DURY DAVID S
Form 4
May 23, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
DURY DAVID S

(Last) (First) (Middle)

3560 BASSETT STREET

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
INTEVAC INC [IVAC]

3. Date of Earliest Transaction (Month/Day/Year)
05/19/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amou Underlying Secur (Instr. 3 and 4)

	Derivative Security			or Disposed of (D) (Instr. 3, 4, and 5)							
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am or Nu of S
Non-Qualified Stock Option (right to buy)	$ 11.33	05/19/2011		A		12,000		05/19/2012	05/19/2018	Common Stock	12

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DURY DAVID S 3560 BASSETT STREET SANTA CLARA, CA 95054	X			

Signatures

By: Kevin Soulsby For: David S. Dury	05/23/2011
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. further increase in the future, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our Board of Directors, particularly to serve on our audit committee and remuneration committee, and qualified executive officers.

Pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, we are required to furnish a report by our management on our internal control over financial reporting, and, once we cease to be an emerging growth company, will be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal controls in the future.

We cannot guarantee that we will be able to satisfy the continued listing standards of The NASDAQ Global Market going forward.

Our ordinary shares and warrants are listed on NASDAQ. However, we cannot ensure that we will be able to satisfy the continued listing standards of NASDAQ going forward. If we cannot satisfy the continued listing standards going forward, The NASDAQ Stock Market may commence delisting procedures against us, which could result in our ordinary shares or warrants being removed from listing on NASDAQ. If any of our ordinary shares or warrants were to be delisted, the liquidity of our ordinary shares or warrants could be adversely affected and the market price of our

ordinary shares or warrants could decrease. Delisting could also adversely affect the ability of a holder of our securities to trade or obtain quotations on our securities because of lower trading volumes and transaction delays.

These factors could contribute to lower prices and larger spreads in the bid and ask price for our securities. You may also not be able to resell your ordinary shares or warrants at or above the price you paid for such securities or at all.

Holders of our warrants will have no rights as ordinary shareholders until such holders exercise their warrants and acquire our ordinary shares.

Until holders of warrants acquire our ordinary shares upon exercise of the warrants, holders of warrants will have no rights with respect to the ordinary shares underlying such warrants. Upon exercise of the warrants, the holders thereof will be entitled to exercise the rights of an ordinary shareholder only as to matters for which the record date occurs after the exercise date.

The dilutive effect of our warrants could have an adverse effect on the future market price of our ordinary shares or otherwise adversely affect the interests of our ordinary shareholders.

As of March 31, 2015, there was an outstanding warrant to purchase 64,000 of our ordinary shares at an exercise price of $9.38 per share, 850,000 outstanding pre-funded warrants to purchase 850,000 of our ordinary shares at a price of $0.01 per share and 4,922,368 outstanding warrants to purchase 3,937,894 ordinary shares at an exercise price of $8.80 per whole ordinary share (subject to adjustment in certain circumstances). These warrants are likely to be exercised if the market price of our ordinary shares equals or exceeds the applicable warrant’s exercise price. To the extent such warrants are exercised, additional ordinary shares will be issued, which would dilute the ownership of existing shareholders. The anti-dilution protections in the warrants sold in our initial public offering, which include full ratchet anti-dilution protection in the event of certain equity issuances below the then existing exercise

price of the warrants, could further dilute the ownership of existing shareholders. Further, if these warrants are exercised at any time in the future at a price lower than the book value per share of our ordinary shares, existing shareholders could suffer dilution of their investment.

The warrants sold in our initial public offering may not have any value.

The warrants sold in our initial public offering will expire at 5:30 p.m. EST on October 25, 2015 unless we in our sole discretion extend the expiration date. In the event our ordinary share price does not exceed the exercise price of the warrants during the period when the warrants are exercisable, the warrants may not have any value.

An effective registration statement may not be in place when an investor desires to exercise warrants, thus precluding such investor from being able to exercise his, her, or its warrants and causing such warrants to be practically worthless.

No warrant sold in our initial public offering will be exercisable and we will not be obligated to issue ordinary shares unless at the time such holder seeks to exercise such warrant, a registration statement relating to the ordinary shares issuable upon exercise of the warrant is effective and current. Under the terms of the warrants, we have agreed to use our best efforts to meet these conditions and to maintain an effective registration statement and a current prospectus relating to the ordinary shares issuable upon exercise of the warrants until the termination date of the warrants. However, we cannot assure you that we will be able to do so, and if we do not maintain an effective registration statement or current prospectus related to the ordinary shares issuable upon exercise of the warrants, holders will be unable to exercise their warrants and we will not be required to net cash settle or cash settle any such warrant exercise. If a registration statement is not effective or the prospectus relating to the ordinary shares issuable upon the exercise of the warrants is not current, the warrants held by investors may have no value, the market for such warrants may be limited, and such warrants may expire worthless.

An investor will only be able to exercise a warrant if the issuance of ordinary shares upon such exercise has been registered or qualified or is deemed exempt under the securities laws of the state or other jurisdiction of residence of the holder of the warrants.

No warrants sold in our initial public offering will be exercisable and we will not be obligated to issue ordinary shares unless the shares issuable upon such exercise have been registered or qualified or deemed to be exempt under the securities laws of the state or other jurisdiction of residence of the holder of the warrants. Our ordinary shares are listed on NASDAQ, which provides an exemption from registration in every U.S. state. Accordingly, we believe holders in every state will be able to exercise their warrants as long as our registration statement is effective and our prospectus relating to the ordinary shares issuable upon exercise of the warrants is current. However, we cannot assure you of this fact. As a result, the warrants may be deprived of any value, the market for the warrants may be limited, and the holders of warrants may not be able to exercise their warrants if the ordinary shares issuable upon such exercise are not registered or qualified or exempt from registration or qualification in the jurisdictions in which the holders of the warrants reside.

Risks Related to Being a Jersey, Channel Islands Company Listing Ordinary Shares or Warrants

Our ordinary shares and warrants are issued under the laws of Jersey, Channel Islands, which may not provide the level of legal certainty and transparency afforded by incorporation in a United States state.

We are organized under the laws of the Jersey, Channel Islands, a British crown dependency that is an island located off the coast of Normandy, France. Jersey is not a member of the European Union. Jersey, Channel Islands legislation regarding companies is largely based on English corporate law principles. However, there can be no assurance that Jersey, Channel Islands law will not change in the future or that it will serve to protect investors in a similar fashion afforded under corporate law principles in the United States, which could adversely affect the rights of investors.

Beneficial holders of our ordinary shares through the Depository Trust Company will not be legal shareholders of our company and therefore will have no direct rights as shareholders and must act through their participating broker to exercise those rights. As a result of this restriction, we are unable to comply with NASDAQ's Direct Registration Program.

Under the laws of Jersey, Channel Islands, only holders of ordinary shares in the UK's CREST electronic system or holders of shares in certificated form may be recorded in our share register as legal shareholders.

Cede & Co., as nominee for the Depository Trust Company, or DTC, holds the ordinary shares sold in our initial public offering on behalf of, and as nominee for, investors who purchase such shares. We and DTC have no contractual relationship. Investors who purchase the ordinary shares (although recorded as owners within the DTC system) are legally considered holders of beneficial interests in those shares only and will have no direct rights against us. Investors who purchase ordinary shares must look solely to their

participating brokerage in the DTC system for payment of dividends, the exercise of voting rights attaching to the ordinary shares and for all other rights arising with respect to the ordinary shares.

Under our Amended Articles of Association, the minimum notice period required to convene a general meeting is 14 clear days. When a general meeting is convened, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw your ordinary shares from the DTC system to allow you to directly cast your vote with respect to any specific matter. In addition, a participating DTC brokerage firm may not be able to send voting instructions to you or carry out your voting instructions in a timely manner. We cannot assure you that you will receive voting materials in time to ensure that you can instruct your participating DTC brokerage, or its designee, to vote your shares. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ordinary shares are not voted as you requested. In addition, if you hold your shares indirectly through the DTC system, you will not be able to call a shareholder meeting.

As a result of Jersey, Channel Islands law restrictions described above, we are unable to comply with NASDAQ's Direct Registration Program requirements. NASDAQ Listing Rule 5210(c) requires that all securities listed on NASDAQ (except securities which are book-entry only) must be eligible for a Direct Registration Program operated by a clearing agency registered under Section 17A of the Exchange Act; provided, however, that a foreign issuer may follow its home country practice in lieu of this requirement if prohibited from complying by a law or regulation in its home country. As noted above, we are unable to comply with this requirement, and will follow our home country requirements providing that only holders of shares in the CREST electronic system or holders of shares in certificated form will be recorded in our share register. We do not intend to list our shares in the United Kingdom and, accordingly, we only anticipate issuing our shares in certificated form.

A change in our tax residence could have a negative effect on our future profitability.

We are organized under the laws of Jersey, Channel Islands. Our directors seek to ensure that our affairs are conducted in such a manner that we are not resident in any other jurisdiction for tax purposes. It is possible that in the future, whether as a result of a change in law or the practice of any relevant tax authority or as a result of any change in the conduct of our affairs following a review by our directors or for any other reason, we could become, or be regarded as having become, a resident in another higher tax jurisdiction. Should we become a tax resident in another jurisdiction, we may be subject to unexpected tax charges in such jurisdiction. Similarly, if the tax residency of any of our subsidiaries were to change from their current jurisdiction for any of the reasons listed above, we may be subject to similar tax consequences.

We may be or become classified as a passive foreign investment company for U.S. federal income tax purposes, which could result in materially adverse U.S. federal income tax consequences to U.S. investors in our ordinary shares or warrants.

A non-U.S. corporation will be a passive foreign investment company, or PFIC, for any taxable year in which (1) at least 75% of its gross income is passive income or (2) at least 50% of the value (determined on a quarterly basis) of its assets is attributable to assets that produce or are held for the production of passive income. Our status as a PFIC depends on certain facts outside of our control and the application of U.S. federal income tax rules that are not entirely clear. Accordingly, there can be no assurance that we will not be classified as a PFIC for our current taxable year or any future taxable year. If we are treated as a PFIC for any taxable year during which you hold our ordinary shares or warrants, such treatment could result in materially adverse U.S. federal income tax consequences to you if you are a U.S. taxable investor. For example, if we are or become a PFIC, you may become subject to increased tax liabilities under U.S. federal income tax laws and regulations, and will become subject to additional reporting requirements. Although we do not believe we are a PFIC for our taxable year ended March 31, 2015 and do not expect to be a PFIC for the taxable year ending March 31, 2016 or any future taxable year, we cannot assure you that we have not been or will not be a PFIC for any particular taxable year. U.S. investors considering an investment in our ordinary shares or warrants are urged to consult their tax advisors regarding our possible status as a PFIC.

U.S. withholding tax could apply to a portion of certain payments on the ordinary shares.

The United States has enacted rules, commonly referred to as "FATCA," that generally impose a new reporting and withholding regime with respect to certain U.S. source payments (including dividends and interest), gross proceeds from the disposition of property that can produce U.S. source interest and dividends and certain payments made by entities that are classified as financial institutions under FATCA. The governments of Jersey, Channel Islands and the United States have entered into an agreement with respect to the implementation of FATCA. Under this agreement, we do not expect to be subject to withholding under FATCA on any payments we receive. Similarly, as currently drafted, we do not expect that withholding under FATCA will apply to payments on the ordinary shares. However, significant aspects of whether or how FATCA will apply to non-U.S. issuers like us remain unclear, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments on the ordinary shares in the future. Even if FATCA were to become relevant to payments on the shares, it would not be applicable earlier than January 1, 2017. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA, including the agreement relating to FATCA between the governments of Jersey and the United States, to an investment in the ordinary shares.

U.S. security holders may not be able to enforce civil liabilities against us.

A number of our directors and executive officers and a number of directors of certain of our subsidiaries are not residents of the United States, and a substantial portion of the assets of such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons.

Judgments of U.S. courts may not be directly enforceable outside of the United States and the enforcement of judgments of U.S. courts outside of the United States may be subject to limitations. Investors may also have difficulties pursuing an original action brought in a court in a jurisdiction outside the United States for liabilities under the securities laws of the United States.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Our UK corporate headquarters, including our development laboratory facility, and our manufacturing facility for conventional reagent products are located in Edinburgh, Scotland. We also have a manufacturing facility in Eysins, Switzerland, which we expect will become the principal manufacturing site for the MosaiQ™ consumable. Our U.S. corporate headquarters are located in Newtown, Pennsylvania. The table below provides selected information regarding our facilities, all of which are leased.

Facility/Use	Location	Size (sq. ft.) Office	Laboratory	Expiration
UK Corporate Headquarters/Development Laboratory Facility	Edinburgh, Scotland	3,500	5,000	July 31, 2017
Manufacturing Operations—Conventional Reagents	Edinburgh, Scotland	6,200	16,000	August 30, 2016
MosaiQ™ Laboratory Facility	Edinburgh, Scotland	3,600	3,600	December 31, 2018
Manufacturing Operations—MosaiQ™	Eysins, Switzerland	13,600	31,600	March 15, 2020
U.S. Corporate Headquarters	Newtown, Pa., USA	1,200	—	November 30, 2015
U.S. Direct Sales Operation	Chapel Hill, N.C., USA	1,000	—	Renewed monthly

We believe our current facilities are suitable and adequate to meet our current needs and that suitable additional or substitute space will be available to accommodate future growth of our business. We plan to replace and expand our existing Edinburgh manufacturing facility with a new facility in Edinburgh for the development and manufacture of conventional reagent products.

Item 3. Legal Proceedings

We are not currently a party to any pending legal proceedings that we believe could have a material adverse effect on our business or financial condition. However, we may be subject to various claims and legal actions arising in the ordinary course of business from time to time.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Commencing on May 27, 2014, the ordinary shares and warrants comprising the units issued in our initial public offering began trading separately on NASDAQ under the symbols "QTNT" and "QTNTW", respectively. In connection with the initiation of separate trading of the ordinary shares and warrants, the trading of the units (which were listed under the symbol "QTNTU") was suspended and the units were delisted from NASDAQ. Prior to our initial public offering, there was no public market for our securities. On May 29, 2015, the last reported sale price of our ordinary shares on NASDAQ was $15.40 per share and the last reported price of our warrants on NASDAQ was $5.60 per warrant.

The following table sets forth the high and low sales price per ordinary share reported on NASDAQ as traded for each of the quarters indicated:

Fiscal Year Ended March 31, 2015	High	Low
Fourth Quarter	$18.03	$12.35
Third Quarter	$19.89	$9.02
Second Quarter	$10.98	$7.49
First Quarter (1)	$9.76	$5.82

(1) Commencing May 27, 2014.

Shareholders

On May 29, 2015, there were 27 shareholders of record of our ordinary shares. This number does not include shareholders for whom shares were held in a "nominee" or "street" name.

Dividends

We have never declared or paid cash dividends on our ordinary shares. We currently intend to retain all available funds and any future earnings, if any, to fund the development and expansion of our business and we do not anticipate paying any cash dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends, if any, will be made at the complete discretion of our Board of Directors and will depend on then existing conditions, including our results of operations, financial conditions, contractual restrictions, capital requirements, business prospects and other factors our Board of Directors may deem relevant.

Performance Graph

Below is a graph which compares the cumulative shareholder return on our ordinary shares from May 27, 2014, the date on which our ordinary shares commenced trading on NASDAQ, through March 31, 2015 against the cumulative total return for the same period on the NASDAQ Stock Market Composite Index and the NASDAQ Healthcare Index. The results are based on an assumed $100 invested on May 27, 2014.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table presents certain information about our equity compensation plans as of March 31, 2015:

Name of Plan	Number of securities to be issued upon exercise of outstanding options and rights	Weighted average exercise price of outstanding options and rights	Number of shares remaining available for future issuance
Equity compensation plans approved by shareholders[1]	1,258,118	$5.36	888,913
Equity compensation plans not approved by shareholders	—	—	—

(1) Composed of the 2013 Enterprise Management Plan, pursuant to which 634,568 ordinary shares are issuable upon exercise of outstanding options and rights at a weighted average exercise price of $3.07, and the 2014 Stock Incentive Plan, pursuant to which 623,550 ordinary shares are issuable upon exercise of outstanding options and rights at a weighted average exercise price of $7.68. 12,463 ordinary shares remain available for future issuance under the 2013 Enterprise Management Plan and 876,450 ordinary shares remain available for future issuance under the 2014 Stock Incentive Plan.

Use of Proceeds from Initial Public Offering

On April 24, 2014, the SEC declared effective our registration statement on Form S-1 (File No. 333-194390) in connection with our initial public offering. As of March 31, 2015, we estimate that we have used all of the net proceeds from our initial public offering as follows: approximately $24 million of the net proceeds on the conversion of the MosaiQ™ manufacturing facility and the design and building of the initial manufacturing system for MosaiQ™ consumables and approximately $9 million on development of the initial MosaiQ™ consumables and instrument platform.

Recent Sale of Unregistered Securities

Since April 1, 2014, we issued the following securities that were not registered under the Securities Act.

On April 3, 2014, we issued 29,114,088 ordinary shares in connection with the conversion of our then outstanding preference shares, A ordinary shares and B ordinary shares immediately prior to our initial public offering. All our outstanding ordinary shares were then subsequently consolidated at a ratio of 32 new ordinary shares to every 100 issued ordinary shares. In addition, certain shares held by certain existing shareholders were further consolidated or were sub-divided.

On November 25, 2014, we entered into subscription agreements with certain institutional and individual accredited investors for the private placement of 2,000,000 newly issued ordinary shares at a price of $9.50 per share and 850,000 newly issued pre-funded warrants at a price of $9.49 per warrant, amounting to an aggregate subscription price of approximately $27.1 million. Each pre-funded warrant permits the holder to subscribe for one new ordinary share at an exercise price of $0.01 per pre-funded warrant. This private placement was completed on November 28, 2014. Fees totaling approximately $2.0 million were paid to the placement agent, Jefferies LLC, for its services in connection with this private placement.

On January 29, 2015, we entered into a subscription agreement with Ortho-Clinical Diagnostics Finco S.Á R.L., an affiliate of Ortho, for the private placement of 444,445 newly issued ordinary shares at a price of $22.50 per share and 666,665 newly issued 7% cumulative redeemable preference shares, of no par value, at a price of $22.50 per share, for an aggregate subscription price of approximately $25 million. This transaction was completed on January 30, 2015.

The above issuances were exempt from registration under the Securities Act under Section 3(a)(9) thereof, as transactions involving exchanges with existing security holders, or under Section 4(a)(2) thereof and Rule 506 of Regulation D promulgated thereunder, as transactions by an issuer not involving a public offering. No underwriters were used in connection with any of the foregoing transactions. The purchasers of securities in each such transaction (other than the transactions involving conversions of previously issued securities) represented that they were accredited investors as defined in Regulation D and that they were acquiring the securities for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof, and appropriate legends were affixed to the securities.

Explanation of Responses: 13

Item 6. Selected Consolidated Financial Data

The following tables summarize our consolidated financial and other data. The consolidated statement of income data for the years ended March 31, 2015, 2014 and 2013 and the consolidated balance sheet data as of March 31, 2015 and 2014 have been derived from our audited consolidated financial statements appearing elsewhere in this Annual Report on Form 10-K. The consolidated statement of income data for the years ended March 31, 2012 and 2011 and the consolidated balance sheet data as of March 31, 2013 and 2012 have been derived from our audited consolidated financial statements not included in this Annual Report on Form 10-K.

Our historical results are not necessarily indicative of the results that may be expected in the future. You should read the following selected financial data together with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and accompanying notes included elsewhere in this Annual Report on Form 10-K. The selected financial data in this section are not intended to replace our financial statements and the accompanying notes.

	Year ended March 31,				
	2015	2014	2013	2012	2011
	(in thousands, except share and per share data)				
Consolidated statement of loss:					
Revenue:					
Product sales	$17,658	$16,987	$13,753	$11,550	$9,545
Other revenues	750	2,768	618	669	489
Total revenue	18,408	19,755	14,371	12,219	10,034
Cost of revenue	(9,763)	(8,406)	(7,169)	(6,749)	(5,628)
Gross profit	8,645	11,349	7,202	5,470	4,406
Operating expenses:					
Sales and marketing	(2,750)	(2,705)	(2,252)	(1,674)	(1,456)
Research and development, net of government grants	(19,216)	(8,066)	(2,617)	(1,749)	(1,703)
General and administrative expense:					
Compensation expense in respect of share options and management equity incentives	(1,138)	(933)	(471)	—	—
Other general and administrative expenses	(15,255)	(8,537)	(6,353)	(6,011)	(5,346)
Total general and administrative expense	(16,393)	(9,470)	(6,824)	(6,011)	(5,346)
Total operating expense	(38,359)	(20,241)	(11,693)	(9,434)	(8,505)
Operating loss	(29,714)	(8,892)	(4,491)	(3,964)	(4,099)
Other expense:					
Interest expense, net	(2,315)	(1,076)	(234)	(340)	(312)
Change in financial liability for share warrants	(22,966)	—	—	—	—
Other, net	(4,064)	(197)	11	(169)	(210)
Other expense, net	(29,345)	(1,273)	(223)	(509)	(522)
Loss before income taxes	(59,059)	(10,165)	(4,714)	(4,473)	(4,621)
Provision for income taxes	—	—	—	—	—
Net loss	$(59,059)	$(10,165)	$(4,714)	$(4,473)	$(4,621)
Net loss available to ordinary shareholders - basic and diluted	$(59,059)	$(10,165)	$(4,714)	$(4,473)	$(4,621)

Loss per share - basic and diluted	$(4.00)	$(54.41)	$(62.97)	$(78.04)	$(81.16)
Weighted-average shares outstanding - basic and diluted	14,773,386	186,817	74,866	57,317	56,936

	As of March 31,			
	2015	2014	2013	2012
	(in thousands)			
Consolidated balance sheet data:				
Cash and cash equivalents	$37,525	$7,192	$4,219	$4,354
Total assets	81,119	29,808	12,891	12,357
Long-term debt	10,768	15,105	3,000	3,000
Total liabilities	82,734	30,581	7,931	7,286
Total shareholders' funds (deficit)	$(1,615)	$(31,536)	$(23,061)	$(18,687)

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the financial statements and the related notes to those statements included later in this Annual Report on Form 10-K. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, beliefs and expectations that involve risks and uncertainties. Our actual results and the timing of events could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Annual Report, particularly in "Risk Factors."

Overview

We were incorporated in Jersey, Channel Islands on January 28, 2012. On February 16, 2012, we acquired the entire issued share capital of Alba Bioscience Limited (or Alba), Quotient Biodiagnostics, Inc. (or QBDI) and QBD (QSIP) Limited (or QSIP) from Quotient Biodiagnostics Group Limited (or QBDG), our predecessor.

The acquisition of Alba, QBDI and QSIP by us is treated for accounting purposes as a combination of entities under common control as these entities were all controlled by QBDG prior to their acquisition by us. We recognized the assets and liabilities of Alba, QBDI and QSIP at their carrying amounts in the financial statements of those companies. We are a continuation of QBDG and its subsidiaries and, accordingly, our consolidated financial statements include the assets, liabilities and results of operations of the subsidiaries transferred since their inception.

Our Business

We are an established, commercial-stage diagnostics company committed to reducing healthcare costs and improving patient care through the provision of innovative tests within established markets. Our initial focus is on blood grouping and serological disease screening, which is commonly referred to as transfusion diagnostics. Blood grouping involves specific procedures performed at donor or patient testing laboratories to characterize blood, which includes antigen typing and antibody identification. Serological disease screening involves the screening of donor blood for unwanted pathogens.

We have over 30 years of experience developing, manufacturing and commercializing conventional reagent products used for blood grouping within the global transfusion diagnostics market. We are developing MosaiQ™, our proprietary technology platform, to better address the comprehensive needs of this large and established market. We believe MosaiQ™ has the potential to transform transfusion diagnostics, significantly reducing the cost of blood grouping in the donor and patient testing environments while improving patient outcomes.

We currently operate as one business segment with over 230 employees in the United States and the United Kingdom. Our principal markets are the United States, Europe and Japan. Based on the location of the customer, revenues outside the United States accounted for 55%, 51% and 58% of total revenue during the years ended March 31, 2015, 2014 and 2013, respectively.

We have incurred net losses and negative cash flows from operations in each year since we commenced operations in 2007. As of March 31, 2015, we had an accumulated deficit of $74.4 million. We expect our operating losses will continue at least for the next two years as we continue our investment in the development and commercialization of MosaiQ™. Our total revenue was $18.4 million for the year ended March 31, 2015, $19.8 million for the year ended March 31, 2014, and $14.4 million for the year ended March 31, 2013. Our net loss was $59.1 million for the year

ended March 31, 2015, $10.2 million for the year ended March 31, 2014, and $4.7 million for the year ended March 31, 2013.

On April 30, 2014 we completed our initial public offering and issued 5,000,000 units at $8.00 per unit. Each unit comprised one ordinary share and one warrant. Each warrant permits the holder, prior to October 25, 2015, to subscribe for 0.8 of one new ordinary share at an exercise price equivalent to $8.80 per underlying ordinary share. We raised $40.0 million of equity share capital before issuance costs of approximately $6.4 million. At the time of the offering, we recorded a financial liability in our financial statements amounting to $8.5 million, which represents the value ascribed to the warrants attributable to our initial public offering of units. On May 27, 2014, our ordinary shares and warrants began trading separately on The NASDAQ Global Market and the units were delisted. During the year ended March 31, 2015, 77,632 of these warrants were exercised resulting in the issue of 62,104 new ordinary shares. At March 31, 2015, 4,922,368 warrants remained outstanding and the market value of the warrants at was $31.0 million. We have recorded the increase in the market value of the warrants since our initial public offering as an expense of $23.0 million within net other income (expense) in our income statement for the year ended March 31, 2015. In the year ended March 31, 2015, we also incurred non-recurring expenses of $3,785,000, $628,000 and $383,000, representing costs incurred in relation to the Ortho Agreement and other advisory fees, the portion of the costs of our initial public offering that are attributable to the warrants and the

settlement of a dispute with Scottish National Blood Transfusion Service, respectively. These costs and expenses are included in other expense in our income statement.

On November 25, 2014, we entered into subscription agreements with certain institutional and individual accredited investors for the private placement of 2,000,000 newly issued ordinary shares at a price of $9.50 per share and 850,000 newly issued pre-funded warrants at a price of $9.49 per warrant, amounting to an aggregate subscription price of approximately $27.1 million. Each pre-funded warrant permits the holder to subscribe for one new ordinary share at an exercise price of $0.01 per pre-funded warrant.

On January 29, 2015, we entered into a subscription agreement with Ortho-Clinical Diagnostics Finco S.Á.R.L., an affiliate of Ortho, for the private placement of 444,445 newly issued ordinary shares at a price of $22.50 per share and 666,665 newly issued 7% cumulative redeemable preference shares, of no par value, at a price of $22.50 per share, for an aggregate subscription price of approximately $25 million.

Revenue

We generate product sales revenue from the sale of conventional reagent products directly to hospitals, donor collection agencies and independent testing laboratories in the United States, the United Kingdom and to distributors in Europe and the rest of the world, and indirectly through sales to our OEM customers. We recognize revenues in the form of product sales when the goods are shipped. Products sold by standing purchase orders as a percentage of product sales revenue were 72% for the year ended March 31, 2015 and 71% for the years ended March 31, 2014 and 2013. We also provide product development services to our OEM customers. We recognize revenue from these contractual relationships in the form of product development fees, which are included in Other revenues. For a description of our revenue recognition policies, see “—Critical Accounting Policies and Significant Judgments and Estimates—Revenue Recognition and Accounts Receivable.”

Our revenue is denominated in multiple currencies. Sales in the United States and to certain of our OEM customers are denominated in U.S. Dollars. Sales in Europe and the rest of the world are denominated primarily in Pounds Sterling, Euros or Yen. Our expenses are generally denominated in the currencies in which our operations are located, which is primarily in the United Kingdom and United States. We operate globally and therefore changes in foreign currency exchange rates may become material to us in the future due to factors beyond our control. See “—Quantitative and Qualitative Disclosure About Market Risk—Foreign Currency Exchange Risk.”

Cost of revenue and operating expenses

Cost of revenue consists of direct labor expenses, including employee benefits, overhead expenses, material costs and freight costs, along with the depreciation of manufacturing equipment and leasehold improvements. Our gross profit represents total revenue less the cost of revenue, and gross margin represents gross profit expressed as a percentage of total revenue. Our gross margin was 47% for year ended March 31, 2015 and 57% and 50% for the years ended March 31, 2014 and 2013, respectively. Excluding other revenues, which consist of product development fees, our gross margin on product sales was 45% for the year ended March 31, 2015 and 50% and 48% for the years ended March 31, 2014 and 2013, respectively. We expect our overall cost of revenue to increase in absolute U.S. Dollars as we continue to increase our product sales volumes. However, we also believe that we can achieve efficiencies in our manufacturing operations, primarily through increasing production volumes, which should improve our gross margin on product sales.

Our sales and marketing expenses include costs associated with our sales organization, including our direct sales force, as well as our marketing and customer service personnel. These expenses consist principally of salaries, commissions, bonuses and employee benefits, as well as travel costs related to our sales activities. These expenses

also include direct and indirect costs associated with our product marketing activities. We expense all sales and marketing costs as incurred. We expect sales and marketing expense to increase in absolute U.S. Dollars, primarily as a result of commissions on increased product sales in the United States, but decline as a percentage of product sales.

Our research and development expenses include costs associated with performing research, development, field trials and our regulatory activities, as well as production costs incurred in advance of the commercial launch of MosaiQ™. Research and development expenses include research personnel-related expenses, fees for contractual and consulting services, travel costs, laboratory supplies and depreciation of laboratory equipment. In the year ended March 31, 2015, these expenses also included the costs of our intellectual property license with TTP relating to MosaiQ™.

We expense all research and development costs as incurred, net of government grants received and tax credits. In 2015, recent changes in UK tax legislation enabled our UK subsidiary to claim certain tax credits on its research and development expenditures. Previously, these tax credits increased the unutilized tax losses of our UK subsidiary, but are now being claimed and are included as an offset to our research and development expenses. Our research and development efforts are focused on developing new products and technologies for the global transfusion diagnostics market. We segregate research and development expenses for the MosaiQ™ project

from expenses for other research and development projects. We do not maintain detailed records of these other costs by activity. We expect overall research and development expense to increase in absolute U.S. Dollars as we focus on completing the development of MosaiQ™.

Our general and administrative expenses include costs for our executive, accounting and finance, legal, corporate development, information technology and human resources functions. We expense all general and administrative expenses as incurred. These expenses consist principally of salaries, bonuses and employee benefits for the personnel performing these functions, including travel costs. These expenses also include share-based compensation, professional service fees (such as audit, tax and legal fees), costs related to our Board of Directors, and general corporate overhead costs, which includes depreciation and amortization. We expect our general and administrative expenses to increase, primarily due to the costs of operating as a public company, such as additional legal, accounting and corporate governance expenses, including expenses related to compliance with the Sarbanes-Oxley Act, directors' and officers' insurance premiums and investor relations expenses.

Net interest expense consists primarily of interest charges on our loan balances and the amortization of debt issuance costs, as well as accrued dividends on the 7% cumulative redeemable preference shares issued in January 2015. We amortize debt issuance costs over the life of the loan and report them as interest expense in our statements of operations.

Net other income (expense) consists primarily of realized exchange fluctuations resulting from the settlement of transactions in currencies other than the functional currencies of our businesses. Monetary assets and liabilities that are denominated in foreign currencies are measured at the period-end closing rate with resulting unrealized exchange fluctuations. The functional currencies of our businesses are Pounds Sterling, Swiss Franc and U.S. Dollars depending on the entity. In the year ended March 31, 2015 net other expense also includes the change in the fair value of our warrants, asset write-downs related to the conversion of the Eysins, Switzerland facility and the two other non-recurring items as mentioned above under "—Our Business."

Results of Operations

Comparison of Years ended March 31, 2015 and 2014

The following table sets forth, for the periods indicated, the amounts of certain components of our statements of operations and the percentage of total revenue represented by these items, showing period-to-period changes.

	Year ended March 31,					
	2015		2014		Change	
	Amount	% of revenue	Amount	% of revenue	Amount	%
	(in thousands, except percentages)					
Revenue:						
Product sales	$17,658	96 %	$16,987	86 %	$671	4 %
Other revenues	750	4 %	2,768	14 %	(2,018)	0 %
Total revenue	18,408	100 %	19,755	100 %	(1,347)	-7 %
Cost of revenue	9,763	53 %	8,406	43 %	1,357	16 %
Gross profit	8,645	47 %	11,349	57 %	(2,704)	-24 %
Operating expenses:						
Sales and marketing	2,750	15 %	2,705	14 %	45	2 %
Research and development	19,216	104 %	8,066	41 %	11,150	138 %

General and administrative	16,393	89	%	9,470	48	%	6,923	73	%
Total operating expenses	38,359	208	%	20,241	102	%	18,118	90	%
Operating (loss)	(29,714)	-161	%	(8,892)	-45	%	(20,822)	234	%
Other expense:									
Interest expense, net	(2,315)	-13	%	(1,076)	-5	%	(1,239)	115	%
Other, net	(27,030)	-147	%	(197)	-1	%	(26,833)	—	
Total other expense, net	(29,345)	-159	%	(1,273)	-6	%	(28,072)	—	
Loss before income taxes	(59,059)	-321	%	(10,165)	-51	%	(48,894)	481	%
Provision for income taxes	—	0	%	—	0	%	—	—	
Net loss	$(59,059)	-321	%	$(10,165)	-51	%	$(48,894)	481	%

Revenue

Total revenue decreased by 7% to $18.4 million for the year ended March 31, 2015, compared with $19.8 million for the year ended March 31, 2014. Product sales revenue increased by 4% to $17.7 million for the year ended March 31, 2015, compared with $17.0 million for the year ended March 31, 2014. Higher product sales volumes were offset by a $0.3 million negative impact of a stronger U.S. dollar relative to the British Pound and Euro. Products sold by standing purchase order were 72% of product sales for the year ended March 31, 2015, compared with 71% for the year ended March 31, 2014. Total revenue for the years ended March 31, 2015 and 2014 also included revenue related to our product development services of $0.8 million and $2.8 million, respectively.

The below table sets forth revenue by product group:

	Year ended March 31,							
	2015			2014			Change	
	Amount	% of revenue		Amount	% of revenue		Amount	%
	(in thousands, except percentages)							
Revenue:								
Product sales - OEM customers	$12,377	67	%	$11,768	60	%	$609	5 %
Product sales - direct customers and distributors	5,281	29	%	5,219	26	%	62	1 %
Other revenues	750	4	%	2,768	14	%	2,018	0 %
Total revenue	$18,408	100	%	$19,755	100	%	$(1,347)	-7%

OEM Sales. Product sales to OEM customers increased 5% to $12.4 million for the year ended March 31, 2015, compared with $11.8 million for the year ended March 31, 2014. Higher product sales volumes were offset by the negative impact of a stronger U.S. dollar relative to the British Pound and Euro. This growth was primarily driven by increased sales of our whole blood control products to existing OEM customers.

Direct Sales to Customers and Distributors. Direct product sales increased 1% to $5.3 million for the year ended March 31, 2015 compared with $5.2 million for the year ended March 31, 2014. Direct sales in the United States increased by 18%, which was primarily driven by sales of our reagent red blood cell products. Direct sales outside the United States decreased by 29% as a result of our decision to rationalize our product offering in Europe and the negative impact of a stronger U.S. dollar relative to the British Pound and Euro.

Other Revenues. Other revenues of $0.8 million for the year ended March 31, 2015 consisted of product development revenues associated with the development of a range of rare antisera products for an OEM customer. During the year ended March 31, 2014, we recognized $2.8 million of product development fees related to the same development program.

Cost of revenue and gross margin

Cost of revenue increased by 16% to $9.8 million for the year ended March 31, 2015, compared with $8.4 million for the year ended March 31, 2014, reflecting growth in product sales volumes, higher shipping costs and incremental conventional reagent manufacturing costs. Gross profit on total revenue in the year ended March 31, 2015 was $8.6 million, a decrease of 24% when compared with $11.3 million in the year ended March 31, 2014. The decrease was mainly attributable to a $2.0 million decrease in other revenues.

Excluding other revenues, gross profit on product sales in the year ended March 31, 2015 was $7.9 million, a decrease of 8% when compared with $8.6 million in the year ended March 31, 2014. The decrease was attributable to the impact of adverse exchange rate movements, higher shipping costs and incremental conventional reagent manufacturing costs, which offset the positive impact of higher sales volumes.

Gross margin, which represents gross profit expressed as a percentage of total revenue, was 47% for the year ended March 31, 2015, compared with 57% for the year ended March 31, 2014. Gross margin on product sales decreased to 45% for the year ended March 31, 2015, compared with 51% for the year ended March 31, 2014. The 2015 gross margin was affected by the impact of adverse exchange rate movements, higher shipping costs and incremental conventional reagent manufacturing costs.

Sales and marketing expenses

Sales and marketing expense increased by 2% to $2.8 million for the year ended March 31, 2015, compared with $2.7 million for the year ended March 31, 2014. The increase resulted primarily from commissions paid on greater direct product sales in the United States. As a percentage of total product sales, sales and marketing expenses were 15% for the year ended March 31, 2015, compared with 14% for the year ended March 31, 2014.

Research and development expenses

	Year ended March 31,							
	2015		2014		Change			
	Amount	% of revenue	Amount	% of revenue	Amount	%		
	(in thousands, except percentages)							
Research and development expenses:								
MosaiQ™ research and development	$17,661	96	%	$6,712	34	%	$10,949	163%
Other research and development	2,058	11	%	1,788	9	%	270	15 %
Tax credits and grants	(503)	-3	%	(434)	-2	%	(69)	—
Total research and development expenses	$19,216	104	%	$8,066	41	%	$11,150	138%

Research and development expenses increased by $11.2 million to $19.2 million for the year ended March 31, 2015, compared with $8.1 million for the year ended March 31, 2014. As a percentage of total revenue, research and development expenses increased to 104% for the year ended March 31, 2015, compared with 41% for the year ended March 31, 2014. This reflects increased expenditure on the MosaiQ™ project following the completion of our initial public offering and development activities associated with new conventional reagent product introductions. Research and development expenses for the year ended March 31, 2015 also includes a $1.0 million expense related to the costs of our intellectual property license with TTP for MosaiQ™.

Grant income and tax credits included $0.5 million of tax credits in the year ended March 31, 2015 and $0.4 million of grant income in the year ended March 31, 2014. Recent changes in UK tax legislation now enable our UK subsidiary to claim certain tax credits on its research and development expenditures. Previously, these tax credits increased the unutilized tax losses of our UK subsidiary, but are now being claimed and are included as an offset to our research and development expenses.

General and administrative expenses

General and administrative expenses increased by 73% to $16.4 million for the year ended March 31, 2015, compared with $9.5 million for the year ended March 31, 2014, reflecting greater personnel-related costs, increased facility rental charges and increased corporate costs, including costs related to our transition to a public company. We recognized $1.1 million of stock compensation expense in the year ended March 31, 2015 compared with $0.9 million in the year ended March 31, 2014. As a percentage of total revenue, general and administrative expenses increased to 89% for the year ended March 31, 2015, compared with 48% for the year ended March 31, 2014.

Other income (expense)

Net interest expense was $2.3 million for the year ended March 31, 2015, compared with $1.1 million for the year ended March 31, 2014. Interest expense in the year ended March 31, 2015 primarily consisted of interest charges on

$15.0 million of borrowings from MidCap Financial LLC, which bore interest at LIBOR plus 6.7% (with a LIBOR floor of 2.00%). It also included $0.8 million of amortization of costs related to the MidCap Financial borrowings and $0.2 million of accrued dividends on the 7% cumulative redeemable preference shares issued in January 2015. Interest expense in the year ended March 31, 2014 primarily consisted of interest charges on $3.0 million of borrowings from Haemonetics, Inc., which bore interest at 7.5% per annum. Part of the proceeds of the MidCap Financial borrowings was used to repay the Haemonetics borrowings in full on December 9, 2013. Net interest expense for the year ended March 31, 2014 also included a charge of $0.3 million related to unamortized fees associated with the Haemonetics borrowings.

Other expense for the year ended March 31, 2015 included an expense of $23.0 million related to the change in the fair value of the warrants issued at the time of our initial public offering. It also included $3.8 million costs incurred in relation to the Ortho Agreement and other advisory fees, an exceptional charge of $0.6 million related to the portion of fees associated with our initial public offering that were attributable to the issuance of the warrants, an expense of $0.4 million related to the settlement of a dispute with Scottish

National Blood Transfusion Service, $0.4 million of asset write-downs related to the conversion of the Eysins, Switzerland facility and $1.1 million of foreign exchange gains arising on monetary assets and liabilities denominated in foreign currencies.

Comparison of Years ended March 31, 2014 and 2013

The following table sets forth, for the periods indicated, the amounts of certain components of our statements of operations and the percentage of total revenue represented by these items, showing period-to-period changes.

	Year ended March 31,					
	2014		2013		Change	
	Amount	% of revenue	Amount	% of revenue	Amount	%
	(in thousands, except percentages)					
Revenue:						
Product sales	$16,987	86 %	$13,753	96 %	$3,234	24 %
Other revenues	2,768	14 %	618	4 %	2,150	348%
Total revenue	19,755	100 %	14,371	100 %	5,384	37 %
Cost of revenue	8,406	43 %	7,169	50 %	1,237	17 %
Gross profit	11,349	57 %	7,202	50 %	4,147	58 %
Operating expenses:						
Sales and marketing	2,705	14 %	2,252	16 %	453	20 %
Research and development	8,066	41 %	2,617	18 %	5,449	208%
General and administrative	9,470	48 %	6,824	47 %	2,646	39 %
Total operating expenses	20,241	102 %	11,693	81 %	8,548	73 %
Operating (loss)	(8,892)	-45 %	(4,491)	-31 %	(4,401)	98 %
Other expense:						
Interest expense, net	(1,076)	-5 %	(234)	-2 %	(842)	360%
Other, net	(197)	-1 %	11	0 %	(208)	—
Total other expense, net	(1,273)	-6 %	(223)	-2 %	(1,050)	471%
Loss before income taxes	(10,165)	-51 %	(4,714)	-33 %	(5,451)	116%
Provision for income taxes	—	0 %	—	0 %	—	—
Net loss	$(10,165)	-51 %	$(4,714)	-33 %	$(5,451)	116%

Revenue

Total revenue increased by 37% to $19.8 million for the year ended March 31, 2014, compared with $14.4 million for the year ended March 31, 2013. Product sales revenue increased by 24% to $17.0 million for the year ended March 31, 2014, compared with $13.8 million for the year ended March 31, 2013. Products sold by standing purchase order were 71% of product sales for the year ended March 31, 2014, compared with 71% for the year ended March 31, 2013. Total revenue for the years ended March 31, 2014 and 2013 also included revenue related to our product development services of $2.8 million and $0.6 million, respectively.

The below table sets forth revenue by product group:

	Year ended March 31,		
	2014	2013	Change

	Amount	% of revenue	Amount	% of revenue	Amount	%
	(in thousands, except percentages)					
Revenue:						
Product sales - OEM customers	$11,768	60 %	$9,557	67 %	$2,211	23 %
Product sales - direct customers and distributors	5,219	26 %	4,196	29 %	1,023	24 %
Other revenues	2,768	14 %	618	4 %	2,150	348%
Total revenue	$19,755	100 %	$14,371	100 %	$5,384	37 %

OEM Sales. Product sales to OEM customers increased 23% to $11.8 million for the year ended March 31, 2014, compared with $9.6 million for the year ended March 31, 2013. This growth was primarily driven by increased sales of our whole blood control products to existing OEM customers and initial shipments of our rare anti-sera products.

Direct Sales to Customers and Distributors. Direct product sales increased 24% to $5.2 million for the year ended March 31, 2014 compared with $4.2 million for the year ended March 31, 2013. Direct sales in the United States increased by 33%, which was primarily driven by sales of our reagent red blood cell products. Direct sales outside the United States increased by 14% despite our decision to rationalize our product offering in Europe.

Other Revenues. Other revenues increased by $2.2 million to $2.8 million for the year ended March 31, 2014, compared with $0.6 million for the year ended March 31, 2013. During the year ended March 31, 2014, we recognized $2.7 million of product development fees associated with the development of a range of rare antisera products for an OEM customer.

Cost of revenue and gross margin

Cost of revenue increased by 17% to $8.4 million for the year ended March 31, 2014, compared with $7.2 million for the year ended March 31, 2013, reflecting growth in product sales volumes. Gross profit on total revenue in the year ended March 31, 2014 was $11.3 million, an increase of 58% when compared with $7.2 million in the year ended March 31, 2013. The increase was mainly attributable to a $2.1 million increase in other revenues.

Excluding other revenues, gross profit on product sales in the year ended March 31, 2014 was $8.6 million, an increase of 30% when compared with $6.6 million in the year ended March 31, 2013. The increase was attributable to the positive impact of higher sales volumes.

Gross margin, which represents gross profit expressed as a percentage of total revenue, was 57% for the year ended March 31, 2014, compared with 50% for the year ended March 31, 2013. Gross margin on product sales increased to 51% for the year ended March 31, 2014, compared with 48% for the year ended March 31, 2013.

Sales and marketing expenses

Sales and marketing expense increased by 20% to $2.7 million for the year ended March 31, 2014, compared with $2.3 million for the year ended March 31, 2013. This increase resulted primarily from commissions paid on greater direct product sales in the United States and increased marketing expenses associated with a major industry conference. As a percentage of total product sales, sales and marketing expenses were 14% for the year ended March 31, 2014, compared with 15% for the year ended March 31, 2013.

Research and development expenses

	Year ended March 31,							
	2014			2013			Change	
	Amount	% of revenue		Amount	% of revenue		Amount	%
	(in thousands, except percentages)							
Research and development expenses:								
MosaiQ™ research and development	$6,712	34	%	$2,582	18	%	$4,130	160%
Other research and development	1,788	9	%	1,321	9	%	467	35 %
Grant income	(434)	-2	%	(1,286)	-9	%	852	-66 %
Total research and development expenses	$8,066	41	%	$2,617	18	%	$5,449	208%

Research and development expenses increased by $5.4 million to $8.1 million for the year ended March 31, 2014, compared with $2.6 million for the year ended March 31, 2013, reflecting increased expenditure for MosaiQ™ and reduced government grant income. Government grant income decreased by $0.9 million to $0.4 million for the year ended March 31, 2014, compared with $1.3 million for the year ended March 31, 2013. As a percentage of total revenue, research and development expenses increased to 41% for the year ended March 31, 2014, compared with 18% for the year ended March 31, 2013.

General and administrative expenses

General and administrative expenses increased by 39% to $9.5 million for the year ended March 31, 2014, compared with $6.8 million for the year ended March 31, 2013, reflecting greater personnel-related costs, increased facility rental charges and increased corporate development costs. We recognized $0.9 million of stock compensation expense in the year ended March 31, 2014 compared with $0.5 million in the year ended March 31, 2013. As a percentage of total revenue, general and administrative expenses increased to 48% for the year ended March 31, 2014, compared with 47% for the year ended March 31, 2013.

Other income (expense)

Net interest expense was $1.1 million for the year ended March 31, 2014, compared with $0.2 million for the year ended March 31, 2013. Interest expense primarily consisted of interest charges on $3.0 million of borrowings from Haemonetics, Inc., which bore interest at 7.5% per annum, and on $15.0 million of borrowings from MidCap Financial LLC, which bore interest at LIBOR plus 6.7% (with a LIBOR floor of 2.00%). Part of the proceeds of the MidCap financial borrowings were used to repay the Haemonetics borrowings in full on December 9, 2013. Net interest expense for the year ended March 31, 2014 also included an exceptional charge of $0.3 million related to unamortized fees associated with the Haemonetics borrowings. For a description of these borrowings, see "—Liquidity and Capital Resources—Haemonetics Loan Notes" and "—Liquidity and Capital Resources—MidCap Term Loan Facility". N other expense included foreign exchange losses arising on monetary assets and liabilities denominated in foreign currencies.

Quarterly Results of Operations

The following table sets forth selected unaudited consolidated quarterly statements of operations data for our eight most recent completed fiscal quarters. We have prepared the consolidated quarterly operations data on a basis consistent with the audited consolidated financial statements included elsewhere in this Annual Report. In the opinion of management, the quarterly consolidated operations data reflects all necessary adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this data. Historical results are not necessarily indicative of the results to be expected in future periods and the results for a quarterly period are not necessarily indicative of the operating results for a full year. This information should be read in conjunction with the consolidated financial statements included elsewhere in this Annual Report.

	2013			2014				2015
	Jun 30	Sept 30	Dec 31	Mar 31	Jun 30	Sept 30	Dec 31	Mar 31
	(in thousands, except percentages)							
Revenue:								
Product sales	$3,907	$4,515	$3,910	$4,655	$5,267	$4,527	$3,962	$3,902
Other revenues	2,768	—	—	—	650	0	100	—
Total revenue	6,675	4,515	3,910	4,655	5,917	4,527	4,062	3,902
Cost of revenue	(2,055)	(2,275)	(1,941)	(2,135)	(2,451)	(2,706)	(2,204)	(2,404)
Gross profit	4,620	2,240	1,969	2,520	3,466	1,822	1,857	1,498
Operating expenses:								
Sales and marketing	(620)	(610)	(826)	(649)	(697)	(609)	(789)	(655)
Research and development	(1,618)	(1,591)	(1,708)	(3,149)	(3,685)	(5,435)	(4,453)	(5,643)
General and administrative	(1,879)	(2,030)	(2,234)	(3,327)	(3,490)	(3,998)	(3,943)	(4,961)
Total operating expenses	(4,117)	(4,231)	(4,768)	(7,125)	(7,872)	(10,043)	(9,185)	(11,259)
Operating profit (loss)	503	(1,991)	(2,799)	(4,605)	(4,405)	(8,221)	(7,327)	(9,761)
Other expense:								
Interest expense, net	(77)	(81)	(424)	(494)	(534)	(539)	(541)	(701)
Other, net	(31)	(7)	(45)	(114)	2,324	(2,960)	(34,435)	8,041
Total other expense, net	(108)	(88)	(469)	(608)	1,789	(3,498)	(34,976)	7,340
	395	(2,079)	(3,268)	(5,213)	(2,616)	(11,719)	(42,303)	(2,421)

Loss before income taxes								
Provision for income taxes	—	—	—	—	—	—	—	—
Net loss	$395	$(2,079)	$(3,268)	$(5,213)	$(2,616)	$(11,719)	$(42,303)	$(2,421)
% of Product Sales from Standing Purchase Orders	74 %	72 %	72 %	65 %	71 %	70 %	74 %	74 %

Our quarterly product sales can fluctuate depending upon the shipment cycles for our red blood cell-based products, which account for approximately two-thirds of our current product sales. For these products, we typically experience 13 shipping cycles per year. This equates to three shipments of each product per quarter, except for one quarter per year when four shipments occur. In fiscal 2014, the greatest impact of extra product shipments occurred in our second quarter, while the greatest impact in fiscal 2015 occurred in the first quarter. The timing of shipment of bulk antisera products to our OEM customers may also move revenues from quarter to quarter. We also experience some seasonality in demand around holiday periods in both Europe and the United States. As a result of these factors, we expect to continue to see seasonality and quarter-to-quarter variations in our product sales.

The timing of product development fees included in other revenues is mostly dependent upon the achievement of pre-negotiated project and milestones.

Liquidity and Capital Resources

Since our commencement of operations in 2007, we have incurred net losses and negative cash flows from operations. During the year ended March 31, 2015, we had a net loss of $59.1 million and used $26.6 million of cash for operating activities. We incurred a net loss of $10.2 million and used $4.4 million of cash for operating activities during the year ended March 31, 2014. During the year ended March 31, 2013, we incurred a net loss of $4.7 million and used $3.6 million of cash for operating activities. As described under results of operations, the increase in our use of cash during the year ended March 31, 2015 was primarily attributable to our investment in the development of MosaiQ™ and increased corporate costs, including costs related to our transition to a public company. As of March 31, 2015, we had an accumulated deficit of $74.4 million.

Prior to our initial public offering, our principal source of funding had been investment in new share capital by our shareholders, which in the years ended March 31, 2014 and March 31, 2013 amounted to $3.1 million and $4.3 million, respectively. In the year ended March 31, 2014, we also incurred net new borrowings of $11.6 million. On April 30, 2014, we completed our initial public offering of 5,000,000 units at a price of $8.00 per unit, each unit consisting of one ordinary share and one warrant to purchase 0.8 of one ordinary share, and received net proceeds of $37.2 million after deducting underwriting discounts and commissions. Other costs of the offering, apart from underwriting discounts and commissions, were $3.6 million. The warrants are exercisable at an exercise price of $8.80 per ordinary share until October 25, 2015.

On November 25, 2014, we entered into subscription agreements with certain institutional and individual accredited investors for the private placement of 2,000,000 newly issued ordinary shares at a price of $9.50 per share and 850,000 newly issued pre-funded warrants at a price of $9.49 per warrant, amounting to an aggregate subscription price of approximately $27.1 million. Each pre-funded warrant permits the holder to subscribe for one new ordinary share at an exercise price of $0.01 per pre-funded warrant. The proceeds of this placement were $27.1 million before costs and $24.7 million net of costs.

On January 29, 2015, we entered into a subscription agreement with Ortho-Clinical Diagnostics Finco S.Á.R.L., an affiliate of Ortho, for the private placement of 444,445 newly issued ordinary shares at a price of $22.50 per share and 666,665 newly issued 7% cumulative redeemable preference shares, of no par value, at a price of $22.50 per share, for an aggregate subscription price of approximately $25 million.

From our incorporation in 2012 to March 31, 2015, we have raised $70.6 million of gross proceeds through the private placement of our ordinary and preference shares and we have raised $37.2 million of net proceeds from our initial public offering of our units. As of March 31, 2014, we had cash and cash equivalents of $37.5 million, which included $0.3 million of cash held in a restricted account as part of the arrangements relating to the lease of our property in Eysins, Switzerland.

MidCap Term Loan Facility

On December 6, 2013, we entered into a secured term loan facility with MidCap Financial LLC under which MidCap Financial advanced $15.0 million to our U.S. subsidiary. The term loan bears interest at LIBOR + 6.7% (with a LIBOR floor of 2.00%). Interest is payable monthly in arrears and principal is repayable commencing on July 1, 2015 in 30 monthly installments. The loan is secured by all of our assets, including the equity of all our subsidiaries. Under the terms of the agreement, we granted MidCap Financial a warrant to purchase 200,000 C preference shares at an exercise price of $3.00 per share. This was converted into a warrant to purchase 64,000 ordinary shares at $9.38 per share immediately prior to the completion of our IPO in April 2014. We used $3.0 million of the proceeds of this facility to repay the Haemonetics borrowings described below and the balance is available for general working capital purposes, including ongoing investment in MosaiQ™.

Additionally, the terms of the term loan agreement contain various affirmative and negative covenants. In particular, we are not permitted to allow our consolidated net product revenue over a 12-month period to be lower than a range of minimum thresholds specified in the agreement, which increase each month. The testing dates are on the 15th of each month from January 2014 to February 2017, and the testing periods are the twelve full months ending one full calendar month preceding each testing date. In the event of our breach of the agreement, we may not be allowed to draw amounts under the agreement, and to the extent we have any amounts outstanding at the time of any breach, we may be required to repay such amounts earlier than anticipated. In addition, in the event of a default, the lender could foreclose on the collateral securing the loan.

Haemonetics Loan Notes

In 2010, we borrowed $3.0 million from Haemonetics, Inc., a healthcare company providing blood management solutions, by issuing loan notes in the same amount. Our borrowings from Haemonetics bore interest at a rate of 7.5% per annum calculated and payable quarterly in arrears, and were redeemable in March of 2017. On December 9, 2013, we repaid our Haemonetics borrowings in full with the proceeds of our MidCap Financial term loan agreement described above.

Cash Flows for the Years Ended March 31, 2015 and 2014

Operating activities

Net cash used in operating activities was $26.6 million during the year ended March 31, 2015, which included net losses of $59.1 million and non-cash items of $26.3 million. Non-cash items were depreciation and amortization expense of $1.7 million, share-based compensation expense of $1.1 million, amortization of deferred debt issue costs of $0.8 million, accrued preference share dividends of $0.2 million and a change in the fair value of the liability in respect of share warrants of $23.0 million, offset by amortization of lease incentives of $0.4 million. We also experienced a net cash inflow of $6.2 million from changes in operating assets and liabilities during the period, consisting primarily of a $7.4 million increase in accounts payable and accrued liabilities, a $0.8 million increase in accrued compensation and benefits and a $0.4 million reduction in accounts receivable, offset by a $0.6 million increase in inventories and a $1.8 million increase in other assets.

Net cash used in operating activities was $4.4 million during the year ended March 31, 2014, which included net losses of $10.2 million and non-cash items of $2.0 million. Non-cash items were depreciation and amortization expense of $0.6 million, share-based compensation expense of $0.9 million and amortization of deferred debt issue costs of $0.5 million. We also experienced a net cash inflow of $3.8 million from changes in operating assets and liabilities during the period, consisting primarily of a $5.1 million increase in accounts payable and accrued liabilities, a $0.9 million increase in accrued compensation and benefits and the receipt of a lease incentive of $2.9 million, offset by a $0.7 million increase in accounts receivable, a $0.9 million increase in inventories and a $3.5 million increase in other assets.

Investing activities

Net cash used in investing activities was $24.0 million and $7.1 million for the years ended March 31, 2015 and 2014, respectively. Purchases of property and equipment in the year ended March 31, 2015 were $23.9 million and included $23.4 million related to the MosaiQ™ project and $0.5 million related to our conventional reagent business. We also invested $0.2 million on new product licenses within our conventional reagent operations. Purchases of property and equipment in the year ended March 31, 2014 included $6.8 million related to the MosaiQ™ project and $0.4 million related to our conventional reagent business.

Financing activities

Net cash provided by financing activities was $85.1 million during the year ended March 31, 2015, consisting primarily of net proceeds of $34.6 million from our initial public offering, net proceeds of $24.7 million from the November 2014 private placement of ordinary shares and pre-funded warrants, net proceeds of $25.0 million from the January 2015 private placement of ordinary shares and preference shares, $0.8 million of proceeds from the exercise of options and warrants and $0.2 million of net capital lease receipts.

Net cash provided by financing activities was $14.6 million during the year ended March 31, 2014, consisting primarily of share issuance proceeds of $3.1 million and net borrowings of $11.6 million, which was offset by $166,000 of capital lease payments.

Cash Flows for the Years Ended March 31, 2014 and 2013

Operating activities

Net cash used in operating activities was $4.4 million during the year ended March 31, 2014, which included net losses of $10.2 million and non-cash items of $2.0 million. Non-cash items were depreciation and amortization expense of $0.6 million, share-based compensation expense of $0.9 million and amortization of deferred debt issue costs of $0.5 million. We also experienced a net cash inflow of $3.8 million from changes in operating assets and liabilities during the period, consisting primarily of a $5.1 million increase in accounts payable and accrued liabilities, a $0.9 million increase in accrued compensation and benefits and the receipt of a lease incentive of $2.9 million, offset by a $0.7 million increase in accounts receivable, a $0.9 million increase in inventories and a $3.5 million increase in other assets.

Net cash used in operating activities was $3.6 million during the year ended March 31, 2013, which included net losses of $4.7 million and non-cash items of $1.2 million. Non-cash items were depreciation and amortization expense of $691,000 and share-based compensation expense of $471,000. We also had a net cash outflow of $66,000 from changes in operating assets and liabilities during the period.

Investing activities

Net cash used in investing activities was $7.1 million and $1.1 million for the years ended March 31, 2014 and 2013, respectively. Purchases of property and equipment in the year ended March 31, 2014 included $6.8 million related to the MosaiQ™ project and $0.4

million related to our conventional reagent business. Purchases of property and equipment in the year ended March 31, 2014 included $1.1 million related to our conventional reagent business.

Financing activities

Net cash provided by financing activities was $14.6 million during the year ended March 31, 2014, consisting primarily of share issuance proceeds of $3.1 million and net borrowings of $11.6 million, which was offset by $166,000 of capital lease payments. Net cash provided by financing activities during the year ended March 31, 2013 was $4.7 million comprising $4.3 million from the issuance of preference shares and $0.4 million proceeds from capital leases.

Operating and Capital Expenditure Requirements

We have not achieved profitability on an annual basis since we commenced operations in 2007 and we expect to incur net losses for at least the next two years. We expect our operating expenses to increase during the year ended March 31, 2016, as we continue to invest in MosaiQ™, grow our customer base, expand our marketing and distribution channels, hire additional employees and invest in other product development opportunities.

As of March 31, 2015, we had cash and cash equivalents of $37.5 million, including $0.3 million of cash held in a restricted account as part of the arrangements relating to the lease of our property in Eysins, Switzerland.

Our future capital requirements will depend on many factors, including:

- our progress in developing and commercializing MosaiQ™ and the cost required to complete development, obtain regulatory approvals and complete our manufacturing scale up;
- Ortho’s progress in commercializing MosaiQ™ for the patient testing market;
- our ability to manufacture and sell our conventional reagent products, including the costs and timing of further expansion of our sales and marketing efforts;
- our ability to collect our accounts receivable;
- our ability to generate cash from operations;
- any acquisition of businesses or technologies that we may undertake; and
- our ability to penetrate our existing market and new markets.

We expect to fund our remaining development costs for MosaiQ™ from a combination of funding sources, including through the use of existing cash balances, the extension or expansion of our credit facilities or the issuance of new equity. Our operating plans for the financial year ending March 31, 2016 reflect an expectation that substantially all of our outstanding warrants from our initial public offering, which expire on October 25, 2015, will be exercised before that date. However, there can be no assurance that the warrants will be exercised.

Contractual Obligations

We have contractual obligations for non-cancelable facilities leases, our credit facilities, equipment leases and purchase commitments. The following table sets forth a summary of our contractual obligations as of March 31, 2015.

	Payment by period				
Contractual Obligations	Total	Less than 1 year	1 to 3 years	3 to 5 years	After 5 years
MidCap Financial long term debt	$15,000	$4,500	$10,500	$—	$—
Interest on MidCap Financial debt	2,391	1,142	1,249	—	—
7% Cumulative Redeemable Preference Shares	15,000	—	—	15,000	—
Dividends on 7% Cumulative Redeemable Preference Shares	4,200	—	—	4,200	—
Operating and capital leases	10,210	2,942	4,466	2,802	—
STRATEC Biomedical development agreement (1)	7,176	4,221	2,955	—	—
STRATEC Biomedical manufacturing agreement (2)	55,590	—	13,689	29,393	12,508
The Technology Partnership license agreement (3)	9,000	2,000	4,000	3,000	—
SCHOTT supply agreement (4)	6,700	3,740	2,960	—	—
Other	18,955	18,910	45	—	—
Total contractual obligations	$144,222	$37,455	$39,864	$54,395	$12,508

(1) We have entered into a development agreement with STRATEC Biomedical AG, or STRATEC, in connection with the development of the MosaiQ™ instrument. STRATEC's fees under this agreement will total in aggregate $14.1 million (€13.1 million) using March 31, 2015 exchange rates, of which $6.9 million (€6.4 million) was incurred prior to March 31, 2015. For a description of our development agreement with STRATEC, see "Business—MosaiQ™ Manufacturing and Supply—STRATEC Biomedical AG".

(2) We have entered into a manufacturing agreement with STRATEC in connection with the supply of MosaiQ™ instruments over a six year period starting after completion of the sixth development milestone (October 31, 2015). The total purchase obligation under this agreement is $55.6 million (€51.8 million) using March 31, 2015 exchange rates.

(3) We have entered into a license agreement with The Technology Partnership, or TTP, related to certain patented technologies and trade secrets to enable high volume manufacturing of MosaiQ™ consumables. We have agreed to pay $10.0 million to TTP payable in installments through March 2019 of which $1.0 million was paid prior to March 31, 2015. If at any time we do not pay the fee when due, we will continue to retain the license for blood grouping and disease screening applications, but lose the license for other diagnostic applications. For a description

of our license agreement with TTP, see “Business—MosaiQ™ Manufacturing and Supply—The Technology Partnership plc”.

(4) We have entered into a supply agreement with SCHOTT Technical Glass Solutions GmbH, or SCHOTT, pursuant to which we will purchase minimum quantities of coated glass in connection with the development of the MosaiQ™ consumable through April 2017. The total purchase obligation under this agreement is $10.1 million (€9.4 million) using March 31, 2015 exchange rates, of which $3.4 million (€3.2 million) was paid prior to March 31, 2015. In the event we have not purchased the required quantities during any calendar year, we are obligated to pay SCHOTT a minimum commitment, which in aggregate amounts to $7.8 million (€7.3 million), using March 31, 2015 exchange rates. The payments of $3.4 million (€3.2 million) made prior to March 31, 2015 count towards this minimum commitment. For a description of our supply agreement with SCHOTT, see “Business—MosaiQ™ Manufacturing and Supply—SCHOTT Technical Glass Solutions GmbH”.

Critical Accounting Policies and Significant Judgments and Estimates

We have prepared our consolidated financial statements in accordance with U.S. GAAP. Our preparation of these consolidated financial statements requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, expenses and related disclosures at the date of the consolidated financial statements, as well as revenue and expenses during the reporting periods. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could therefore differ materially from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in Note 1 to our consolidated financial statements included in this Annual Report, we believe the following accounting policies to be critical to the judgments and estimates used in the preparation of our financial statements.

Revenue recognition and accounts receivable

Revenue is recognized in accordance with Accounting Standards Codification, or ASC, Topic No. 605, “Revenue Recognition,” when the following four basic criteria have been met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services are rendered; (3) the fee is fixed or determinable; and (4) collectability is reasonably assured. For product sales, the application of this policy results in sales revenue being recorded at the point of delivery of product to the customer.

We also earn revenue from the provision of development services to a small number of OEM customers. These development service contracts are reviewed individually to ensure that our revenue recognition is in accordance with applicable accounting standards, including ASC Topic No. 605. In the last eighteen months, our product development revenues have been commensurate with achieving milestones specified in the respective development agreements relating to those products. These milestones may include the approval of new products by the European or U.S. regulatory authorities, which are not within our control. While there can be no assurance that we will earn product development revenues when milestones are achieved, the nature of the milestones have been such that they effectively represent full completion of a particular part of a development program. As a result, we typically fully recognize milestone-related revenues as the milestones are achieved in accordance with applicable accounting standards.

Under certain development contracts, we also manufacture and supply the customer with finished products once it has been approved for use by relevant regulatory agencies. These agreements reflect both arrangements for product development and the sales prices and other contractual terms for subsequent supply of the product to the customer. Under these development contracts, we view the development service revenue as distinct from subsequent product sales revenue, and we recognize each separately as described above.

Accounts receivable consist primarily of amounts due from OEM customers, hospitals, donor testing laboratories, and distributors. Accounts receivable are reported net of an allowance for uncollectible accounts, which we also refer to as doubtful accounts. The allowance for doubtful accounts represents a reserve for estimated losses resulting from our inability to collect amounts due from our customers. Direct sales, where we may make many low value sales to a large number of customers, represents a larger risk of doubtful accounts, as opposed to OEM customer sales consisting primarily of a small number of well established businesses with whom we have a long trading history. The collectability of our trade receivables balances is regularly evaluated based on a combination of factors such as the ageing profile of our receivables, past history with our customers, changes in customer payment patterns, customer credit-worthiness and any other relevant factors. Based on these assessments, we adjust the reserve for doubtful accounts recorded in our financial statements.

Inventories

We record inventories at the lower of cost (first-in, first-out basis) or market (net realizable value), net of reserves. We record adjustments to inventory based upon historic usage, expected future demand and shelf life of the products held in inventory. We also calculate our inventory value based on the standard cost of each product. This approach requires us to analyze variances arising in the production process to determine whether they reflect part of the normal cost of production, and should therefore be reflected as inventory value, or whether they are a period cost and should thus not be included in inventory.

Intangible assets

The intangible assets included in our financial statements include intangible assets identified as at the time of the acquisition of the business of Alba Bioscience on August 31, 2007. At the time of this acquisition, we identified intangible assets related to customer relationships, master cell lines and certain other items, which include domain names and product trademarks. The customer relationships have been amortized over a five-year period, which resulted in them becoming fully amortized at August 31, 2012. The other items are being amortized over a seven-year period from August 31, 2007.

The intangible assets related to master cell lines reflect the know-how and market recognition associated with the cell lines, which are used as the source material of certain of our products. These cell lines are maintained by us and have an indefinite life. We have nevertheless decided to amortize the intangible assets over a forty-year period to reflect the possibility of market changes or other events resulting in the lines becoming technically obsolete at some future date. In the event that any of the lines cease to be used, we would record additional amortization at that point.

We also include in intangible assets the costs of obtaining product licenses for our products. These include external costs such as regulatory agency fees associated with the approval and bringing to market of our products once the development is complete. We

amortize these over an expected product life of eight years, although if any such product ceased to be produced, we would record additional amortization at that point.

Income taxes

We account for income taxes under the asset and liability method, which requires, among other things, that deferred income taxes be provided for temporary differences between the tax basis of our assets and liabilities and their financial statement reported amounts. In addition, deferred tax assets are recorded for the future benefit of utilizing NOLs and research and development credit carry forwards. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

We follow the accounting guidance for uncertainties in income taxes, which prescribes a recognition threshold and measurement process for recording uncertain tax positions taken, or expected to be taken, in a tax return in the financial statements. Additionally, the guidance also prescribes the derecognition, classification, accounting in interim periods and disclosure requirements for uncertain tax positions. We accrue for the estimated amount of taxes for uncertain tax positions if it is more likely than not that we would be required to pay such additional taxes. An uncertain tax position will not be recognized if it has less than a 50% likelihood of being sustained. We did not have any accrued interest or penalties associated with any unrecognized tax positions, and there were no such interest or penalties recognized during the years ended March 31, 2015, 2014 or 2013.

Stock compensation expense

Stock compensation expense is measured at the grant date based on the fair value of the award and is recognized as an expense in the income statement over the vesting period of the award. The calculation of the stock compensation expense is sensitive to the fair value of the underlying ordinary shares. The fair value of the award at the grant date is calculated using the Black-Scholes model, which uses a number of assumptions to determine the fair value. Details of the assumptions used are set out in the notes to the financial statements included in this Annual Report.

Off-Balance Sheet Arrangements

We do not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or for any other contractually narrow or limited purpose.

Recent Accounting Pronouncements

We have considered recent accounting pronouncements and determined that they are either not applicable to our business or that no material effect is expected on the consolidated financial statements as a result of future adoption.

Jobs Act

Under the JOBS Act, emerging growth companies that become public can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. These market risks are principally limited to interest rate fluctuations and foreign currency exchange rate fluctuations.

Interest rate sensitivity

We are exposed to market risk related to changes in interest rates as it impacts our interest income and expense.

Cash and cash equivalents. At March 31, 2015, we had cash and cash equivalents of $37.5 million. Our exposure to market risk includes interest income sensitivity, which is impacted by changes in the general level of U.S. and European interest rates. Our cash and cash equivalents are held in interest-bearing savings accounts and bank accounts. We do not enter into investments for trading or speculative purposes. Due to the current levels of interest rates, we do not believe an immediate one percentage point change in

interest rates would have a material effect on the fair market value of our holdings, and therefore we do not expect our operating results or cash flows to be significantly affected by changes in market interest rates.

Term loan facility. In December 2013, we entered into a $15.0 million term loan with MidCap Financial LLC, with the full facility being drawn down at the outset. The term loan carries a variable interest rate of 6.7% above LIBOR, with a LIBOR floor of 2.00%. If there is a rise in LIBOR interest rates above 2.00%, our debt service obligation would increase even though the amount borrowed remained the same, which would affect our results of operations, financial condition and liquidity. Assuming no change in our debt obligations from the amount drawn down under the term loan, a hypothetical one percentage point change in underlying variable rates would not currently change our annual interest expense and cash flow from operations.

Foreign currency exchange risk

The main currencies that we use for our trading operations are the U.S. Dollar, the Pound Sterling, the Swiss Franc and to a lesser extent, the Euro. Our meaningful cash balances are held by entities outside the U.S. in a mixture of Euros, Pounds Sterling and Swiss francs based upon the currency and amount of expected MosaiQ™ development and other corporate expenditures. These cash balances may not be the same as the functional currencies of the entities in which they are held and as a result, exchange rate fluctuations may result in foreign exchange gains and losses on our income statement until the planned MosaiQ™ development or other corporate expenditure has been incurred. However, as the cash balances are held in the same currencies as the planned MosaiQ™ development and other corporate expenditures, there is no overall impact on our ability to pay them.

We are subject to market risks arising from changes in foreign currency exchange rates between the U.S. Dollar and the Pound Sterling and the U.S. Dollar and the Swiss Franc. Accordingly, fluctuations in the U.S. Dollar versus Pounds Sterling and U.S. Dollar versus the Swiss Franc exchange rate give rise to exchange gains and losses. These gains and losses arise from the conversion of U.S. Dollars and Euros to Pounds Sterling and the retranslation of cash, accounts receivable, intercompany indebtedness and other asset and liability balances. Based on our assets and liabilities held in Pounds Sterling at March 31, 2015 we estimate that a 5% strengthening of the Pound Sterling against the U.S. Dollar would give rise to a gain of approximately $1.1 million and a 5% weakening of the Pound Sterling against the U.S. Dollar would give rise to loss of approximately $1.1 million. Based on our assets and liabilities held in Swiss Francs at March 31, 2015 we estimate that a 5% strengthening of the Swiss Franc against the U.S. Dollar would give rise to a gain of approximately $1.0 million and a 5% weakening of the Swiss Franc against the U.S. Dollar would give rise to loss of approximately $1.0 million.

A significant proportion of our revenues are earned in U.S. Dollars, but the costs of our conventional reagent manufacturing operations are payable mainly in Pounds Sterling. We therefore closely monitor the results of our UK operations to address this difference. During the year ended March 31, 2015, the net operating expenses arising in Pounds Sterling from our UK conventional reagent manufacturing operations amounted to $13.8 million. This expenditure is offset by revenues arising in U.S. Dollars and other currencies. We have entered into forward contracts to hedge against the effects of fluctuations in the U.S. Dollar versus the Pounds Sterling exchange rate. These contracts provide for the conversion of $300,000 per month to Pounds Sterling at a rate of $1.7227 to £1.00 each month through June 2015, $300,000 per month and at a rate of $1.60 to £1 each month from July 2015 through September 2015 and $300,000 per month at a rate of $1.50 to £1 each month from October 2015 through December 2015. Based on this, a hypothetical instantaneous 5% strengthening of the Pound Sterling against the U.S. Dollar would reduce our net income by $0.5 million in the year ending March 31, 2016, after taking account of the shelter provided by our existing hedging arrangements through September 2015. Similarly, a hypothetical instantaneous 5% weakening of the Pound Sterling against the U.S. Dollar would increase group net income by $0.5 million over the same period. Our UK operations also have exposure to fluctuations in the Euro versus Pounds Sterling exchange rate, but to a lesser extent.

Financial liability related to warrants issued at the time of our initial public offering

We record a financial liability in our balance sheet relating to the warrants issued at the time of our initial public offering and we mark this liability to market based on the closing price of the warrants as quoted on NASDAQ at the end of each financial period. Based on the closing price of the warrants on March 31, 2015 a 5% increase in the market value of our warrants would result in an increase in the financial liability and a non-cash expense of $1.6 million and a 5% decrease in the market value of the warrants would result in a reduction of the liability and non-cash income of the same amount.

We do not use financial instruments for trading or other speculative purposes.

Our management does not believe that inflation in past years has had a significant impact on our results from operations. In the event inflation affects our costs in the future, we will offset the effect of inflation and maintain appropriate margins through increased selling prices.

Item 8. Financial Statements and Supplementary Data

The quarterly financial data required by this item may be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Quarterly Results of Operations.”

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INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of Quotient Limited

We have audited the accompanying consolidated balance sheets of Quotient Limited as of March 31, 2015 and 2014, and the related consolidated statements of comprehensive loss, redeemable convertible preference shares and changes in shareholders' deficit, and cash flows for each of the three years in the period ended March 31, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Quotient Limited at March 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended March 31, 2015, in conformity with U.S. generally accepted accounting principles.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has recurring losses from operations and planned expenditure exceeding available funding that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Ernst & Young LLP

Belfast, United Kingdom

June 1, 2015

QUOTIENT LIMITED

CONSOLIDATED BALANCE SHEETS

(Expressed in thousands of U.S. Dollars — except for share data and per share data)

	March 31, 2015	March 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$37,525	$7,192
Trade accounts receivable, net	1,808	2,439
Inventories	4,608	4,557
Prepaid expenses and other current assets	6,129	5,200
Total current assets	50,070	19,388
Property and equipment, net	29,733	8,556
Intangible assets, net	950	967
Other non-current assets	366	897
Total assets	$81,119	$29,808
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERENCE SHARES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$7,238	$5,343
Accrued compensation and benefits	2,565	2,014
Accrued expenses and other current liabilities	8,787	4,453
Financial liability in respect of share warrants	31,011	421
Current portion of long-term debt	4,500	—
Current portion of lease incentive	435	485
Current portion of capital lease obligation	239	183
Total current liabilities	54,775	12,899
Long-term debt, less current portion	10,768	15,105
Lease incentive, less current portion	1,740	2,423
Capital lease obligation, less current portion	276	154
7% Cumulative redeemable preference shares	15,175	—
Total liabilities	82,734	30,581
Commitments and contingencies	—	—
A preference shares (nil par value) zero and 12,719,954 issued and outstanding at March 31, 2015 and March 31, 2014 respectively;	—	13,180
B preference shares (nil par value) zero and 14,583,407 issued and outstanding at March 31, 2015 and March 31, 2014 respectively;	—	14,991
C Preference shares (nil par value) zero and 929,167 issued and outstanding at	—	2,592

March 31, 2015 and March 31, 2014 respectively;		
Shareholders' equity (deficit)		
Ordinary shares (nil par value) 17,020,574 and 60,044 issued and outstanding at		
March 31, 2015, 2014 and March 31, 2014 respectively;	84,525	247
A Ordinary shares (nil par value) zero and 244,141 issued and outstanding at		
March 31, 2015 and March 31, 2014 respectively;	—	—
B Ordinary shares (nil par value) zero and 37,957 issued and outstanding at		
March 31, 2015 and March 31, 2014 respectively;	—	—
Distribution in excess of capital	(6,684)	(16,793)
Accumulated other comprehensive income (loss)	(5,102)	305
Accumulated deficit	(74,354)	(15,295)
Total shareholders' equity (deficit)	(1,615)	(31,536)
Total liabilities, redeemable convertible preference shares and		
shareholders' equity	$81,119	$29,808

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Expressed in thousands of U.S. Dollars — except for share data and per share data)

	Year ended March 31,		
	2015	2014	2013
Revenue:			
Product sales	$17,658	$16,987	$13,753
Other revenues	750	2,768	618
Total revenue	18,408	19,755	14,371
Cost of revenue	(9,763)	(8,406)	(7,169)
Gross profit	8,645	11,349	7,202
Operating expenses:			
Sales and marketing	(2,750)	(2,705)	(2,252)
Research and development, net of government grants	(19,216)	(8,066)	(2,617)
General and administrative expense:			
Compensation expense in respect of share options and management equity incentives	(1,138)	(933)	(471)
Other general and administrative expenses	(15,255)	(8,537)	(6,353)
Total general and administrative expense	(16,393)	(9,470)	(6,824)
Total operating expense	(38,359)	(20,241)	(11,693)
Operating loss	(29,714)	(8,892)	(4,491)
Other expense			
Interest expense, net	(2,315)	(1,076)	(234)
Change in financial liability for share warrants	(22,966)	—	—
Other, net	(4,064)	(197)	11
Other expense, net	(29,345)	(1,273)	(223)
Loss before income taxes	(59,059)	(10,165)	(4,714)
Provision for income taxes	—	—	—
Net loss	$(59,059)	$(10,165)	$(4,714)
Other comprehensive income (loss):			
Change in fair value of effective portion of foreign currency cash flow hedges	$(293)	$94	$—
Foreign currency gain (loss)	(5,114)	397	(239)
Other comprehensive income (loss)	(5,407)	491	(239)
Comprehensive loss	$(64,466)	$(9,674)	$(4,953)
Net loss available to ordinary shareholders - basic and diluted	$(59,059)	$(10,165)	$(4,714)
Loss per share - basic and diluted	$(4.00)	$(54.41)	$(62.97)
Weighted-average shares outstanding - basic and diluted	14,773,386	186,817	74,866

The accompanying notes form an integral part of these consolidated financial statements.

Explanation of Responses:

Explanation of Responses: 51

CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERENCE SHARES AND CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in thousands of U.S. Dollars — except for share data)

	Redeemable Convertible Preference Shares		Ordinary shares		Deferred shares		Distribution in excess of capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balances, March 31, 2012	23,110,618	$23,758	69,588	$—	212,510	$—	$(18,324)	$53	$(416)	$(18,687)
Issue of A Preference shares upon exercise of warrants	250,000	263	—	—	—	—	—	—	—	—
Issue of B Preference shares upon exercise of warrants	3,800,237	4,000	—	—	—	—	108	—	—	108
Conversion of deferred shares	—	—	6,326	—	(6,326)	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—	(4,714)	(4,714)
Foreign currency translation loss	—	—	—	—	—	—	—	(239)	—	(239)
Other comprehensive loss	—	—	—	—	—	—	—	(239)	—	(239)
Stock-based compensation	—	—	—	—	—	—	471	—	—	471
Balances, March 31, 2013	27,160,855	$28,021	75,914	$—	206,184	$—	$(17,745)	$(186)	$(5,130)	$(23,061)
Issue of shares upon exercise of warrants	142,506	150	—	—	—	—	19	—	—	19

Issue of shares, net of issue costs of $195	929,167	2,592	60,044	247	—	—	—	—	—	247
Conversion of deferred shares	—	—	206,184	—	(206,184)	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—	(10,165)	(10,165)
Change in the fair value of the effective portion of foreign currency cash flow hedges	—	—	—	—	—	—	—	94	—	94
Foreign currency translation loss	—	—	—	—	—	—	—	397	—	397
Other comprehensive income	—	—	—	—	—	—	—	491	—	491
Stock-based compensation	—	—	—	—	—	—	933	—	—	933
Balances, March 31, 2014	28,232,528	$30,763	342,142	$247	-	$—	$(16,793)	$305	$(15,295)	$(31,536)
Conversion of shares	(28,232,528)	(30,763)	9,034,405	30,866	—	—	421	—	—	31,287
Issue of shares, net of issue costs of $10,847	—	—	7,444,445	52,561	—	—	—	—	—	52,561
Issue of pre-funded warrants	—	—	—	—	—	—	8,067	—	—	8,067
Issue of shares upon exercise of incentive share options	—	—	137,478	304	—	—	—	—	—	304
Issue of shares upon exercise of warrants	—	—	62,104	547	—	—	483	—	—	1,030

Net loss	—	—	—	—	—	—	—	—	(59,059)	(59,059)
Change in the fair value of the effective portion of foreign currency cash flow hedges	—	—	—	—	—	—	—	(293)	—	(293)
Foreign currency translation loss	—	—	—	—	—	—	—	(5,114)	—	(5,114)
Other comprehensive loss	—	—	—	—	—	—	—	(5,407)	—	(5,407)
Stock-based compensation	—	—	—	—	—	—	1,138	—	—	1,138
Balances, March 31, 2015	—	$—	17,020,574	$84,525	-	$—	$(6,684)	$(5,102)	$(74,354)	$(1,615)

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in thousands of U.S. Dollars)

	Year ended March 31,		
	2015	2014	2013
OPERATING ACTIVITIES:			
Net loss	$(59,059)	$(10,165)	$(4,714)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation, amortization and loss on disposal of fixed assets	1,676	622	691
Share-based compensation	1,138	933	471
Amortization of lease incentive	(443)	—	—
Amortization of deferred debt issue costs	776	464	—
Accrued preference share dividends	175	—	—
Change in financial liability for share warrants	22,966	—	—
Net change in assets and liabilities:			
Trade accounts receivable, net	362	(748)	(64)
Inventories	(552)	(897)	(776)
Accounts payable and accrued liabilities	7,358	5,100	(200)
Accrued compensation and benefits	772	874	720
Lease incentive	—	2,907	—
Other assets	(1,760)	(3,470)	254
Net cash used in operating activities	(26,591)	(4,380)	(3,618)
INVESTING ACTIVITIES:			
Purchase of property and equipment	(23,854)	(7,226)	(891)
Refund (purchase) of intangible assets	(188)	94	(234)
Net cash used in investing activities	(24,042)	(7,132)	(1,125)
FINANCING ACTIVITIES:			
Proceeds from (repayment of) finance leases	195	(166)	410
Proceeds from drawdown of new debt	—	15,000	—
Repayment of debt	—	(3,000)	—
Debt issue costs	—	(372)	—
Proceeds from issuance of preference shares	15,000	2,885	4,263
Proceeds from issuance of ordinary shares	69,879	247	—
Net cash generated from financing activities	85,074	14,594	4,673
Effect of exchange rate fluctuations on cash and cash equivalents	(4,108)	(109)	(65)
Change in cash and cash equivalents	30,333	2,973	(135)
Beginning cash and cash equivalents	7,192	4,219	4,354
Ending cash and cash equivalents	$37,525	$7,192	$4,219
Supplemental cash flow disclosures:			
Income taxes paid	$—	$—	$—
Interest paid	$1,364	$637	$123

The accompanying notes form an integral part of these consolidated financial statements.

Explanation of Responses:

Explanation of Responses: 56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in thousands of U.S. Dollars — except for share data and per share data, unless otherwise stated)

Note 1. Organization and Summary of Significant Accounting Policies

Organization and Business

On January 18, 2012, Quotient Limited ("the Company") was incorporated in accordance with the Companies (Jersey) Law. On February 16, 2012, in consideration for the issue of 14,023,552 A Preference shares to Quotient Biodiagnostics Group Limited ("QBDG" or "the Predecessor") Quotient Limited acquired the entire issued share capital of Alba Bioscience Limited ("Alba"), Quotient Biodiagnostics, Inc. ("QBDI") and QBD (QSIP) Limited ("QSIP") from QBDG.

On February 16, 2012 Quotient Limited also: (i) issued 10,640,664 B Preference shares to third-party investors; (ii) issued 56,936 A Ordinary shares, 18,978 A Deferred shares, 37,957 B Deferred shares and 168,227 C Deferred shares to the holders of equivalent shares in QBDG; (iii) repurchased 1,553,598 A Preference shares; and (iv) purchased certain intellectual property rights relating to MosaiQ™ from QBDG.

The acquisition of Alba, QBDI and QSIP by Quotient Limited is a combination of entities under common control as these entities were all controlled by QBDG prior to their acquisition by Quotient Limited. It recognized the assets and liabilities of Alba, QBDI and QSIP at their carrying amounts in the financial statements of those companies. The excess of the subscription value of A Preference shares issued to QBDG over the carrying amounts of transferred net assets was treated as an equity transaction and was recorded as distribution in excess of capital in the Consolidated Statements of Redeemable Convertible Preference Shares and Changes in Shareholders' Deficit. Quotient Limited is a continuation of QBDG and its subsidiaries, accordingly, the consolidated financial statements include the assets, liabilities and results of operations of the subsidiaries transferred since their inception. The transfer of intellectual property rights from QBDG to QSIP is accounted for as a transaction between entities under common control. All of the amounts paid by QSIP in exchange for the asset is shown as a payment to predecessor shareholder in the statements of cash flows.

The principal activity of Quotient Limited and its subsidiaries (the "Group" and or the "Company") is the development, manufacture and sale of products for the global transfusion diagnostics market. Products manufactured by the Group are sold to hospitals, blood banking operations and other diagnostics companies worldwide.

Quotient Limited completed an initial public offering for its ordinary shares on April 30, 2014 pursuant to which it issued 5,000,000 units each consisting of one ordinary share, no par value and one warrant to purchase 0.8 of one ordinary share at an exercise price of $8.80 per whole ordinary share, raising $40 million of new equity share capital before issuing expenses. The Company believes it has sufficient resources to fund its operations for at least the next twelve months.

Immediately prior to its initial public offering, the Company's outstanding preference shares, A ordinary shares and B ordinary shares were converted to ordinary shares and the ordinary shares then outstanding were consolidated into 32 new ordinary shares for each 100 existing ordinary shares. The number of ordinary and deferred shares and number of options and warrants to acquire ordinary shares are presented in these financial statements on the basis of the number after this consolidation. The number of preference shares are shown on the basis of the number before this consolidation.

On November 25, 2014 the Company entered into subscription agreements with certain institutional and individual accredited investors for the private placement of 2,000,000 newly issued ordinary shares at a price of $9.50 per share and 850,000 newly issued pre-funded warrants at a price of $9.49 per warrant, amounting to an aggregate subscription price of approximately $27.1 million. Each pre-funded warrant permits the holder to subscribe for one new ordinary share at an exercise price of $0.01 per pre-funded warrant. The proceeds of this placement were $27.1 million before costs and $24.7 million net of costs.

On January 29, 2015, the Company entered into a distribution and supply agreement with Ortho-Clinical Diagnostics, Inc. (“Ortho”) for an initial term of 20 years. Pursuant to this agreement, Ortho will exclusively commercialize MosaiQ™ for the global patient testing market, as well as the donor testing market in territories other than those in which the Company will commercialize MosaiQ™. Ortho has agreed to pay the Company one time payments upon the achievement of certain milestones totaling in the aggregate $59 million and reimburse the Company for the cost of goods sold incurred for MosaiQ™ instruments and associated replacement parts sold to Ortho, as well as the cost of ancillary products sold to Ortho (other than quality control products), plus 10% of such ancillary product costs. A transfer price mechanism for MosaiQ™ consumables sold to Ortho has also been established, which will increase based on agreed-upon revenue milestones We also entered into a subscription agreement with Ortho-Clinical Diagnostics Finco S.Á.R.L., an affiliate of Ortho, for the private placement of 444,445 newly issued ordinary shares at a price of $22.50 per share and 666,665 newly issued 7% cumulative redeemable preference shares, of no par value, of the Company at a price of $22.50 per share, for an aggregate subscription price of approximately $25 million.

The Company has incurred net losses and negative cash flows from operations in each year since it commenced operations in 2007. As of March 31, 2015, it had an accumulated deficit of $74.4 million. It has expenditure plans in the year ending March 31, 2016 for the continuation of the development and commercialization of MosaiQ™ that are in excess of its current cash holdings. As a result, there is substantial doubt about the Company's ability to continue as a going concern. The Company's operating plans for the financial year ending March 31, 2016 reflect an expectation that substantially all of the outstanding warrants from the initial public offering, which expire on October 25, 2015, will be exercised before that date. In the longer term, the Company expects to fund its remaining development costs for MosaiQ™ from a combination of funding sources, including through the use of existing cash balances, the extension or expansion of its credit facilities and the issuance of new equity. The Company's Directors are confident that the warrants will be exercised and accordingly have prepared the financial statements on the going concern basis. However, there can be no assurance that the warrants will be exercised.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries after elimination of intercompany transactions and balances. All gains and losses realized from foreign currency transactions denominated in currencies other than the foreign subsidiary's functional currency are included in foreign currency exchange gain (loss) as part of other income or expenses in the Consolidated Statements of Comprehensive Loss. Adjustments resulting from translating the financial statements of all foreign subsidiaries into U.S. dollars are reported as a separate component of accumulated other comprehensive income (loss) and changes in shareholders' deficit. The assets and liabilities of the Company's foreign subsidiaries are translated from their respective functional currencies into U.S. dollars at the rates in effect at the balance sheet date, and revenue and expense amounts are translated at rates approximating the weighted average rates during the period.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Fair Value of Financial Instruments

The Company defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company's valuation techniques used to measure fair value maximized the use of observable inputs and minimized the use of unobservable inputs. The fair value hierarchy is based on the following three levels of inputs:

Level 1—Quoted prices in active markets for identical assets or liabilities.
Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.
See Note 4, "Fair Value Measurements," for information and related disclosures regarding our fair value measurements.

Cash and cash equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of March 31, 2015 and 2014, all cash and cash equivalents comprised cash balances held with the banks used by the company and its subsidiaries. At March 31, 2015 and March 31, 2014, the Company held $314 and $345 respectively in a restricted account as security for the property rental obligations of the group's Swiss subsidiary.

Trade accounts receivable

Trade accounts receivable are recorded at the invoiced amount and are not interest bearing. The Company maintains an allowance for doubtful accounts to reserve for potentially uncollectible trade receivables. Additions to the allowance for doubtful accounts are recorded as general and administrative expenses. The Company reviews its trade receivables to identify specific customers with known disputes or collectability issues. In addition, the Company maintains an allowance for all other receivables not included in the specific reserve by applying specific rates of projected uncollectible receivables to the various aging categories. In determining these percentages, the Company analyzes its historical collection experience, customer credit-worthiness, current economic trends and

changes in customer payment terms. The allowance for doubtful accounts at March 31, 2015 and 2014 was $150 and $85, respectively.

Concentration of Credit Risks and Other Uncertainties

The carrying amounts for financial instruments consisting of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate fair value due to their short maturities. Derivative instruments, consisting entirely of foreign exchange contracts, are stated at their estimated fair values, based on quoted market prices for the same or similar instruments. The counterparties to the agreements relating to the Company's derivative instruments consist of large financial institutions of high credit standing.

The Company's main financial institutions for banking operation held all of the Company's cash and cash equivalents as of March 31, 2015 and March 31, 2014.

The Company's accounts receivable are derived from net revenue to customers and distributors located in the United States and other countries. The Company performs credit evaluations of its customers' financial condition. The Company provides reserves for potential credit losses but has not experienced significant losses to date. There was one customer whose accounts receivable balance represented 10% or more of total accounts receivable, net, as of March 31, 2015 or March 31, 2014. This customer represented 47% and 30% of the accounts receivable balances, as of March 31, 2015 and March 31, 2014, respectively.

The Company currently sells products through its direct sales force and through third-party distributors. There was one direct customer that accounted for 10% or more of total product sales for the fiscal years ended March 31, 2015, 2014 and 2013. This customer represented 55%, 54% and 55% of total product sales for the fiscal years March 31, 2015, 2014 and 2013, respectively.

Inventory

Inventory is stated at the lower of standard cost (which approximates actual cost) or market, with cost determined on the first-in-first-out method. Accordingly, allocation of fixed production overheads to conversion costs is based on normal capacity of production. Abnormal amounts of idle facility expense, freight, handling costs and spoilage are expensed as incurred and not included in overhead. No stock-based compensation cost was included in inventory as of March 31, 2015 and 2014, respectively.

Property and equipment

Property, equipment and leasehold improvements are stated at cost, net of accumulated depreciation and amortization. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the related assets as follows:

Plant, machinery and equipment—4 to 25 years;
Leasehold improvements—the shorter of the lease term or the estimated useful life of the asset.
Repairs and maintenance expenditures, which are not considered improvements and do not extend the useful life of property and equipment, are expensed as incurred.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount of the assets to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by

which the carrying amount of the assets exceeds the fair value of the assets. During the fiscal years ended 2015, 2014 and 2013, no impairment losses have been recorded.

Intangible Assets and Goodwill

Intangible assets related to product licenses are recorded at cost, less accumulated amortization. Intangible assets related to technology and other intangible assets acquired in acquisitions are recorded at fair value at the date of acquisition, less accumulated amortization. Intangible assets are amortized over their estimated useful lives, on a straight-line basis as follows:

Customer relationships—5 years

Brands associated with acquired cell lines—40 years

Product licenses—10 years

Other intangibles assets—7 years

The Company reviews its intangible assets for impairment and conducts the impairment review when events or circumstances indicate the carrying value of a long-lived asset may be impaired by estimating the future undiscounted cash flows to be derived from an asset to assess whether or not a potential impairment exists. If the carrying value exceeds the Company's estimate of future undiscounted cash flows, an impairment value is calculated as the excess of the carrying value of the asset over the Company's estimate of its fair market value. Events or circumstances which could trigger an impairment review include a significant adverse change in the business climate, an adverse action or assessment by a regulator, unanticipated competition, significant changes in the Company's use of acquired assets, the Company's overall business strategy, or significant negative industry or economic trends. No impairment losses have been recorded in any of the years ended March 31, 2015, 2014 or 2013.

Goodwill represents the excess of the purchase price in a business combination over the fair value of tangible and identifiable intangible assets acquired less liabilities assumed. Goodwill resulting from a business combination in 2007 has been fully impaired.

Revenue Recognition

The Company recognizes revenue from product sales when there is persuasive evidence that an arrangement exists, delivery has occurred, the price is fixed or determinable and collectability is reasonably assured. Customers have no right of return except in the case of damaged goods. The Company has not experienced any significant returns of its products. Shipping and handling costs are expensed as incurred and included in cost of product sales. In those cases where the Company bills shipping and handling costs to customers, the amounts billed are classified as revenue.

The Company enters into revenue arrangements that may consist of multiple deliverables of its products and services. The terms of these arrangements may include non-refundable upfront payments, milestone payments, other contingent payments and royalties on any product sales derived on collaboration. Up-front fees received in connection with collaborative agreements are deferred upon receipts, are not considered a separate unit of accounting and are recognized as revenues over the relevant performance periods. Revenues related to research and development services included in a collaboration agreement are recognized as research and services are performed over the related performance periods for each contract. A payment that is contingent upon the achievement of a substantive milestone is recognized in its entirety in the period in which the milestone is achieved.

In June 2013, the Company entered into an agreement with Ortho-Clinical Diagnostics Inc. ("Ortho") to develop a range of rare antisera products. The Company had been working on this project for more than a year before the formal agreement was signed with Ortho. Under the terms of the agreement, the Company is entitled to receive milestone payments of $2,750 upon the receipt of CE-marks for the rare antisera products, $1,400 upon the receipt of FDA approval of the rare antisera products and two further milestones of $500 each upon the updating of the CE-mark and FDA approvals to cover use of the products on Ortho's automation platform. The Company concluded that as each of these milestones required significant levels of development work to be undertaken and there was no certainty at the start of the project that the development work would be successful, these milestones are substantive and will be accounted for under the milestone method of revenue recognition. During the fiscal year ended March 31, 2014, the Company recognized $2,750 of milestone revenue relating to the achievement of the CE marketing milestone. The agreement also contains one further milestone of $650 payable when Ortho orders $250 of the rare antisera products covered by the agreement. This sales target was achieved and the $650 of revenue was recognized during the year ended March 31, 2015.

Research and Development

Research and development expenses consist of costs incurred for company-sponsored and collaborative research and development activities. These costs include direct and research-related overhead expenses. The Company expenses research and development costs, including the expenses for research under collaborative agreements, as such costs are incurred. Where government grants are available for the sponsorship of such research, the grant receipt is included as a credit against the related expense.

Stock-Based Compensation

Stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as an expense on a straight-line basis over the requisite service period, which is generally the vesting period. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the Company’s Consolidated Statements of Comprehensive Loss.

In determining fair value of the stock-based compensation payments, the Company uses the Black–Scholes model and a single option award approach, which requires the input of subjective assumptions. These assumptions include: the fair value of the underlying share, estimating the length of time employees will retain their vested stock options before exercising them (expected term), the estimated volatility of the Company's ordinary shares price over the expected term (expected volatility), risk-free interest rate (interest rate), expected dividends and the number of shares subject to options that will ultimately not complete their vesting requirements (forfeitures).

Share Warrant Liability

The Company has three classes of freestanding warrants to purchase ordinary shares outstanding: (i) warrants that were issued at the time of its initial public offering in April 2014; (ii) warrants issued in December 2013 and (iii) pre-funded warrants issued in November 2014.

The Company accounts for the warrants that were issued at the time of its initial public offering as a liability. These warrants to purchase ordinary shares are recorded as a liability because the underlying terms of the warrants contain provisions that may obligate the Company to transfer value in certain circumstances. The warrants are recorded at fair value upon issuance and are subject to re-measurement to fair value at each balance sheet date, with any change in fair value recognized as component of other income (expense), net on the Consolidated Statements of Comprehensive Loss. The Company will continue to adjust the liability for changes in fair value until the earlier of the exercise or expiration of the warrants or the completion of a deemed liquidation event. At that time, the share warrant liability will be classified into permanent equity.

The warrants issued in December 2013 were originally warrants to purchase redeemable convertible preference shares and were originally recorded as a liability in the balance sheet, but were transferred to permanent equity when the underlying redeemable convertible preference shares were converted to ordinary shares immediately prior to the Company's initial public offering.

The pre-funded warrants issued in November 2014 do not contain any obligation to transfer value and as such, the issue of the November 2014 pre-funded warrants has been recorded in permanent equity

Derivative Financial Instruments

In the normal course of business, the Company's financial position is routinely subjected to market risk associated with foreign currency exchange rate fluctuations. The Company's policy is to mitigate the effect of these exchange rate fluctuations on certain foreign currency denominated business exposures. The Company has a policy that allows the use of derivative financial instruments to hedge foreign currency exchange rate fluctuations on forecasted revenue denominated in foreign currencies. The Company carries derivative financial instruments (derivatives) on the balance sheet at their fair values. The Company does not use derivatives for trading or speculative purposes. The Company does not believe that it is exposed to more than a nominal amount of credit risk in its foreign currency hedges, as counterparties are large, global and well-capitalized financial institutions. To hedge foreign currency risks, the Company uses foreign currency exchange forward contracts, where possible and prudent. These forward contracts are valued using standard valuation formulas with assumptions about future foreign currency exchange rates derived from existing exchange rates, interest rates, and other market factors.

The Company considers its most current forecast in determining the level of foreign currency denominated revenue to hedge as cash flow hedges. The Company combines these forecasts with historical trends to establish the portion of its expected volume to be hedged. The revenue and expenses are hedged and designated as cash flow hedges to protect the Company from exposures to fluctuations in foreign currency exchange rates. If the underlying forecasted transaction does not occur, or it becomes probable that it will not occur, the related hedge gains and losses on the cash

flow hedge are reclassified from accumulated other comprehensive income (loss) to the consolidated statement of comprehensive loss at that time.

Income Taxes

The Company accounts for income taxes using an asset and liability approach, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the consolidated financial statements, but have not been reflected in taxable income. A valuation allowance is established to reduce deferred tax assets to their estimated realizable value. Therefore, the Company provides a valuation allowance to the extent that is more likely than not that it will generate sufficient taxable income in future periods to realize the benefit of its deferred tax assets.

Note 2. Intangible Assets

	March 31, 2015			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Ave. Remaining Useful Life
Customer relationships	$2,923	$ (2,923)	$ —	—
Brands associated with acquired cell lines	603	(115)	488	32.4 years
Product licenses	703	(241)	462	6.6 years
Other Intangibles	190	(190)	—	—
Total	$4,419	$ (3,469)	$ 950	

	March 31, 2014			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Ave. Remaining Useful Life
Customer relationships	$3,283	$ (3,283)	$ —	—
Brands associated with acquired cell lines	677	(112)	565	33.4 years
Product licenses	589	(200)	389	6.6 years
Other Intangibles	213	(200)	13	0.4 years
Total	$4,762	$ (3,795)	$ 967	

Amortization expense was $99, $103 and $354 in financial years 2015, 2014, and 2013, respectively. Total future amortization expense for intangible assets that have definite lives, based upon the Company’s existing intangible assets and their current estimated useful lives as of March 31, 2015, is estimated as follows:

2016	$85
2017	85
2018	85
2019	85
2020	85
Thereafter	525
Total	$950

Note 3. Debt

Long-term debt comprises:

	March 31, 2015	March 31, 2014
Total debt	$15,000	$15,000
Less current portion	(4,500)	—
Long-term debt	$10,500	$15,000
Fees due on final repayment of debt	487	487
Fair value of associated share warrant, net of amortization	(219)	(382)
	$10,768	$15,105

The outstanding debt and the fee due on final repayment fall due as follows:

Within 1 year	$4,500
Between 1 and 2 years	6,000
Between 2 and 3 years	4,987
Total debt	$15,487

In 2010, Alba issued $3,000 of loan notes to Haemonetics S.A. (Haemonetics). The loan notes were issued in conjunction with an Evaluation; Supply and License Agreement entered into by Alba and Haemonetics. Under that agreement, Haemonetics was granted a license to evaluate the use of blood-typing reagents developed and manufactured by the Company within the Haemonetics products. The loan notes were redeemable in March 2017 and incur interest at a rate of 7.5% per annum.

On December 9, 2013, the Company drew down $15,000 under a new secured bank facility agreement with MidCap Financial LLC and repaid the $3,000 of loan notes with Haemonetics. The new facility is repayable over a four year period with no repayments being due until eighteen months from the drawdown date and then equal amounts being repayable monthly over the remaining thirty months. The facility bears interest at LIBOR plus 6.7%. The LIBOR rate applicable to the facility is the higher of the actual market rate from time to time or 2.0%.

Note 4. Fair Value Measurements

Assets and liabilities measured and recorded at fair value on a recurring basis

The following table summarizes the Company’s assets and liabilities that are measured at fair value on a recurring basis, by level, within the fair value hierarchy:

	March 31, 2015			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign currency forward contracts	$—	$ —	$ —	$ —
Total assets measured at fair value	$—	$ —	$ —	$ —

	March 31, 2015			
	Level 1	Level 2	Level 3	Total
Liabilities:				
Foreign currency forward contracts (1)	$199	$ —	$ —	$199
Fair value of share warrants	31,011	—	—	31,011
Total liabilities measured at fair value	$31,210	$ —	$ —	$31,210

	March 31, 2014			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign currency forward contracts (1)	$94	$ —	$ —	$ 94
Total assets measured at fair value	$94	$ —	$ —	$ 94

	March 31, 2014			
	Level 1	Level 2	Level 3	Total
Liabilities:				
Fair value of share warrants	$—	$ —	$421	$421
Total liabilities measured at fair value	$—	$ —	$421	$421

(1) Contract fair values are determined based on quoted prices for similar assets in active markets using inputs such as currency rates and forward points.

The change in the estimated fair value of ordinary and preference share warrant liabilities is summarized below:

March 31,2013	$19
Exercise of warrants	(19)
Issues of warrants	421
March 31,2014	$421
Transfer of liability to shareholders' equity upon the conversion of the preference share warrant to a warrant in respect of ordinary shares	(421)
Issue of ordinary share warrants as part of the company's initial public offering	8,529
Change in fair value of ordinary share warrants	22,966
Exercise of warrants	(484)
March 31, 2015	$31,011

The carrying amounts of cash and cash equivalents, trade accounts receivable and accounts payable reported in the Consolidated Balance Sheets approximate their respective fair values because of the short term nature of these accounts. The fair value of long-term debt approximates the recorded value.

Note 5. Consolidated Balance Sheet Detail

Inventory

The following table summarizes inventory by category for the periods presented:

	March 31, 2015	March 31, 2014
Raw materials	$1,180	$1,420
Work in progress	2,071	2,031
Finished goods	1,357	1,106
Total inventories	$4,608	$4,557

Prepaid expenses and other current assets

Prepaid expenses and other current assets at March 31, 2014 included $2,413 of costs associated with the company’s initial public offering which was completed on April 30, 2014. At March 31, 2015 prepaid expenses included $2,655 related to the purchases of glass for use by the MosaiQ™ project.

Property and equipment

The following table summarizes property and equipment by categories for the periods presented:

	March 31, 2015	March 31, 2014
Plant and Machinery	$21,688	$7,063
Leasehold improvements	11,412	3,594
Total property and equipment	33,100	10,657
Less: accumulated depreciation	(3,367)	(2,101)
Total property and equipment, net	$29,733	$8,556

Plant and machinery at March 31, 2015 includes $15,721 of payments on account related to the equipment being developed for use at the MosaiQ™ consumable manufacturing facility in Switzerland. Depreciation of this balance will commence when the equipment concerned is brought into use. Depreciation expenses were $1,185, $519 and $337 in financial years 2015, 2014, and 2013, respectively. In addition in the financial year ended March 31, 2015 there was a loss on disposal of $382 related to the retirement of certain items of plant and equipment acquired as part of the lease arrangements for the consumable manufacturing plant in Switzerland.

Accrued compensation and benefits

Accrued compensation and benefits consist of the following:

	March 31, 2015	March 31, 2014
Salary and related benefits	$300	$75
Accrued vacation	165	26
Accrued payroll taxes	302	281
Accrued incentive payments	1,798	1,632
Total accrued compensation and benefits	$2,565	$2,014

Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following:

	March 31, 2015	March 31, 2014
Accrued legal and professional fees	$3,758	$2,007
Accrued interest	112	112
Goods received not invoiced	787	590
Accrued capital expenditure	972	—
Accrued development expenditure	2,110	799
Other accrued expenses	1,048	945
Total accrued expenses and other current liabilities	$8,787	$4,453

Note 6. Commitments and Contingencies

Lease commitments

The Company leases its facilities and certain equipment under operating leases that expire at various dates through 2020. Some of the leases contain renewal options, escalation clauses, rent concessions, and leasehold improvement incentives. Rent expense is recognized on a straight-line basis over the lease term. Rent expense was $2,111 $1,293 and $746 in financial years ended March 31, 2015, 2014, and 2013, respectively.

The following is a schedule by years of minimum future rentals on non-cancelable operating leases as of March 31, 2015:

2016	$2,703
2017	2,415
2018	1,866
2019	1,442
2020	1,268
Thereafter	—
Total minimum future lease payments	$9,694

The Company has entered into capital leases for the purchase of equipment that has a gross cost and net book value of $1,024 and $737 respectively as of March 31, 2015 and $882 and $546 respectively as of March 31, 2014.

The following is a schedule of future annual repayments on capital leases as of March 31, 2015:

2016	$239
2017	113
2018	72
2019	70
2020	22
Thereafter	—
Total minimum future lease payments	$516

Purchase obligations

The Company has purchase obligations that are associated with agreements for purchases of goods or services. Management believes that cancellation of these contracts is unlikely and thus the Company expects to make future cash payments according to the contract terms.

The following is a schedule by years of purchase obligations as of March 31, 2015:

2016	$28,871
2017	9,470
2018	14,179
2019	17,175
2020	15,218
Thereafter	12,508
Total minimum future purchase obligations	$97,421

Government Grant

In 2008, the Company was awarded research and development grant funding from Scottish Enterprise amounting to £1,791 for the development MosaiQ™. The total grant claimed to March 31, 2014 is £1,790. Regular meetings are held to update Scottish Enterprise with the status of the project and whilst the terms of the grant award provide for full repayment of the grant in certain circumstances, the Company does not consider that any repayment is likely.

Hedging arrangements

The Company’s subsidiary in the United Kingdom (“UK”) has entered into nine foreign currency forward contracts. Three of these are to sell $300 and purchase pounds sterling at a rate of £1:$1.7227 in each calendar month in the first quarter of the financial year ending March 31, 2016, three are to sell $300 and purchase pounds sterling at £1:$1.60 in each calendar month of the second quarter of the financial year ending March 31, 2016 and three are to sell $300 and purchase pounds sterling at £1:$1.50 in each calendar month of the third quarter of the financial year ending March 31, 2016. The fair value of these contracts at March 31, 2015 amounted to a liability of $199. At March 31, 2014 the fair value of the three contracts which were outstanding at that date amounted to an asset of $94.

The foreign currency forward contracts were entered into to mitigate the foreign exchange risk arising from the fluctuations in the value of U.S. dollar denominated transactions entered into by our UK subsidiary. These foreign currency forward contracts are designated as cash flow hedges and are carried on the Company’s balance sheet at fair value with the effective portion of the contracts’ gains or losses included in accumulated other comprehensive income

(loss) and subsequently recognized in revenue/expense in the same period the hedged items are recognized.

At inception and at each quarter end, hedges are tested prospectively and retrospectively for effectiveness. Changes in the fair value of foreign currency forward contracts due to changes in time value are excluded from the assessment of effectiveness and are recognized in revenue in the current period. The change in time value related to these contracts was not material for all reported periods. To qualify for hedge accounting, the hedge relationship must meet criteria relating both to the derivative instrument and the hedged item. These criteria include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's cash flows will be measured. There were no gains or losses during the years ended March 31, 2015 or March 31, 2014 associated with ineffectiveness or forecasted transactions that failed to occur.

To receive hedge accounting treatment, hedging relationships are formally documented at the inception of the hedge and the hedges must be tested to demonstrate an expectation of providing highly effective offsetting changes to future cash flows on hedged transactions.

Note 7. Geographic Information

The Company operates in one business segment. Revenues are attributed to countries based on the location of the Company’s channel partners as well as direct customers.

The following table represents revenue attributed to countries based on the location of the customer:

	Year ended March 31,		
	2015	2014	2013
Revenue:			
United States	$8,299	$9,705	$6,027
United Kingdom	938	907	1,253
France	3,419	3,352	2,825
Japan	2,685	2,162	2,030
Other foreign countries (1)	3,067	3,629	2,236
	$18,408	$19,755	$14,371

(1)No individual country represented more than 10% of the respective totals.
The table below lists the Company’s property and equipment, net of accumulated depreciation, by country. With the exception of property and equipment, the Company does not identify or allocate its assets by geographic area:

	March 31, 2015	March 31, 2014
Long-lived assets:		
United Kingdom	$18,879	$5,814
Switzerland	10,854	2,742
United States	—	—
Total accrued compensation and benefits	$29,733	$8,556

Note 8. Ordinary and Preference Shares

Explanation of Responses:

Ordinary shares

The Company’s issued and outstanding ordinary shares consist of the following:

	Shares Issued and Outstanding		
	March 31, 2015	March 31, 2014	Par value
Ordinary shares	17,020,574	60,044	$ —
A Ordinary shares	—	244,141	—
B Ordinary shares	—	37,957	—
Total	17,020,574	342,142	$ —

Immediately prior to its initial public offering, the Company’s then outstanding preference shares, A ordinary shares and B ordinary shares were converted to ordinary shares and the ordinary shares then outstanding were consolidated into 32 new ordinary shares for each 100 existing ordinary shares. The number of ordinary, A ordinary and B ordinary shares and the number of options and warrants to acquire ordinary shares are presented in these financial statements on the basis of the number after this consolidation.

Preference shares

The Company’s issued and outstanding preference shares consist of the following:

	Shares Issued and Outstanding		Liquidation amount per share	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
7% Cumulative Redeemable Preference shares	666,665	—	$22.76	$—
A Preference shares	—	12,719,954	$—	$1.32
B Preference shares	—	14,583,407	$—	$1.28
C Preference shares	—	929,167	$—	$3.11
Total	666,665	28,232,528		

The A Preference shares, the B Preference shares and the C Preference shares were converted into ordinary shares in April 2014 prior to the Company’s initial public offering on the basis of 32 ordinary shares for every 100 preference shares. The 7% Cumulative Redeemable Preference shares were issued to Ortho-Clinical Diagnostics Finco S.Á.R.L., an affiliate of Ortho on January 29, 2015 at a subscription price of $22.50 per share. These preference shares are redeemable at the request of the shareholder on the “Redemption Trigger Date” which is the date of the fourth anniversary of the date of issue of the preference shares, but the Company may extend the redemption date in one year increments up to the tenth anniversary of the date of issue. Because the 7% Cumulative Redeemable Preference shares are redeemable at the option of the shareholders, they are shown as a liability in the Consolidated Balance Sheet.

Note 9. Share-Based Compensation

The Company records share-based compensation expense in respect of options issued under its share incentive plans and in respect of the deferred shares issued to employees. Share-based compensation expense amounted to $1,138 in the year ended March 31, 2015, $933 in the year ended March 31, 2014 and $471 in the year ended March 31, 2013.

Option Plans

The 2012 Option Plan (the “Option Plan”) was designed in order to grant options on ordinary shares in the capital of the Company to certain of its directors and employees. The purpose of the Option Plan is to provide employees with an opportunity to participate directly in the growth of the value of the Company by receiving options for shares.

Each option converts into one ordinary share of the Company on exercise.

The 2012 Option Plan was approved by the shareholders as part of the arrangements relating to the issue of the A Preference Shares and B Preference shares on February 16, 2012.

The total number of shares in respect of which options may be granted under the 2012 Option Plan is limited at 839,509. Options that lapse or are forfeited are available to be granted again.

Options generally vest over a period of three years but certain employees have shorter vesting periods. The contractual life of all options is 10 years. Options were not exercisable before the Company became a public company and all outstanding options become exercisable in the event of an acquisition of 75% or more of the share capital of the Company by a third party.

The 2014 Stock Incentive Plan was approved by the directors and shareholders immediately prior to the Company's initial public offering in April 2014. The 2014 Plan was designed to provide flexibility to attract and retain the services of qualified employees, officers, directors, consultants and other service providers upon whose judgment, initiative and efforts the successful conduct and development of the business depends, and to provide additional incentives to such persons to devote their effort and skill to the advancement and betterment of the Company, by providing them an opportunity to participate in the ownership of the Company and thereby have an interest in its success and increased value. .

1,500,000 ordinary shares were initially reserved for issuance under the 2014 Plan. This number is subject to adjustment in the event of a recapitalization, share split, share consolidation, reclassification, share dividend or other change in the Company's capital structure and automatically increases annually on April 1 of each year. To the extent that an award terminates, or expires for any reason, then any shares subject to the award may be used again for new grants. However, shares which are (i) not issued or delivered

as a result of the net settlement of outstanding share appreciation rights ("SARs") or options, (ii) used to pay the exercise price related to outstanding options, (iii) used to pay withholding taxes related to outstanding options or SARs or (iv) repurchased on the open market with the proceeds from an option exercise, will not be available for grant under the 2014 Plan.

Share option activity

The following table summarizes share option activity:

	Number of Share Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Months)
Outstanding — March 31, 2012	—	$ —	—
Granted	369,400	1.44	120
Exercised	—	—	—
Forfeited	—	—	—
Outstanding — March 31, 2013	369,400	$ 1.44	116
Granted	477,149	$ 4.21	120
Exercised	(60,044)	$ 4.08	—
Forfeited	(7,043)	4.87	—
Outstanding — March 31, 2014	779,462	$ 2.92	109
Granted	605,250	8.34	120
Exercised	(137,478)	2.23	—
Forfeited	(39,116)	7.93	—
Outstanding — March 31, 2015	1,208,118	$ 5.58	103
Exercisable — March 31, 2015	317,421	$ 2.31	95

The following table summarizes the options granted in the year ended March 31, 2015 with their exercise prices, the fair value of ordinary shares as of the applicable grant date, and the intrinsic value, if any:

Grant Date	Number of Options Granted	Exercise Price	Ordinary Shares Fair Value Per	Per Share Intrinsic Value of Options

			Share at Grant Date	
April 29, 2014	524,900	$8.00	$8.00	$ 3.36
August 6, 2014	31,600	$9.26	$9.26	$ 3.85
October 31, 2014	30,150	$9.95	$9.95	$ 4.00
November 5, 2014	5,200	$9.89	$9.89	$ 3.98
February 4, 2015	13,400	$15.065	$15.065	$ 6.01

Determining the fair value of share options

The fair value of each grant of share options was determined by the Company using the Black-Scholes options pricing model. The total fair value of option awards in the years ended March 31, 2015 and March 31, 2014 amounted to $2,108 and $1,113.

Assumptions used in the option pricing models are discussed below. Each of these inputs is subjective and generally requires significant judgment to determine.

Expected volatility . The expected volatility was based on the historical share volatilities of a selection of the Company’s publicly listed peers over a period equal to the expected terms of the options as the Company did not have a sufficient trading history to use the volatility of its own ordinary shares.

Fair value of ordinary shares. Prior to the Company’s initial public offering, transactions involving the preference share capital of the company determined the fair values of the ordinary shares at the grant dates. The preference shares had preferred rights versus the

ordinary shares as regards capital redemption and dividends but after all other shares have been paid out the balance of any residual assets is shared amongst the ordinary shareholders. The preference shareholders could convert their shares to ordinary shares at any time.

Based on these share rights, the fair value of the ordinary shares did not exceed the fair value of the preference shares but may equal it, if it appears likely that the value of the company as a whole exceeds the entitlements of the preference shares thus making it more likely than not that the preference shareholders will opt to convert their shares.

The directors have considered the progress of the company at each option award date and determined the fair market value of the ordinary shares by reference to the fair values of the preference shares plus an appropriate discount.

Risk-Free Interest Rate. The risk-free interest rate is based on the UK Government 10 year bond yield curve in effect at the time of grant prior to the initial public offering and 10 year U.S Treasury Stock for awards from April 2014 onwards.

Expected term. The expected term is determined after giving consideration to the contractual terms of the share-based awards, graded vesting schedules ranging from one to three years and expectations of future employee behavior as influenced by changes to the terms of its share-based awards.

Expected dividend. According to the terms of the awards, the exercise price of the options is adjusted to take into account any dividends paid. As a result dividends are not required as an input to the model, as these reductions in the share price are offset by a corresponding reduction in exercise price.

A summary of the weighted-average assumptions applicable to the share options is as follows:

	Year ended March 31,	
	2015	2014
Risk-free interest rate	2.64 %	2.25 %
Expected lives (years)	3	3
Volatility	59.62 %	59.91 %
Dividend yield	—	—
Weighted average fair value (per option granted)	$3.48	$2.33
Number granted	605,250	477,149

The fair value of the Company’s ordinary shares was $17.00 per share on March 31, 2015.

As of March 31, 2015, total compensation cost related to unvested share options granted to employees not yet recognized was $2,096 net of estimated forfeitures. This cost will be amortized to expense over a weighted average remaining period of 1.7 years and will be adjusted for subsequent changes in estimated forfeitures.

Share based compensation expense arising on the deferred shares amounted to $156 and $365 in the years ended March 31, 2014 and March 31, 2013. As of March 31, 2014, there was no remaining unrecognized compensation cost related to deferred shares.

Note 10. Income Taxes

No provision has been made for current or deferred income taxes in any period. The statutory tax rate of the Company in Jersey is 0%. The principal operating subsidiaries operate in the USA, the United Kingdom and Switzerland and are subject to corporate income taxes in those countries. All these entities have incurred trading losses and no corporate income taxes have been provided for. A reconciliation of the income tax expense at the statutory rate to the provision for income taxes is as follows:

	Year ended March 31,		
	2015	2014	2013
Income tax expense at statutory rate	$—	$—	$—
Foreign tax rate differential	(2,739)	(439)	(488)
Increase in valuation allowance against deferred tax assets	2,739	439	488
Provision for income tax	$—	$—	$—

Significant components of deferred tax assets are as follows:

	March 31, 2015	March 31, 2014
Deferred tax assets assets:		
Provisions and reserves	$270	$12
Net operating loss carry forwards	8,534	6,151
Gross deferred tax assets	$8,804	$6,163
Fixed assets basis difference	$(843)	$(941)
Gross deferred tax liabilities	$(843)	$(941)
Net deferred tax asset	$7,961	$5,222
Valuation allowance	(7,961)	(5,222)
Total accrued compensation and benefits	$—	$—

The Company maintains a valuation allowance on net operating losses and other deferred tax assets in jurisdictions for which it does not believe it is more-likely-than-not to realize those deferred tax assets based upon all available positive and negative evidence, including historical operating performance, carryback periods, reversal of taxable temporary differences, tax planning strategies, and earnings expectations.

As of March 31, 2015, the Company has net operating loss carry forwards of approximately $32,207 and $11,638 of U.S. state net operating losses, which will be available to offset future taxable income. If not used, approximately $5,605 of these tax effected carry forwards will expire between 2029 and 2035. The remaining portion of the carry forwards arose in jurisdictions where losses do not expire.

The Company recognizes interest and penalties accrued related to unrecognized tax benefits in tax expense. During the fiscal years ended March 31, 2015, March 31, 2014 and March 31, 2103 the Company had no amounts accrued for interest and penalties. The Company does not currently anticipate that the total amount of unrecognized tax benefits will result in material changes to its financial position within the next 12 months.

The Company has evaluated its tax positions in all jurisdictions at each year end and has concluded that there are no material uncertain tax positions.

The Company files separate company income tax returns in its domestic and foreign jurisdictions. All necessary income tax filings in all jurisdictions have been completed for all years up to and including March 31, 2014 and there are no ongoing tax examinations in any jurisdiction.

Note 11. Defined Contribution Plan

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents the contribution payable by the Company to the fund during the year. Pension costs during the years ended March 31, 2015, 2014 and 2013 amounted to $510, $349 and $263 respectively.

Note 12. Net Loss Per Share

The Company applies the two-class method when computing its earnings per share, which requires that net income per share for each class of share (ordinary shares and preference shares) be calculated assuming 100% of the Company's net income is distributed as dividends to each class of share based on their contractual rights.

In accordance with ASC 260 "Earnings Per Share", basic earnings available to ordinary shareholders per share is computed based on the weighted average number of ordinary shares outstanding during each period. Diluted earnings available to ordinary shareholders per share is computed based on the weighted average number of ordinary shares outstanding during each period, plus potential ordinary shares considered outstanding during the period, as long as the inclusion of such shares is not anti-dilutive. Potential ordinary shares consist of the incremental ordinary shares issuable upon the exercise of share options (using the treasury shares method), the conversion of the Company's deferred and preference shares and the warrants to acquire preference shares.

The following table sets forth the computation of basic loss per ordinary share. Diluted earnings per share figures are not applicable due to losses:

	Year ended March 31,		
	2015	2014	2013
Numerator:			
Net loss	$(59,059)	$(10,165)	$(4,714)
Net loss available to ordinary shareholders - basic and diluted	$(59,059)	$(10,165)	$(4,714)
Denominator:			
Weighted-average shares outstanding - basic and diluted	14,773,386	186,817	74,866
Loss per share - basic and diluted	$(4.00)	$(54.41)	$(62.97)

B preference shares and C preference shares were participating securities with no contractual obligation to share in the losses of the Company. Accordingly, no losses were allocated to B preference shares and C preference shares in the calculation of loss per share in the periods presented.

No cumulative dividend is included in net loss for EPS calculation as A preference share dividends, based on their terms are not considered earned.

The options and warrants to purchase ordinary shares, the deferred shares, the A preference shares, the B preference shares, the C preference shares and the warrants to purchase A preference shares have been excluded from the above computation of earnings per share for the years ended March 31, 2015, March 31, 2014 and March 31, 2013 as their inclusion would have been anti-dilutive. The following sets out the numbers of the shares, deferred shares, preference shares, options and warrants excluded from the above computation of earnings per share for the years ended March 31, 2015, March 31, 2014 and March 31, 2013, as their inclusion would have been anti-dilutive.

	March 31, 2015	March 31, 2014	March 31, 2013
Ordinary shares issuable on exercise of options to purchase ordinary shares	1,208,118	779,462	369,400
Ordinary shares issuable on exercise of warrants at $9.37 per share	64,000	—	—
Ordinary shares issuable on exercise of warrants at $8.80 per share	3,937,894	—	—
Ordinary shares issuable on exercise of pre-funded warrants at $0.01 per share	850,000	—	—
Deferred shares	—	—	206,184
Ordinary shares issuable on conversion of A Preference shares	—	4,070,385	4,070,385
Ordinary shares issuable on conversion of B Preference shares	—	4,666,690	4,621,088
Ordinary shares issuable on conversion of C Preference shares	—	297,333	—
Warrants to purchase A Preference shares	—	—	224,019

	6,060,012	9,813,870	9,491,076

The share numbers in the above table have been adjusted to reflect the 32 for 100 ordinary share consolidation immediately prior to the Company's initial public offering.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There have been no changes in or disagreements with accountants on accounting and financial disclosure matters in the last fiscal year.

Item 9A. Controls and procedures

(a) Evaluation of disclosure controls and procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Form 10-K. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our Chief Executive and Chief Financial Officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) Management's report on internal control over financial reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control system was designed to provide reasonable assurance to our management and our directors regarding the preparation and presentation of our published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the effectiveness of our internal control over financial reporting as of March 31, 2015. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control – Integrated Framework (2013). Based on its assessment, management has concluded that, as of March 31, 2015, our internal control over financial reporting was effective based on those criteria.

The Annual Report on Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting as a result of an exemption provided to emerging growth companies under the JOBS Act.

(c) Changes in internal control over financial reporting

There have been no changes to our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period covered by this Annual Report on Form 10-K that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other information

None.

Explanation of Responses: 90

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated herein by reference to our definitive proxy statement, which will be filed not later than July 29, 2015.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to our definitive proxy statement, which will be filed not later than July 29, 2015.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to our definitive proxy statement, which will be filed not later than July 29, 2015.

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required by this item is incorporated herein by reference to our definitive proxy statement, which will be filed not later than July 29, 2015.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated herein by reference to our definitive proxy statement, which will be filed not later than July 29, 2015.

PART IV

Item 15. Exhibits, Financial Statement Schedules

1. Financial Statements
Our consolidated financial statements, together with the independent registered public accounting firm's report thereon, are set forth on pages 58 through 79 of this annual report on Form 10-K and are incorporated herein by reference. See Item 8, ''Financial Statements and Supplementary Data," filed herewith, for a list of financial statements.

2. Financial Statement Schedules
All financial statement schedules have been omitted because the required information is not applicable or deemed not material, or the required information is presented in the consolidated financial statements or in the notes to consolidated financial statements filed in response to Item 8 of this annual report on Form 10-K.

3. Exhibit Index
The following is a list of exhibits filed as part of this Annual Report on Form 10-K:

Exhibit number	Description of exhibit
3.1	Amended Articles of Association (Filed as Exhibit 3.1 of Amendment No. 4 to our Registration Statement on Form S-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)
4.1	Form of Ordinary Shares Certificate (Filed as Exhibit 4.1 of Amendment No. 4 to our Registration Statement on Form S-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)
4.2	Warrant to Purchase C Preference Shares, dated December 6, 2013, issued to Midcap Funding V, LLC (Filed as Exhibit 4.2 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
4.3	Form of Ordinary Share Purchase Warrant (Filed as Exhibit 4.3 of Amendment No. 6 to our Registration Statement on Form S-1 (File No. 333-194390) on April 23, 2014 and incorporated herein by reference)
4.4	Registration Rights Agreement, dated November 25, 2014, by and among Quotient Limited and Visium Balanced Master Fund, Ltd. (Filed as Exhibit 4.1 to our Current Report on Form 8-K on November 26, 2014 and incorporated herein by reference)
4.5	Registration Rights Agreement, dated November 25, 2014, by and among Quotient Limited and the Subscribers named therein (Filed as Exhibit 4.2 to our Current Report on Form 8-K on November 26, 2014 and incorporated herein by reference)
4.6	Form of Pre-Funded Warrant (Filed as Exhibit 4.3 to our Current Report on Form 8-K on November 26, 2014 and incorporated herein by reference)
4.7	Statement of Rights in relation to Preference Shares in the capital of Quotient Limited (Filed as Exhibit 4.1 to our Current Report on Form 8-K on January 29, 2015 and incorporated herein by reference)

10.1 Credit, Guaranty and Security Agreement, dated December 6, 2013, between Midcap Funding V, LLC and Quotient Biodiagnostics, Inc. (Filed as Exhibit 10.1 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

10.2 Service Agreement, dated February 16, 2012, between Quotient Biodiagnostics Holding Limited (since renamed Quotient Limited) and Paul Cowan (Filed as Exhibit 10.2 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

10.3 Employment Agreement, dated March 9, 2009, between Alba Bioscience Limited and Jeremy Stackawitz (Filed as Exhibit 10.3 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

10.4 Service Agreement, dated November 21, 2012, between Quotient Biodiagnostics Holding Limited (since renamed Quotient Limited) and Edward Farrell (Filed as Exhibit 10.4 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

Exhibit number	Description of exhibit
10.5	Service Agreement, dated August 14, 2012, between Quotient Biodiagnostics Holdings Limited (since renamed Quotient Limited) and Roland Boyd (Filed as Exhibit 10.5 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.6	Employment agreement, dated March 5, 2014, between Quotient Limited and Stephen Unger (Filed as Exhibit 10.6 of Amendment No. 1 to our Registration Statement on Form S-1 (File No. 333-194390) on March 26, 2014 and incorporated herein by reference)
10.7	Umbrella Supply Agreement, dated December 1, 2004, between Alba Bioscience, a division of the Scottish National Blood Transfusion Service, predecessor to Alba Bioscience Limited, acting on behalf of The Common Services Agency, and Ortho-Clinical Diagnostics Inc. (Filed as Exhibit 10.7 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.8	Assignment Agreement of the Supply Umbrella Agreement, dated September 3, 2007, between Ortho-Clinical Diagnostics Inc. and The Common Services Agency acting through its division the Scottish National Blood Transfusion Service (Filed as Exhibit 10.8 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.9†	STRATEC Development Agreement, dated January 7, 2014, between STRATEC Biomedical AG and QBD (QSIP) Limited (Filed as Exhibit 10.9 of Amendment No. 2 to our Registration Statement on Form S-1 (File No. 333-194390) on April 3, 2014 and incorporated herein by reference)
10.10	Shareholders Agreement, dated February 16, 2012, by and among Quotient Biodiagnostics Holdings Limited (since renamed Quotient Limited), each holder of the Corporation's A Preference Shares, B Preference Shares, Ordinary Shares, A Deferred Shares, B Deferred Shares, C Deferred Shares, A Ordinary Shares and B Ordinary Shares (Filed as Exhibit 10.10 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.11	Future Master Services Agreement, dated April 1, 2013, between Future Diagnostics BV and QDB (QSIP) Limited. (Filed as Exhibit 10.11 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.12	Eysins, Switzerland Lease Agreement, dated March 10, 2010, between Nemaco Fléchères B.V. and Quotient Suisse SA (Filed as Exhibit 10.12 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.13	Eysins, Switzerland, Lease Assignment Agreement, dated December 9, 2013, by and among Fidfund Management SA, Mondelez Europe GmbH, Quotient Suisse SA and Quotient Limited. (Filed as Exhibit 10.13 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.14	Edinburgh, Scotland Lease Agreement, dated July 26, 2007, between the Scottish Ministers and Dalglen (No. 1062) Limited (since renamed Alba Bioscience Limited)(Filed as Exhibit 10.14 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

10.15 Edinburgh, Scotland, Minute of Variation of Lease and Guarantee, dated September 21, 2011, among Alba Bioscience Limited (formerly Dalglen (No. 1062) Limited, Quotient Biodiagnosis Group Limited, and the Scottish Ministers (Filed as Exhibit 10.15 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

10.16 Form of Indemnification Agreement (Filed as Exhibit 10.16 of Amendment No. 4 to our Registration Statement on Form S-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)

10.17 2013 Enterprise Management Plan (Filed as Exhibit 10.17 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)

10.18 2014 Stock Incentive Plan (Filed as Exhibit 10.18 of Amendment No. 4 to our Registration Statement on Form S-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)

10.19† TTP Master Development Agreement, dated January 4, 2010, between The Technology Partnership plc and QBD (QS-IP) Limited. (Filed as Exhibit 10.19 of Amendment No. 1 to our Registration Statement on Form S-1 (File No. 333-194390) on March 26, 2014 and incorporated herein by reference)

10.20† TTP Intellectual Property Rights Agreement, dated March 4, 2014, between The Technology Partnership plc and QBD (QS-IP) Limited. (Filed as Exhibit 10.20 of Amendment No. 2 to our Registration Statement on Form S-1 (File No. 333-194390) on April 3, 2014 and incorporated herein by reference)

Exhibit number	Description of exhibit
10.5	Service Agreement, dated August 14, 2012, between Quotient Biodiagnostics Holdings Limited (since renamed Quotient Limited) and Roland Boyd (Filed as Exhibit 10.5 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.6	Employment agreement, dated March 5, 2014, between Quotient Limited and Stephen Unger (Filed as Exhibit 10.6 of Amendment No. 1 to our Registration Statement on Form S-1 (File No. 333-194390) on March 26, 2014 and incorporated herein by reference)
10.7	Umbrella Supply Agreement, dated December 1, 2004, between Alba Bioscience, a division of the Scottish National Blood Transfusion Service, predecessor to Alba Bioscience Limited, acting on behalf of The Common Services Agency, and Ortho-Clinical Diagnostics Inc. (Filed as Exhibit 10.7 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.21	First Amendment to the STRATEC Development Agreement, dated March 3, 2014, between STRATEC Biomedical AG and QBD (QS-IP) Limited. (Filed as Exhibit 10.21 of our Registration Statement on Form S-1 (File No. 333-194390) on March 7, 2014 and incorporated herein by reference)
10.22†	STRATEC Supply and Manufacturing Agreement, dated April 1, 2014, between STRATEC Biomedical AG and QBD (QS-IP) Limited. (Filed as Exhibit 10.22 of Amendment No. 3 to our Registration Statement on Form S-1 (File No. 333-194390) on April 7, 2014 and incorporated herein by reference)
10.23†	SCHOTT Supply Agreement, dated March 27, 2014, between Schott Technical Glass Solutions GmbH and QBD (QS-IP) Limited. (Filed as Exhibit 10.23 of Amendment No. 3 to our Registration Statement on Form S-1 (File No. 333-194390) on April 7, 2014 and incorporated herein by reference)
10.24	Form of Restricted Stock Unit Award Agreement (Filed as Exhibit 10.24 of Amendment No. 4 to our Registration Statement on Form S-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)
10.25	Form of Restricted Stock Award Agreement (Filed as Exhibit 10.25 of Amendment No. 4 to our Registration Statement on FormS-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)
10.26	Form of Option Award Agreement (Filed as Exhibit 10.26 of Amendment No. 4 to our Registration Statement on Form S-1 (File No. 333-194390) on April 14, 2014 and incorporated herein by reference)
10.27	Form of Letter of Appointment for a Non-Executive Director (Filed as Exhibit 10.27 of Amendment No. 5 to our Registration Statement on Form S-1 (File No. 333-194390) on April 15, 2014 and incorporated herein by reference)
10.28	Warrant Agent Agreement, dated May 23, 2014, between Quotient Limited and Continental Stock Transfer & Trust Co. (Filed as Exhibit 10.1 to our Current Report on Form 8-K (File No. 333-194390) on May 30, 2014 and incorporated herein by reference)

10.29	Letter dated July 17, 2014 relating to the settlement of a dispute related to an Asset Purchase Agreement dated July 26, 2007 between The Common Services Agency (acting through Scottish National Blood Transfusion Service) and Alba Bioscience Limited (Filed as Exhibit 10.1 to our Quarterly Report on Form 10-K on November 13, 2014and incorporated herein by reference)
10.30	Subscription Agreement, dated November 25, 2014, by and among Quotient Limited and Visium Balanced Master Fund, Ltd. (Filed as Exhibit 10.1 to our Current Report on Form 8-K on November 26, 2014 and incorporated herein by reference)
10.31	Subscription Agreement, dated November 25, 2014, by and among Quotient Limited and the Subscribers named therein. (Filed as Exhibit 10.2 to our Current Report on Form 8-K on November 26, 2014 and incorporated herein by reference)
10.32	Contract Agreement, dated October 27, 2014, between Quotient Suisse SA and MW High Tech Projects UK Limited t/a SLL. (Filed as Exhibit 10.32 of our Registration Statement on Form S-1 (File No. 333-200938) on December 12, 2014 and incorporated herein by reference)
10.33	Subscription Agreement, dated January 29, 2015, between Quotient Limited and Ortho-Clinical Diagnostics Finco S.Á.R.L. (Filed as Exhibit 10.1 of our Current Report on Form 8-K on January 29, 2015 and incorporated herein by reference)
10.34+*	Distribution and Supply Agreement, dated January 29, 2015, between QBD (QS IP) Limited, Quotient Suisse SA and Ortho-Clinical Diagnostics, Inc.
21.1*	List of Subsidiaries.
23.1*	Consent of Ernst & Young LLP.
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Principal Executive Officer pursuant Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of the Principal Financial Officer pursuant Section 906 of the Sarbanes-Oxley Act of 2002
101#	The following financial statements from the Company's Quarterly Report on Form 10-K for the year ended March 31, 2015, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of March 31, 2015 and 2014, (ii) Consolidated Statements of Comprehensive Loss for the years ended March 31, 2015, 2014 and 2013, (iii) Consolidated Statements of Redeemable Convertible Preference Shares and Changes in Shareholders' Equity for the years ended March 31, 2015, 2014 and 2013, (iv) Consolidated Statements of Cash Flows for the years ended March 31, 2015, 2014 and 2013 and (v) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.

Explanation of Responses: 97

† Confidential treatment has been granted with respect to certain portions of this exhibit. Omitted portions have been submitted separately to the Securities and Exchange Commission.

* Filed herewith.

+ Registrant has omitted portions of the referenced exhibit pursuant to a request for confidential treatment under Rule 24b-2 of the Securities Exchange Act of 1934, as amended.

XBRL information is furnished and not filed for purposes of Section 11 and 12 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934, and is not subject to liability under those sections, is not part of any registration statement, prospectus or other document to which it relates and is not incorporated or deemed to be incorporated by reference into any registration statement, prospectus or other document.

Explanation of Responses: 98

Signatures

Pursuant to the requirements of Section 13 or 15(d) 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, in Edinburgh, Scotland on June 1, 2015

QUOTIENT LIMITED

By: /s/ Paul Cowan
Paul Cowan

Chief Executive Officer and Chairman of the Board of Directors

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities and on the date indicated.

Signature	Title	Date
/s/ Paul Cowan Paul Cowan	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	June 1, 2015
/s/ Stephen Unger Stephen Unger	Chief Financial Officer (Principal Financial Officer)	June 1, 2015
/s/ Roland Boyd Roland Boyd	Group Financial Controller and Treasurer (Principal Accounting Officer)	June 1, 2015
/s/ Heino von Prondzynski Heino von Prondzynski	Director	June 1, 2015
/s/ Thomas Bologna Thomas Bologna	Director	June 1, 2015
/s/ Frederick Hallsworth Frederick Hallsworth	Director	June 1, 2015
/s/ Brian McDonough Brian McDonough	Director	June 1, 2015
/s/ Sarah O'Connor Sarah O'Connor	Director	June 1, 2015

/s/ Zubeen Shroff Zubeen Shroff	Director	June 1, 2015
/s/ John Wilkerson John Wilkerson	Director	June 1, 2015
/s/ Stephen Unger Stephen Unger	Authorized Representative in the United States	June 1, 2015