

10 December 2021

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

DHSC contract update

Omega (AIM: ODX), the specialist medical diagnostics company focused on industry-leading Global Health (CD4 and COVID-19) and Health and Nutrition products, provides an update in relation to the Company's contract with the Department of Health and Social Care ("DHSC") to provide manufacturing capacity for COVID-19 lateral flow antigen tests. As previously disclosed, the DHSC was unable to move into Phase 2 of the contract, which would have seen Omega progress to manufacturing tests using Government-furnished equipment.

Omega has received confirmation from the DHSC that they acknowledge that the contract expired on 1 October 2021 and a request that Omega submit a proposal for the repayment of the pre-production payment of £2.5m (net of VAT).

The Board of Omega, having taken initial legal advice, do not believe that the Company is required to repay the pre-production payment and will respond in writing as requested. The Board will continue to take further legal advice on this matter and hopes to reach a resolution swiftly.

Colin King, CEO, Omega Diagnostics, said: *"It is clearly disappointing to receive this request for repayment given the efforts we have gone to ensure manufacturing capacity for COVID-19 lateral flow test was available for the DHSC and that we did not progress to Phase 2 of the contract due to the lack of confirmation from the DHSC regarding which test they require us to manufacture."*

"Acting in good faith we used these pre-production payments, along with our own funds, to upgrade our manufacturing facilities to be able to integrate the Government-furnished equipment and bringing on the additional staff required to be able to supply the DHSC using our UK-based volume manufacturing services. We therefore are confident that, having sought legal advice, we will not be required to make this repayment."

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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 75 countries and specialise in the areas of health and nutrition and global health.

www.omegadx.com