

FOR IMMEDIATE RELEASE

TSX VENTURE: HTL



## HAMILTON THORNE REPORTS FINANCIAL AND OPERATIONAL RESULTS FOR THE QUARTER-ENDED MARCH 31, 2018

**BEVERLY, MA and TORONTO, Ontario – May 24, 2018** - Hamilton Thorne Ltd. (TSX-V:HTL), a leading provider of precision instruments, consumables, software and services to the Assisted Reproductive Technologies (ART) and developmental biology research markets, today reported financial and operational results for the quarter-ended March 31, 2018.

### Highlights

- Sales increased 113% year over year to \$7.0 million
- Gross profit increased 76% year over year to \$3.9 million
- Net income increased 120% year over year to \$893 thousand
- Adjusted EBITDA increased 99% year over year to \$1.5 million
- 18% organic sales growth for the quarter

“This was a great start to the year for Hamilton Thorne,” stated David Wolf, President and Chief Executive Officer. “Sales into the human clinical market grew substantially, driven by the contribution from the Gynemed acquisition, augmented by strong increases in the sales of our clinical instruments and quality control testing services. Sales into the animal breeding market also grew substantially while sales into research markets were somewhat down. Organic growth was 18% for the quarter. As expected margins were just over 56% due to the mix of our own high-margin branded products and services and third-party products. Cash flow from operations was \$749 thousand for the quarter.”

Mr. Wolf added, “We are pleased with the progress we are making in expanding our sales and marketing footprint, including the expansion of our US-based sales team, as well as additional cross-selling and marketing synergies between our North American and European-based businesses. Looking forward into the balance of the year, we expect to see continued growth in our worldwide business, driven by strong performance of our services and consumables brands, augmented by substantial growth in the US, as our new direct sales team performs to expectations. With continued earnings growth, strong cash flow from operations and a cash balance of \$5.9 million at the end of the quarter, we believe we are well-positioned to continue our acquisition program.”

Statements of Operations:	Three Month Periods Ending March 31,	
	2018	2017
Sales	\$7,002,736	\$3,285,161
Gross profit	3,938,533	2,234,049
Operating expenses	2,923,470	1,744,114
Net income	893,121	405,237
EBITDA	1,496,216	751,272
Basic earnings per share	\$0.01	\$0.01
Diluted earnings per share	\$0.01	\$0.01

*All amounts are in US dollars, unless specified otherwise, and results, with the exception of Adjusted EBITDA, are expressed in accordance with the International Financial Reporting Standards ("IFRS").*

The Company reported that operating expenses were generally in line with expectations, reflecting added expenses from the Gynemed business and continued investment in R&D, staffing, sales and marketing.

## **Conference Call**

The Company will hold a conference call on Thursday May 24, 2018 at 11:00 a.m. EDT to review highlights of results. All interested parties are welcome to join the conference call by dialing toll free 1-855-223-7309 in North America, or 647-788-4929 from other locations, and requesting Conference ID 5598930. The Company's updated investor presentation and a recording of the call will be available on Hamilton Thorne's website shortly after the call.

Financial statements and accompanying Management Discussion and Analysis for the periods are available on [www.sedar.com](http://www.sedar.com) and the Hamilton Thorne website.

## **About Hamilton Thorne Ltd. ([www.hamiltonthorne.com](http://www.hamiltonthorne.com))**

Hamilton Thorne is a leading global provider of precision instruments, consumables, software and services that reduce cost, increase productivity, improve results and enable breakthroughs in Assisted Reproductive Technologies (ART) and developmental biology research markets. Hamilton Thorne markets its products and services under the Hamilton Thorne, Gynemed and Embryotech Laboratories brands, through its growing sales force and distributors worldwide. Hamilton Thorne's customer base consists of fertility clinics, university research centers, animal breeding facilities, pharmaceutical companies, biotechnology companies, and other commercial and academic research establishments.

*Neither the Toronto Venture Exchange, nor its regulation services provider (as that term is defined in the policies of the exchange), accepts responsibility for the adequacy or accuracy of this release.*

*The Company has included earnings before interest, income taxes, depreciation, amortization, share-based compensation expense, changes in fair value of derivatives and identified acquisition costs related to completed transactions ("Adjusted EBITDA") as a non-IFRS measure, which is used by management as a measure of financial performance. See section entitled "Use of Non-IFRS Measures" and "Results of Operations" in the Company's Management Discussion and Analysis for the periods covered for further information and a reconciliation of Adjusted EBITDA to Net Income.*

*Certain information in this press release may contain forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict including the risk that the Company may not be able to obtain the necessary regulatory approvals, as applicable. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in filings by the Company with the Canadian securities regulators, which filings are available at [www.sedar.com](http://www.sedar.com)*

## **For more information, please contact:**

David Wolf, President & CEO  
Hamilton Thorne Ltd.  
978-921-2050  
[ir@hamiltonthorne.com](mailto:ir@hamiltonthorne.com)

Michael Bruns, CFO  
Hamilton Thorne Ltd.  
978-921-2050  
[ir@hamiltonthorne.com](mailto:ir@hamiltonthorne.com)