

23 December 2014

SUTHERLAND HEALTH GROUP PLC
(“Sutherland Health Group” or “the Company”)
ISDX Symbol: SHGP
UNAUDITED INTERIM RESULTS

CHAIRMAN’S STATEMENT

The Board of Sutherland Health Group, a national supplier of personal care, patient hygiene, sexual health and gynaecology products to customers including the National Health Service (“NHS”), announces today its unaudited Half Year Results for the six months to 30 September 2014.

FINANCIAL REVIEW

The strategy of building our business outside of the NHS sector is taking shape well. Whilst the first six months of the financial year has seen a mixed picture of trading, we continue to grow our sales outside of the NHS via our Wholesale customers and Amazon. We are however experiencing a sales drop within the NHS sector. Gross margin has increased in the period from 47.3% last year to 53.1% this year due to our own brands growing in sales and our reduced dependence on the NHS.

For the six months to 30 September 2014, the Company’s turnover was down 9% to GBP342,738 (2013: GBP377,368) producing an increased gross profit of GBP182,113 (2013: GBP178,562). Administrative expenses were down 3% at GBP179,485 (2013: GBP185,109). The pre-tax result was a loss of GBP37,905 (2013: loss GBP29,659).

During the period we commenced export sales to Slovenia, and are in the process of registering four further products for sale in Serbia for which we should receive orders in the first half of 2015.

We are pleased with the progress being made in broadening our customer base and look forward to updating shareholders on further developments.

John French
Chairman

SUTHERLAND HEALTH GROUP PLC
UNAUDITED CONSOLIDATED PROFIT & LOSS ACCOUNT
FOR THE SIX MONTHS TO 30TH SEPTEMBER 2014

	Unaudited	Unaudited	Audited
	6 Months	6 Months	Year
	30.09.14	30.09.13	Ended
	GBP	GBP	GBP
Turnover	342,738	377,368	755,955
Cost of Sales	<u>-160,625</u>	<u>-198,806</u>	<u>-376,081</u>
Gross Profit	182,113	178,562	379,874
Distribution Costs	-31,389	-16,683	-44,354
Administration Expenses	-179,485	-185,109	-402,403
Other Operating Income	<u>2,035</u>	<u>5,397</u>	<u>10,233</u>
Operating Profit (Loss)	-26,726	-17,833	-56,650
Net Interest	<u>-11,179</u>	<u>-11,826</u>	<u>-23,519</u>
Profit (Loss) on Ordinary Activities	-37,905	-29,659	-80,169
Tax on Profit on Ordinary Activities	<u>-</u>	<u>-</u>	<u>-</u>
Profit (Loss) for the period	<u>-37,905</u>	<u>-29,659</u>	<u>-80,169</u>
Earnings per share	-0.05p	-0.03p	-0.10p

There were no recognised gains or losses other than the Profit or Loss for the financial period.
All amounts relate to continuing operations.

SUTHERLAND HEALTH GROUP PLC
UNAUDITED CONSOLIDATED BALANCE SHEET
AT 30TH SEPTEMBER 2014

	Unaudited	Unaudited	Audited
	30.09.14	30.09.13	31.03.14
	GBP	GBP	GBP
FIXED ASSETS			
Intangibles	244,674	358,449	247,097
Tangibles	<u>1,511</u>	<u>4,508</u>	<u>3,919</u>
	246,185	362,957	251,016
CURRENT ASSETS			
Stocks	179,751	158,970	150,045
Debtors	159,030	143,302	160,697
Cash	<u>101,336</u>	<u>207,715</u>	<u>192,619</u>

	440,117	509,987	503,361
CREDITORS: amounts falling due within one year	<u>-460,200</u>	<u>-275,182</u>	<u>-478,700</u>
NET CURRENT ASSETS (LIABILITIES)	<u>-20,083</u>	<u>234,805</u>	<u>24,661</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>226,102</u>	<u>597,762</u>	<u>275,677</u>
CREDITORS: amounts falling due after more than one year	<u>-4,628</u>	<u>-227,680</u>	<u>-16,298</u>
NET ASSETS	<u>221,474</u>	<u>370,082</u>	<u>259,379</u>
CAPITAL AND RESERVES			
Called up Share Capital	156,274	155,505	156,274
Share Premium	1,160,792	1,154,561	1,160,792
Other Reserves	111,478	93,591	111,478
Profit and (Loss) Account	<u>(1,207,070)</u>	<u>(1,033,575)</u>	<u>(1,169,165)</u>
SHAREHOLDERS FUNDS	<u>221,474</u>	<u>370,082</u>	<u>259,379</u>

The Directors do not recommend the payment of a dividend for the reported period. The unaudited Interim Results have not been audited and the financial information contained in these results has not been agreed with, or reviewed by, the company's auditors.

---ENDS---

The Directors of the Issuer accept responsibility for this announcement

Enquiries:

Sutherland Health Group Plc

John French, Chairman

T: 07836 722482

Jon Isaacs

Alfred Henry Corporate Finance Ltd

T: 0207 251 3762

Notes to Editors:

Sutherland Health Group Plc is a national supplier of personal care; patient hygiene, sexual health and diagnostic products to the UK National Health Service (NHS) and other UK customers. Its aim is to supply innovative solutions to current health issues by studying current trends and working alongside leading professionals who also work within the health sector.

The company is committed to developing and marketing high quality brands and products that will benefit health professionals and consumers alike in many areas of health. The Group has established its own brands: Condomania® Condoms; Sutherland® Patient Hygiene and Personal Care; Lubricating Jelly; and Vision® pregnancy and gynaecology diagnostics. These products have already become established within the NHS business.

The Group is ISO and MHRA registered, and at present principally manufactures and operates within the United Kingdom.

For further information on the Company visit www.sutherlandhealth.com