

FOR IMMEDIATE RELEASE
TSX VENTURE: HTL



HAMILTON THORNE ANNOUNCES RECORD REVENUE FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2018

Preliminary Results: Revenues of \$29.2 million for the year and \$8.1 million for the 4th quarter

BEVERLY, MA and TORONTO, Ontario – February 19, 2019– Hamilton Thorne Ltd. (TSX-V:HTL), a leading global provider of precision instruments, consumables, software and services to the Assisted Reproductive Technologies (ART) and developmental biology research markets, today reported preliminary selected unaudited financial results for the fourth quarter and year ended December 31, 2018.

Based on preliminary unaudited results, 2018 revenues increased 32% to a record \$29.2 million with adjusted EBITDA for the year of approximately \$6.15 million (24% year over year growth). Fourth quarter sales increased 12% to \$8.1 million, with adjusted EBITDA estimated to increase 24% to approximately \$1.75 million. Organic growth on a constant currency basis for the year was approximately 13% and approximately 11% in the fourth quarter, largely driven by increases in its US equipment business.

David Wolf, President and Chief Executive Officer of Hamilton Thorne Ltd. commented, “This was a record quarter for Hamilton Thorne. With sales of \$8.1 million and adjusted EBITDA of approximately \$1.75 million, we are seeing some of the operating leverage that we know is inherent in our business. Sales were positively impacted by significant growth in the Company’s equipment business in the US with our expanded sales force increasing direct sales of our own products and workstations integrated with third-party products. Gross profit was consistent at over 56% for the quarter and the entire year, and substantially up from 54.5% in the prior year’s fourth quarter.”

Commenting on the full year, Mr. Wolf added, “2018 was another important year for Hamilton Thorne. We increased our sales teams in the US and Germany and modified our operations in order to increase our direct sales footprint and take better advantage of the cross-selling and marketing synergies between the North American and European-based businesses. We also broadened our product portfolio with a mix of third-party manufactured products, new OEM products, and the addition of the ZANDAIR™ air purification products business which we acquired in July. We continue to see a significant opportunity to grow revenues from the ZANDAIR product line by leveraging our established sales and marketing resources worldwide.”

The Company ended the year with cash on hand of \$13.6 million versus \$5.7 million at December 31, 2017.

OUTLOOK

Mr. Wolf added, “Looking forward into 2019, we expect to see continued growth in our business, driven by substantial growth in our US-based equipment business, augmented by the strong performance of our services and consumables brands worldwide. With a number of relatively large dollar, but somewhat lower margin, workstations and full-lab equipment sales in the pipeline for 2019, we may see some variability in gross profit margins from quarter to quarter, but we expect profit margins for the year to normalize around the levels we saw in 2018, as we manage product mix between our own higher margin products and services, and third-party products. We will also continue to make investments in personnel,

R&D programs and systems to support our growth, with an eye to balancing top-line growth with sustained EBITDA expansion over the long term. Finally, our acquisition program continues to be an important element in our growth plans.”

The financial information contained in this news release is based on management's estimates and is subject to adjustment. The Company expects to release its completed audited financial statements for the year ended December 31, 2018 in mid April 2019.

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").

About Hamilton Thorne Ltd. (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 TSX 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. 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.

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