

Our strategy is designed to generate profitable growth and improve our long-term financial performance, in support of our ambition to serve life scientists to achieve their mission, faster.

An overview of the progress we have made against each of our five multi-year priorities is set out in the following table:

1

Sustain antibody and digital marketing leadership

Long-term objective:

To generate above market revenue growth in our core research antibody markets

Priorities for 2017/18

- Continue to drive market share gains for primary antibodies by focusing on high-value targets
- Continue validation and raising quality standard initiatives, ensuring we supply products which are specific, selective and reproducible in the context for which our consumers use them
- Retain existing consumers and attract new ones by implementing the next phase of our digital marketing vision

What we achieved

- Delivered primary antibody revenue growth ahead of the global market growth rate
- Further enhanced our target selection process to increase the success of new products
- Implemented process improvements to shorten lead times, improving the success rates of product launches
- Continued to work with suppliers to add validation data as well as delivering improvements in our own range through enhanced antibody validation and production techniques
- Continued to grow and enhance our digital footprint, driving better engagement and conversion

2018/19 priorities

- Continue to develop new products focused on high-value areas, based on customers' research needs
- Further enhance our product validation and continue to raise product quality standards across the catalogue
- Implement the next phase of our growth strategy for China

Link to KPIs

- Total revenue growth (CER)
- Recombinant revenue growth (CER)
- tNPS

Link to Principal Risks

- 1 Increased competition
- 3 Availability of research funding
- 4 ERP project/IT infrastructure
- 5 Cyber security
- 6 Loss of output
- 7 Inadequate resources
- 9 Reputational risk
- 11 Non-compliance with laws and regulations

2

Expand in related growth markets

Long-term objective:

To generate value through the addition of new product ranges and services and by extending our geographic penetration

Priorities for 2017/18

- Continue to grow our immunoassay business in line with multi-year aspiration
- Expand the number of 'Abcam Inside' projects and framework agreements

What we achieved

- Published over 200 new SimpleStep ELISA® immunoassay products on the catalogue
- Further developed FirePlex® multiplex platform, validating over 150 pairs of antibodies and launching a high throughput product (Fireplex®-HT) to simplify and speed up workflows
- Further expanded electronic catalogue connections to large-volume customers
- Continued to expand addressable market in custom products and licensing, with 28 new framework agreements signed and over 150 projects initiated for pharmaceutical and diagnostic development partners

2018/19 priorities

- Continue to grow our immunoassay business in line with multi-year aspiration
- Continue to expand the number of Abcam Inside projects and framework agreements
- Launch teams to develop one to two new capability areas

Link to KPIs

- Total revenue growth (CER)
- Immunoassay revenue growth (CER)

Link to Principal Risks

- 1 Increased competition
- 2 Execution of acquisitions
- 3 Availability of research funding
- 4 ERP project/IT infrastructure
- 5 Cyber security
- 6 Loss of output
- 7 Inadequate resources
- 9 Reputational risk

3

Invest in operating capabilities for 2x 2016 scale by 2023

Long-term objective:

To invest in our people, systems and infrastructure to ensure we have the appropriate capabilities to support our business as it grows

Priorities for 2017/18

- Successfully implement Oracle Cloud and complete alignment of organisation
- Complete implementation of Supply Chain and Manufacturing function
- Further improve organisational engagement

What we achieved

- Continued to progress development of our new enterprise resource planning (ERP) system, although at a slower pace than planned
- Delivered distribution improvement projects in the UK, US and China
- Continued construction of our new UK headquarters on the Cambridge Biomedical Campus – on track to move in during 2018/19
- Continued investment to support employee engagement and development across our global organisation

2018/19 priorities

- Successfully deploy next phases of Oracle Cloud ERP
- Roll-out equity participation scheme to global employees
- Successfully move UK team to the new headquarters on the Cambridge Biomedical Campus
- Continue to fill or enhance our capabilities across supply chain and manufacturing, IT and new growth projects

Link to KPIs

- Adjusted Profit Before Tax

Link to Principal Risks

- 3 Availability of research funding
- 4 ERP project/IT infrastructure
- 5 Cyber security
- 6 Loss of output
- 7 Inadequate resources
- 9 Reputational risk

4

Sustain attractive economics

Long-term objective:

To maintain operational efficiency and cost effectiveness to support sustainable, profitable growth

Priorities for 2017/18

- Deliver major capital projects within planned costs and time
- Realise productivity gains
- Move to direct distribution in at least one more market

What we achieved

- Identified and delivered operating efficiencies and productivity gains, including the successful closure and outsourcing of our Bristol, UK manufacturing operations
- Delivered further procurement efficiency benefits through the creation of our global procurement function
- Made preparations to move to direct distribution in more markets

2018/19 priorities

- Continue to realise productivity gains
- Move to direct distribution in more markets

Link to KPIs

- Adjusted Profit Before Tax
- Return on Capital Employed

Link to Principal Risks

- 1 Increased competition
- 4 ERP project/IT infrastructure
- 5 Cyber security
- 6 Loss of output
- 7 Inadequate resources
- 8 Inadequate acquisition integration
- 9 Reputational risk
- 10 Foreign exchange movements
- 11 Non-compliance with laws and regulations

5

Supplement organic growth – acquisitions and partnerships

Long-term objective:

To make selected partnerships and acquisitions that add to our competitive advantage and supplement our organic revenue growth

Priorities for 2017/18

- Strengthen relationships for future deals

What we achieved

- Signed exclusive licence agreement with Roche covering a portfolio of approximately 760 products, including 243 RabMAb® products
- Entered into a number of collaborations with industry partners

2018/19 priorities

- Continue to strengthen relationships for future deals

Link to KPIs

- Total revenue growth (CER)
- Adjusted Profit Before Tax

Link to Principal Risks

- 1 Increased competition
- 2 Execution of acquisitions
- 4 ERP project/IT infrastructure
- 7 Inadequate resources
- 8 Inadequate acquisition integration
- 9 Reputational risk