, investment in the MyHealthChecked brand and marketing will aim to further maximise reach through the creation of an ownable, identifiable and desirable consumer brand.

Whilst delivering our new product pipeline development and building digital healthcare-centric technology that is scalable, we will continue to operate efficiently due to the unpredictability of the COVID-19 space, whilst maximising future value through our investment in 2021 earnings into long-term growth drivers including technology, talent, and commercialisation.

Our aims in 2022 are to:

- Launch an initial portfolio of at home wellness tests, providing indications around weight management, vitamin deficiency, food intolerances, heart health and blood glucose
- Develop app technology that provides actionable health and nutritional guidance that is tailored to the customer
- Execute a business development strategy across direct to consumer, retail, and B2B channels
- Continue to build a reputation in the COVID-19 testing space, providing a high-quality product and service
- Bring additional talent into the organisation to deliver on our ambitious plans
- Continue to explore third party technology that may enhance the customer journey and value of our products, and that can be integrated by our in-house talent
- Identify and assess complementary earnings-enhancing partnerships with organizations that demonstrate the addition of key strategic value to our core business

We would like to thank our team, Board members and investors for their ongoing support of MyHealthChecked through this period of 2021. Whilst we have transitioned the organisation, we are delighted to be able to share a very positive set of results, and demonstrate our commitment to building a successful and secure business to the loyal team and investor base through this new and exciting growth phase of the organisation.

Adam Reynolds
Chairman

Penny McCormick
Chief Executive Officer

29 September 2021

Consolidated statement of comprehensive income
For the 6 months ended 30 June 2021

	Notes	Unaudited 6 months to 30 June 2021 £	Unaudited 6 months to 30 June 2020 £	Audited 12 months to 31 December 2020 £
Revenue	3	3,274,145	12,707	49,480
Cost of sales		(2,174,271)	(174,067)	(689,782)
Gross profit / (loss)		1,099,874	(161,360)	(640,302)
Other administrative expenses		(1,299,544)	(1,009,999)	(2,857,308)
Depreciation and amortisation		(60,677)	(100,989)	(157,169)
Share-based payments		(6,593)	(74,553)	(103,290)
Administrative expenses		(1,366,814)	(1,185,541)	(3,117,767)
Operating loss		(266,940)	(1,346,901)	(3,758,069)
Finance expenses		(1,782)	(1,981)	(4,558)
Loss before income tax		(268,722)	(1,348,882)	(3,762,627)
Tax credit	5	-	-	-
Loss for the period		(268,722)	(1,348,882)	(3,762,627)
Attributable to owners of the parent:		(268,722)	(1,348,882)	(3,762,627)
Loss per ordinary share - basic and diluted (pence)	4	(0.04)	(0.39)	(0.89)

Consolidated statement of financial position
As at 30 June 2021

	Unaudited 30 June 2021	Unaudited 30 June 2020	Audited 31 December 2020
	£	£	£
Non-current assets			
Property, plant and equipment	151,774	70,185	55,517
Intangible assets	503,389	742,071	616,560
Total non-current assets	655,163	812,256	672,077
Current assets			
Inventories	782,584	476,802	2,808
Trade and other receivables	3,113,770	221,981	194,897
Corporation tax receivable	-	178,302	-
Cash and cash equivalents	2,214,496	1,351,746	465,671
Total current assets	6,110,850	2,228,831	663,376
Total assets	6,766,013	3,041,087	1,335,453
Current liabilities			
Trade and other payables	2,994,003	312,516	383,186
Deferred tax liability	-	-	87,379
Lease Liabilities	-	-	4,895
Provisions	226,250	-	226,250
Total current liabilities	3,220,253	312,516	701,710
Non-Current liabilities			
Lease Liabilities	-	-	-
Loans and borrowings	-	102,697	104,367
Total non-current liabilities	-	102,697	104,367
Total liabilities	3,220,253	415,213	806,077
Net assets	3,545,760	2,625,874	529,376
Share capital	725,246	489,822	517,822
Share premium account	15,512,921	12,179,653	12,441,832
Capital redemption reserve	1,814,674	1,814,674	1,814,674
Retained earnings	(15,744,391)	(13,060,255)	(15,475,669)
Reverse acquisition reserve	(6,044,192)	(6,044,192)	(6,044,192)
Deferred shares	6,358,720	6,358,720	6,358,720
Share-based payment reserve	922,782	887,452	916,189
Total equity	3,545,760	2,625,874	529,376

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in equity
For the 6 months ended 30 June 2021

	Share capital	Share Premium	Capital redemption reserve	Retained earnings	Reverse acquisition reserve	Share-based payment reserve	Deferred Shares	Total
	£	£	£	£	£	£	£	£
Equity as at 01-Jan-20	6,623,667	10,739,816	1,814,674	(11,713,042)	(6,044,192)	812,899	-	2,233,822
Loss for the year	-	-	-	(3,762,627)	-	-	-	(3,762,627)
Total comprehensive loss	-	-	-	(3,762,627)	-	-	-	(3,762,627)
Issue of shares net of expenses	252,875	1,702,016	-	-	-	-	-	1,954,891
Deferred shares	(6,358,720)	-	-	-	-	-	6,358,720	-
Share-based payments	-	-	-	-	-	103,290	-	103,290
Equity as at 31-Dec-20	517,822	12,441,832	1,814,674	(15,475,669)	(6,044,192)	916,189	6,358,720	529,376
Loss for the period	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	(268,722)	-	-	-	(268,722)
Issue of shares net of expenses	207,424	3,071,089	-	-	-	-	-	3,278,513
Deferred Shares	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	6,593	-	6,593
Equity as at 30-Jun-21	725,246	15,512,921	1,814,674	(15,744,391)	(6,044,192)	922,782	6,358,720	3,545,760

The accompanying notes are an integral part of these financial statements

Consolidated statement of cash flows

	Unaudited 6 months to 30 June 2021 £	Unaudited 6 months to 30 June 2020 £	Audited 12 months to 31 December 2020 £
Cash flows from operating activities			
Loss before taxation	(268,722)	(1,348,882)	(3,762,627)
Adjustments for:			
Depreciation and amortization	60,677	100,989	157,169
Impairment losses on intangible assets	-	-	621,673
Finance expenses	1,782	1,981	4,558
Share-based payments	6,593	74,553	103,291
Loss on sale of asset	-	-	179,718
Operating loss before working capital changes	(199,670)	(1,171,359)	(2,696,218)
Changes in working capital			
(Increase)/decrease in inventory	(779,776)	(96,597)	380,205
(Increase) in trade and other receivables	(2,918,873)	(99,216)	(72,132)
Increase in trade and other payables	2,610,817	42,663	111,663
Decrease in lease liability	(4,895)	-	(281,888)
Increase in provisions	-	-	226,250
Cash used in operations	(1,292,397)	(1,324,509)	(2,332,120)
Tax received	-	-	178,303
Interest paid on sale and leaseback	-	(718)	-
Other interest paid	(1,782)	(1,262)	(1,193)
Net cash outflow from operating activities	(1,294,179)	(1,326,489)	(2,155,010)
Investing activities			
Purchase of property, plant and equipment	(127,944)	(147)	(34,226)
Purchase of intangible assets	(3,198)	(2,709)	(2,777)
Sale of asset	-	297,419	284,784
Acquisition of subsidiary in the year	-	-	109
Net cash flows used in investing activities	(131,142)	294,563	247,890
Financing activities			
Issue of ordinary shares (net of issue expenses)	3,278,513	(4,694,008)	1,655,528
Deferred Shares	-	6,358,720	-
Convertible Loan	(104,367)	102,697	101,000
Net cash flows from financing activities	3,174,146	1,767,409	1,756,528
Net change in cash and cash equivalents	1,748,825	735,483	(150,592)
Cash and cash equivalents at the beginning of the period	465,671	616,263	616,263
Cash and cash equivalents at the end of the period	2,214,496	1,351,746	465,671

Notes to the unaudited interim financial information for the 6 months ended 30 June 2021

1. General information

MyHealthChecked Plc (the “Company”) is a public limited company incorporated and domiciled in England and Wales. The registered office of the Company is The Maltings, East Tyndall Street, Cardiff, CF24 5EA. The registered company number is 06573154.

The principal activity of the Company and its subsidiary is in the development and commercialisation of mobile health diagnostics medical devices.

2. Significant accounting policies

Basis of preparation

The interim financial information for the six months ended 30 June 2021, which was approved by the Board of Directors on 28 September 2021, does not constitute statutory accounts as defined by section 434 of the Companies Act 2006.

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements.

The financial information presented is unaudited and has been prepared using the same accounting policies as those adopted in the financial statements for the year ended 31 December 2020 and expected to be adopted in the financial year ending 31 December 2021.

The interim financial information includes unaudited comparative figures for the unaudited 6 months to 30 June 2020 of Concepta Diagnostics Limited and comparatives for the year ended 31 December 2020 that have been extracted from the audited financial statements for that year.

The financial statements for the year ended 31 December 2020 were reported on by the Company’s auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not contain an adverse statement under section 498 (2) or (3) of the Companies Act 2006.

In the opinion of the Directors, the interim financial information for the period presents fairly the financial position and the results from operations and cash flows for the period.

Going concern

The interim financial statements have been prepared under the going concern basis as the Directors have undertaken a review of the future financing requirements of the ongoing operation of the Group and considers the Group is able to meet its working capital requirements.

The Directors have prepared a cash flow forecast covering a period extending beyond 12 months from the date of these financial statements and including the impact of COVID-19.

The forecast contains certain assumptions about the performance of the business including growth in future revenue, the cost model and margins; and importantly the level of cash recovery from trading. The directors are aware of the risks and uncertainties facing the business but the assumptions used are the Directors’ best estimate of the future development of the business.

After considering the forecasts and the risks, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include any adjustments that would result from the going concern basis of preparation being

inappropriate.

3. Segment information

The Group has one operating segment which is involved in the provision of diagnostic healthcare products. The revenue for this operating segment for the period to 30 June 2021 is as reported in the Consolidated statement of comprehensive income.

4. Loss per share

	Unaudited 6 months to 30 June 2021	Unaudited 6 months to 30 June 2020	Audited 12 months to 31 December 2020
Basic and diluted			
Loss for the period used in basic & diluted EPS (£)	(268,722)	(1,348,882)	(3,762,627)
Weighted average number of shares used in basic and diluted EPS	664,508,816	343,591,481	420,756,606
Loss per share (pence)	(0.04)	(0.39)	(0.89)

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

Due to the loss in the periods the effect of the share options was considered anti-dilutive and hence no diluted loss per share information has been provided.

5. Taxation

	Unaudited 6 months to 30 June 2021 £	Unaudited 6 months to 30 June 2020 £	Audited 12 months to 31 December 2020 £
The tax credit is as follows:			
UK Corporation tax			
Tax credit – current period	-	-	-
Total current tax	-	-	-

The tax credit represents the research and development tax credit for current interim and prior periods.

6. Related Party Transactions

Fees paid to directors and other companies for directors' services and reimbursement of expenses for the period to 30 June 2021 were £240,483 (June 2020 £180,786; 31 December 2020: £275,014) and £1,748 (June 2020: £4,719; December 2020: £9,071) were outstanding at period ended 30 June 2021.

These interim financial statements will be notified in accordance with the AIM Rules for Companies, and will be available shortly on the Company's website at <https://investors.myhealthchecked.com/>.

7. Placing and funds raised

On 22 February 2021, the Company raised £3,505,109 (before expenses) through a subscription of 207,424,361 new Ordinary Shares. 194,285,714 were issued at £0.0175 per Ordinary Share and 13,138,647 were issued from previously received loan stock at £0.008 per Ordinary Share.

The primary use of the net proceeds will be to invest in developing and extending the MyHealthChecked Plc portfolio through new product development. Additionally, there is a requirement to strengthen and develop the marketing effort, appointing core marketing personnel, and continuing to refine the direct-to-consumer activities, through retail launch and targeting strategic commercial contracts to exploit the MyHealthChecked Plc portfolio.

8. Events after the reporting period

On 2 July 2021 the Company acquired 100% of the share capital of Nell Health Ltd ("Nell Health"), a provider of genetic testing and personalised nutrition consultancy services, for an initial consideration of £1.202m, comprising £1.152m payable in shares in the company's ultimate parent company, MyHealthChecked Plc and £0.05m in cash, with a deferred consideration of up to £1.0m payable in further shares in MyHealthChecked Plc, linked to performance milestones. Nell Health trading activity will be integrated within the MyHealthChecked Plc group and accounted as hived up during the 2021 financial year.