



Chembio Reports Preliminary Third Quarter 2018 Revenue

October 22, 2018

Signs Definitive Agreement to Acquire opTricon GmbH

MEDFORD, N.Y., Oct. 22, 2018 (GLOBE NEWSWIRE) -- Chembio Diagnostics, Inc. (Nasdaq: CEMI) ("Chembio" or the "Company"), a leading point-of-care diagnostics company focused on infectious diseases, today announced preliminary financial results for the third quarter of 2018. Chembio estimates, on a preliminary basis, that revenue for the third quarter of 2018 will be in the range of \$9.2 million to \$9.4 million, reflecting growth of 21.3% to 23.9% from \$7.6 million in the prior year period.

"Our third quarter performance reflects continued execution in our core business and meaningful progress toward our strategic objectives," stated John Sperzel, Chembio's Chief Executive Officer. "The implementation of our first automated manufacturing line is nearly complete, and we anticipate production of DPP[®] tests on the new line during the fourth quarter of 2018. We believe manufacturing automation is an essential element of our growth strategy as we expand our commercial reach and create additional market opportunities through new product development and technology collaborations."

Chembio also announced today that it has signed a definitive agreement to acquire opTricon GmbH, a privately-held developer and manufacturer of hand-held analyzers for rapid diagnostic tests. Under terms of the purchase agreement, Chembio will pay \$5.5 million in cash, and the transaction is expected to close on October 31, 2018, subject to standard closing conditions.

Since 2015, Chembio and opTricon have collaborated to develop the DPP[®] Micro Reader, a hand-held, battery-operated analyzer that uses an innovative image sensor to provide a quantitative interpretation of diagnostic results when combined with Chembio's proprietary DPP[®] tests. Located in Berlin's Science & Technology Park, opTricon will become Chembio's Center-of-Excellence for optical technology and serve as Chembio's European headquarters. As part of its ongoing business, opTricon will continue to develop and manufacture hand-held analyzers for OEM customers which do not compete with Chembio.

"Long term success in the point-of-care infectious disease market requires innovation that extends beyond the diagnostic test to include data capture, transmission, and storage," stated John Sperzel, Chembio's Chief Executive Officer. "Our scientific team is focused on the development of DPP[®] tests that provide increased sensitivity, advanced multiplexing, and quantitative results which are collectively enhanced by the use of an optical reader. The acquisition of opTricon will enable us to further advance our innovative technology development."

About Chembio Diagnostics

Chembio is a leading point-of-care diagnostics company focused on detecting and diagnosing infectious diseases. The company's patented DPP[®] technology platform, which uses a small drop of blood from the fingertip, provides high-quality, cost-effective results in ~15 minutes. Coupled with Chembio's extensive scientific expertise, its novel DPP[®] technology offers broad market applications beyond infectious disease, a number of which are under active development with collaboration partners. Chembio's products are sold globally, directly and through distributors, to hospitals and clinics, physician offices, clinical laboratories, public health organizations, government agencies, and consumers. Learn more at www.chembio.com.

Preliminary and Forward-Looking Statements

The range for revenue for the third quarter of 2018 presented above represents a preliminary estimate because our financial closing procedures for the quarter remain to be performed and other developments may arise by the time the financial results for the quarter are completed. As a result, there is a possibility that revenue will not be within the range we currently estimate. This information is provided by and is the responsibility of management. Our independent registered public accounting firm has not audited, reviewed, compiled or performed any procedures with respect to this information and, accordingly, does not express an opinion or any other form of assurance on it.

The second, third, fourth, and fifth paragraphs of this press release contain statements concerning Chembio's expectations as to the commencement of automated production and the acquisition closing and future operation of opTricon that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect management's current views based on certain assumptions, and they involve risks and uncertainties. Actual results, events, or performance may differ materially from the forward-looking statements due to a number of important factors, and will be dependent upon a variety of factors, including, but not limited to: the ability of Chembio to timely close the opTricon acquisition; the ability of Chembio to maintain existing, and timely obtain additional, regulatory approvals and to timely obtain additional financing; the risks of doing business with a foreign country, including geopolitical, international and other challenges as well as potential material adverse effects of tariffs and other changes in U.S. trade policy; and other risks described in public reports filed by Chembio with the U.S. Securities and Exchange Commission to date, including under the caption "Risk Factors" in Chembio's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2018, and in the future. Chembio undertakes no obligation to update any forward-looking statements contained in this press release as a result of new information, future events or otherwise.

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