

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 14, 2007 (May 10, 2007)



CHEMBIO DIAGNOSTICS, INC.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of Incorporation)

0-30379
(Commission File Number)

88-0425691
(IRS Employer
Identification Number)

3661 Horseblock Road
Medford, NY 11763
(Address of principal executive
offices)
631-924-1135
(Registrant's Telephone
Number)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 3.02. Unregistered Sales of Equity Securities

On May 11, 2007, as payment of dividends on the series A preferred stock, the Company issued 198,749 shares of common stock to holders of the series A preferred stock. No cash was exchanged in this issuance. The Company relied on Section 4(2) of the Securities Act of 1933 as the basis for its exemption from registration of this issuance. The investors in the issuance were accredited investors of the Company.

ITEM 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Effective May 10, 2007, the Company's Board of Directors elected Kathy Davis to become a member of the Board of Directors. Ms. Davis is presently the owner of Davis Design Group LLC, a company that provides analytical and visual tools for public policy design. Previously she served as the Chief Executive Officer of Global Access Point, a start up company with products for data transport, data processing, and data storage network and hub facilities. From October 2003 to January 2005 Ms. Davis was Lieutenant Governor of the State of Indiana, and from January 2000 to October 2003 was Controller of the City of Indianapolis. From 1989 to 2003 Ms. Davis held leadership positions with agencies and programs in the State of Indiana including State Budget Director, Secretary of Family & Social Services Administration, and Deputy Commissioner of Transportation. From 1982 to 1989 Ms. Davis held increasingly senior positions with Cummins Engine, where she managed purchasing, product cost, manufacturing, engineering, and assembly of certain engine product lines. Ms. Davis also led the startup of and initial investments by a \$50 million Indiana state technology fund, serves on the not-for-profit boards of Noble of Indiana, Indiana Museum of African American History, University of Evansville Institute of Global Enterprise, and Purdue College of Science Dean's Leadership Council. She has a Masters of Business Administration from Harvard Business School and a Bachelor of Science in Mechanical Engineering from the Massachusetts Institute of Technology.

ITEM 7.01. Regulation FD Disclosures

On May 14, 2007, the Company issued a press release titled "Chembio Reports First Quarter 2007 Results" included herein as Exhibit 99.1.

ITEM 9.01. Financial Statements and Exhibits

Exhibits.

99.1 Press Release titled "Chembio Reports First Quarter 2007 Results" issued May 14, 2007.

In accordance with General Instruction B.2 of Form 8-K, the information disclosed in Item 7.01 and Exhibit 99.1 attached to, this current report on Form 8-K shall not be deemed “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing. This current report on Form 8-K does not constitute a determination of whether any information included herein is material.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 14, 2007

Chembio Diagnostics, Inc.

By: /s/ Lawrence A. Siebert
Lawrence A. Siebert
Chief Executive Officer



Chembio Reports First Quarter 2007 Results

Conference Call Scheduled for Tuesday at 2PM EDT

MEDFORD, N.Y.--May 14, 2007--Chembio Diagnostics, Inc. (OTCBB:[CEMI](#) News) reported first-quarter 2007 financial results. The Company has scheduled a web-cast conference call for 2:00PM Eastern Daylight time on Tuesday May 15, 2007 to discuss the first quarter results. Details for the web-cast can be found at the end of this press release.

Revenues for the first quarter of 2007 were \$2.04 million, a 65% increase compared to first quarter 2006 revenues of \$1.24 million. The first quarter 2007 net loss attributable to common stockholders was \$1.08 million or \$.09 per share compared to a net loss attributable to common stockholders of \$1.94 million or \$.22 per share for the first quarter of 2006. The net losses attributable to common stockholders for the first quarter of 2007 and 2006 are net of \$.35 million and \$.68 million, respectively of non-cash dividends (paid in common stock) as well as the beneficial conversion feature related to the Company's convertible preferred stock.

The first quarter 2007 revenue growth was attributable to increased sales of the Company's rapid HIV products which increased 237% compared to the first quarter of 2006. These increased sales include the launch of two of the Company's three HIV tests in the U.S. market in February.

The first quarter 2007 gross profit on total revenues increased to \$.66 million or 32% of total revenues as compared with \$.44 million or 35% of total revenues for the first quarter of 2006. Gross margin on net product sales for the three months ended March 31, 2007 was 32%, as compared to 31% for the three months ended March 31, 2006. The first quarter 2007 loss from operations decreased to \$.91 million as compared with \$1.26 million for the first quarter of 2006.

The Company achieved important milestones during the first quarter, including:

- Marketing launch, as mentioned above, of two rapid HIV tests in the United States professional diagnostics market.
- Allowance and issuance of United States patent number 7,189,522 for the Dual Path Immunoassay Device or DPP™, a proprietary lateral flow technology enabling improved features and performance over conventional single path lateral flow technology (SPLF). Additional patent protection is also pending both in the U.S. and worldwide.
- Completion of several feasibility studies with DPP™ confirming its improved performance over SPLF in serological antibody detection assays. Additional studies are ongoing and planned in the near term internally and with prospective partners under confidentiality with the objective of confirming the advantages of DPP™ in direct antigen detection assays.
- Completion of the facility inspection by the United States Department of Agriculture (USDA) in connection with the Company's first USDA product approval submission for its Non-human primate tuberculosis test, the first in a line of tests for veterinary tuberculosis.

Lawrence Siebert, Chairman and President of Chembio commented: "2007 has gotten off to an excellent start. We believe that revenues from our HIV rapid tests will continue to increase in 2007 as a result of our entry into the United States market as well as the continued growth in our international sales. We expect to generate initial revenues in the near future from our veterinary line of STAT-PAK(TM) rapid tests once we receive our license from the United States Department of Agriculture, which we anticipate will be in the near future. In addition, we also expect to generate revenues in the future from development or license agreements based upon our recently patented Dual Path Platform (DPP™) technology. Manufacturing efficiencies, cost reductions, higher average unit selling prices, and initial license fees from DPP™ collaborations, if realized, should result in further increasing gross margins and improving operating results in 2007.

The Company has scheduled a web-cast conference call for 2:00PM Eastern Daylight time on Tuesday May 15, 2007. Participants may dial into the call by dialing (877) 407-0782 or (201) 689-8567 for International callers. You may also access it via the internet through the following link. <http://www.vcall.com/IC/CEPage.asp?ID=117103>

Chembio Diagnostics, Inc.
Summary of Results of Operations

	First Quarter 2007	First Quarter 2006
Total Revenues	\$ 2,038,320	\$ 1,237,667
Gross Profit	659,819	435,539
Operating Loss	(911,137)	(1,254,913)
Net Loss	(728,805)	(1,263,714)
Preferred Dividends	353,978	676,357
Net Loss Attributable to Common Stockholders	\$ (1,082,784)	\$ (1,940,071)
Loss per share	\$ (0.09)	\$ (0.22)

ABOUT CHEMBIO

Chembio Diagnostics, Inc. is a developer and manufacturer of rapid diagnostic tests for infectious diseases. The Company has received marketing approval from the FDA for two of its rapid HIV tests. The Company also manufactures rapid tests for veterinary Tuberculosis and Chagas Disease, and has developed a patent-pending technology, the Dual Path Platform (DPP(TM)), for its next generation HIV and other rapid tests. References to Chembio may also include its wholly owned operating subsidiary, Chembio Diagnostic Systems, Inc. For additional information please visit www.chembio.com.

FORWARD-LOOKING STATEMENTS

Statements contained herein that are not historical facts may be forward-looking statements within the meaning of the Securities Act of 1933, as amended. Forward-looking statements include statements regarding the intent, belief or current expectations of the Company and its management. Such statements are estimates only, as the Company has not completed the preparation of its financial statements for those periods, nor has its auditor completed the audit of those results. Actual revenue may differ materially from those anticipated in this press release. Such statements reflect management's current views, are based on certain assumptions and involve risks and uncertainties. Actual results, events, or performance may differ materially from the above forward-looking statements due to a number of important factors, and will be dependent upon a variety of factors, including, but not limited to Chembio's ability to obtain additional financing, to obtain regulatory approvals in a timely manner, and the demand for Chembio's products. Chembio undertakes no obligation to publicly update these forward-looking statements to reflect events or circumstances that occur after the date hereof or to reflect any change in Chembio's expectations with regard to these forward-looking statements or the occurrence of unanticipated events. Factors that may impact Chembio's success are more fully disclosed in Chembio's most recent public filings with the U.S. Securities and Exchange Commission.

CONTACT: Chembio Diagnostics, Inc.
Matty Arce, 631-924-1135 ext 123.
