

4 July 2022

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

OMEGA DIAGNOSTICS GROUP PLC
("Omega" or the "Company" or the "Group")

Heads of Terms agreed for Sale of CD4 Manufacturing Business
In-line with strategic plan to focus on higher growth Health & Nutrition division

Further to the Circular published on the 13 May 2022 indicating that the Group's CD4 business was being marketed for sale, Omega (AIM: ODX), the specialist medical diagnostics company focused on industry-leading Health & Nutrition and Global Health products, announces that after receiving a number of indicative offers, the Company has now selected a preferred bidder to acquire its CD4 business. On 2 July 2022, Omega and the preferred bidder signed Heads of Terms in relation to the sale of the Company's CD4 business, which manufactures and supplies VISITECT® CD4 and VISITECT® CD4 Advanced Disease tests (the "CD4 Business").

The preferred bidder has now been granted four weeks in which to complete the remainder of their due diligence, which mainly comprises commercial discussions of a confirmatory nature with key customers and suppliers. The transaction is expected to complete shortly thereafter and will include a significant up-front cash payment and a future royalty stream linked to VISITECT® CD4 test sales.

As previously indicated the Board believes the CD4 Business will be more successful under new ownership, with an owner which has a greater capacity to invest in production capabilities and product development. The Company will now focus solely on its Health & Nutrition business, where there are significant growth opportunities.

Recognising the future funding requirements of the Group will change significantly following the divestment of the CD4 Business, Bank of Scotland has agreed to extend the existing overdraft facility of £2.0 million by an additional three months, to 30 September 2022. This allows Omega sufficient time to reassess the funding requirement for its profitable and higher growth Health & Nutrition division.

Jag Grewal, CEO of Omega, commented: *"We were delighted by the level of interest we have received for the CD4 business and look forward to announcing the completion of the transaction in due course. Having withdrawn from the COVID-19 market and disposed of the Alva site earlier this year, the divestment of our loss-making CD4 business will leave the Group solely focused on our higher margin Health & Nutrition division. The net proceeds from the sale of the CD4 Business will enable our product and geographical expansion ambitions to be realised."*

Contacts:

Omega Diagnostics Group PLC
Jag Grewal, Chief Executive Officer
Chris Lea, Chief Financial Officer

www.omegadx.com
via Walbrook PR

finnCap Ltd
Geoff Nash/Edward Whiley/George Dollemore (Corporate Finance)
Alice Lane/ Harriet Ward (ECM)

Tel: 020 7220 0500

Walbrook PR Limited
Paul McManus
Lianne Applegarth
Sam Allen

Tel: 020 7933 8780 or omega@walbrookpr.com
Mob: 07980 541 893
Mob: 07584 391 303
Mob: 07502 558 258

About Omega Diagnostics Group PLC

Omega manufactures and distributes high quality in-vitro diagnostic products for use in hospitals, clinics, laboratories and healthcare practitioners in over 70 countries and specialise in the areas of health and nutrition and global health.

www.omegadx.com