



11 February 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”)

Fundraising to raise gross proceeds of up to £7.0 million

***Funds to drive growth in profitable Health & Nutrition business,
and to provide the necessary finance to relocate CD4 production to new Ely site***

Notice of General Meeting

Omega (AIM: ODX), the specialist medical diagnostics company focused on industry-leading Health & Nutrition and Global Health (CD4 and COVID-19) products, announces that it has raised gross proceeds of £5.0 million via a Placing and Subscription of 100,000,000 new ordinary shares of 4 pence each (“**New Ordinary Shares**”) to new institutional investors and a number of wealth managers at an issue price of 5 pence per New Ordinary Share (the “**Issue Price**”).

Furthermore, the Company also proposes to raise up to an additional £2.0 million by the issue of up to 40,596,089 New Ordinary Shares pursuant to an Open Offer to Qualifying Shareholders at the Issue Price (“**Open Offer**”, together with the Placing and Subscription, the “**Fundraising**”). The Issue Price represents a discount of approximately 31 per cent to the closing mid-market price of 7.25 pence on 10 February 2022, being the latest practicable date prior to this announcement.

The net proceeds of the Fundraising, amounting to between £4.6 million and £6.6 million, depending on the take up of the Open Offer, will be used to drive growth in the profitable and growing Health and Nutrition Business, whilst also providing the necessary finance to relocate CD4 production to the Company’s new, purpose-built manufacturing facility in Ely, Cambridgeshire, as well as supporting a transition to a sub-contract model for COVID-19 test manufacture.

Summary:

- Placing of 98,700,000 New Ordinary Shares (“**Placing Shares**”), at the Issue Price to raise gross proceeds of approximately £5.0 million.
- The Placing Shares have been conditionally placed by finnCap Ltd with new institutional and other investors (the “**Placees**”).
- Direct Subscription of 1,300,000 New Ordinary Shares at the Issue Price to raise gross proceeds of £65,000 (“**Subscription Shares**”).
- Open Offer of up to 40,596,089 New Ordinary Shares (“**Open Offer Shares**”) for Qualifying Shareholders on the basis of 2 New Ordinary Shares for every 9 Existing Ordinary Shares held (with excess application facility) to raise up to £2.0 million.
- The New Ordinary Shares issued under the Fundraising will represent approximately 77 per cent of the Company’s existing issued share capital (assuming full take-up of the Open Offer).

- Subject to passing of the Resolutions and the General Meeting, and the Business Purchase Agreement relating to the sale of the Alva site to Orient Gene having become unconditional in all respects, application will be made to the London Stock Exchange for the Placing Shares, Subscription Shares and Open Offer Shares to be admitted to trading on AIM on 8 March 2022.
- Further details of the Placing, Subscription and Open Offer are set out below.

A Circular to Shareholders in respect of the Fundraising is expected to be posted on 11 February 2022 giving notice of the General Meeting to be held on 7 March 2022 at 11 a.m. at the offices of Shepherd & Wedderburn, 1 Exchange Crescent, Conference Square, Edinburgh, EH3 8UL. A copy of the Circular will be available on the Company's website:

<http://www.omegadiagnostics.com/Investor-Relations/Corporate-Information>

Jag Grewal, CEO of Omega, commented:

"Having already announced the first stage of our planned strategy to improve sales performance across the Group and to reduce losses, the transfer of our Alva site to Orient Gene and this fundraise delivers the additional capital for Omega to drive growth in our Health & Nutrition division. At the conclusion of our planned strategic review of CD4, the funding provides us with the potential opportunity to relocate our CD4 production to our new Ely site and improve operational efficiencies.

"I would like to put on record my thanks to new and existing shareholders for their support and we look forward to updating the market with regards our new strategy in the months ahead."

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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

**Placing of 98,700,000 New Ordinary Shares,
Subscription of 1,300,000 New Ordinary Shares
and Open Offer of up to 40,596,089 New Ordinary Shares at 5 pence per share
and
Notice of General Meeting**

1. Introduction

The Company announced today the Placing of 98,700,000 new Ordinary Shares and Subscription of 1,300,000 new Ordinary Shares at 5 pence per share to raise £5.0 million (before expenses) and an associated Open Offer to raise up to £2.0 million. The net proceeds of the Fundraising, amounting to between £4.6 million and £6.6 million, depending on the take up of the Open Offer, will be used to drive growth in the profitable and growing Health and Nutrition Business, whilst also providing the necessary finance to relocate CD4 production to the Company's new, purpose-built manufacturing facility in Ely Cambridgeshire. In addition, the proceeds of the Fundraise will support a transition to a sub-contract model for COVID-19 antigen test manufacture, whilst additional funds are being utilised to strengthen the Company's balance sheet and for general working capital purposes.

The Placing, the Subscription and the Open Offer are conditional on, inter alia, the passing of the Resolutions at the General Meeting, the Business Purchase Agreement relating to the sale of the Alva site to Orient Gene having become unconditional in all respects and Admission taking place. It is expected that, subject to passing the Resolutions, the Placing Shares, the Subscription Shares and the Open Offer Shares will be admitted to trading on AIM on 8 March 2022.

The Issue Price represents a discount of approximately 31 per cent to the closing mid-market price of 7.25 pence on 10 February 2022, being the last practicable date prior to the announcement of the Fundraise. The purpose of this announcement is to explain the background to and reasons for the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and its Shareholders, and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of the 760,746 Ordinary Shares held, directly or indirectly, by them representing approximately 0.42 per cent. of the total voting rights of the Company.

2. Background to and Reasons for the Fundraising

As detailed in the interim results on 25 November 2021, the performance in the six months to 30 September 2021 reflects early signs of positive momentum for the Health and Nutrition and CD4 businesses that the Company believe are now well-positioned for growth. After a strong Q4 last year the Company is seeing its Health and Nutrition Division return to pre-pandemic revenue levels and remains focused on substantial growth opportunities in both China and the US. The Company is also very optimistic about the prospects for its Global Health Division, which has delivered a strengthening CD4 order book and good revenue growth, albeit from a low base last year.

As announced on 10 December 2021, the Department of Health and Social Care ("DHSC") did not progress with the contract to manufacture COVID-19 antigen lateral flow tests ("LFTs"). The DHSC failed to licence a suitable test from a test developer, as was envisaged in the contract, and the Company was therefore unable to move into Phase 2 of the contract, which would have seen Omega manufacture LFTs using Government-funded equipment.

The Company has also recently announced, a management change with the appointment of Jag Grewal to the position of Chief Executive Officer. Jag has been a member of the Omega Board since joining the Company in June 2011 and until recently, was Managing Director of the Health and Nutrition Division. He has over 25 years' commercial experience in the industry and has an extensive network in the fields of in vitro diagnostics, life science research and drug discovery. The appointment of Jag as CEO, coupled with Simon Douglas' appointment as Chairman one year ago and the appointment of Chris Lea as CFO in August, has allowed the Board to review the Company's strategy, particularly in the light of the developments with the DHSC. This has been instrumental in shaping the decision to refocus Omega on its core businesses, accepting that any commercial opportunities for COVID-19 testing will now lie outside of UK

Government.

Earlier today, the Company announced the sale of its manufacturing facility in Alva, Scotland to Accubio Limited, a wholly owned subsidiary of Zhejiang Orient Gene Biotech Co. Ltd (“Orient Gene”) for a cash consideration of £1m. Having significantly expanded the Alva site to accommodate anticipated COVID-19 volumes and with a small, but growing volume of CD4 production, the Alva cost base, relative to the revenues it generates, became unsustainable. The Company reported in November that there was a need to re-size its LFT business, to improve operational efficiency and to substantially reduce costs. The Board has concluded the best option is to withdraw from the Alva site, which substantially reduces the fixed cost base of the Company.

As part of this strategy, it is planned to relocate the CD4 manufacturing line to the Company’s soon-to-be completed, purpose-built manufacturing facility in Ely. This will allow the overheads of this new site to be shared across both of the Company’s Health and Nutrition and Global Health businesses. In view of the costs and management resource involved in the transfer of the CD4 production line, which will take place over an approximate period of nine months, the Board intends to review other strategic options for this product line prior to committing to the expenditure associated with the transfer.

Without the DHSC contract for COVID-19 antigen LFTs, the Company intends to pursue opportunities in the commercial testing market, focusing on the travel and retail markets, alongside its existing commercial partner, DAM Health Limited and other potential partners. The Company does not intend to purchase the Government-funded equipment for its own use, and is currently facilitating discussion with partners who may be willing to purchase the equipment. It is the Company’s strategy to outsource the manufacturing of its antigen tests to third parties, where the Company believes lower manufacturing costs can be achieved and a more acceptable return can be generated by the Company without further investment in working capital.

The Board will therefore focus Omega’s efforts on its core business, primarily in pursuing sustainable growth opportunities in the Health and Nutrition sector, maintaining its leadership position and targeting significant organic growth through embracing digital technologies and related marketing activities. The Company’s growth strategy in this segment will also focus on geographic expansion in the USA, a health-conscious and mature personal health and well-being market, as well as expansion of the Company’s current menu of tests available to customers, with the introduction of complementary tests, allowing customers to more comprehensively manage their patients and thus enabling the Company’s vision of delivering personalised nutrition for better health.

US Growth Opportunity

The US Food Sensitivity testing market is estimated to be the largest and most established market in the world. It is the leading market for functional medicine laboratory testing with an increasing demand for personalised medicine.

The Board believes the best route to market would be to replicate the Company’s CNS Laboratory service direct to health care professionals and ultimately direct to consumer. Omega differentiates itself from established players by taking the Group’s tried and tested market leading approach with education and support, coupled with its digital strategy, to engage and empower customers.

The total US market size is estimated by the Directors to be \$50-\$100m and the Board believes that US revenues could potentially be between £3 million and £6 million over the next 3-5 years.

Product Menu Expansion

Microbiome

The Group’s intention is to build a wider menu of complementary gut health tests and to sell these through its well-established channels from a market leading position.

Understanding the microbiome is the new frontier of understanding chronic inflammatory conditions arising from poor gut health. Over recent years the gut microbiome in particular has been linked to a plethora of diseases and conditions, from diabetes and anxiety to obesity. The Group has also noticed a growing demand from its existing customer base in this segment.

Nutrigenomics

Defined as the relationship between nutrients, diet, and gene expression, Nutrigenomics allows the healthcare professional to understand genetic strengths and weaknesses making specific improvements that help achieve better health.

Combining all three provide a compelling value proposition that will offer true personalised nutritional assessment. The Board believes that menu expansion has the potential to generate material revenue growth over the medium term. The Directors believe that menu expansion from microbiome and nutrigenomics combined has the potential to increase revenues by £2 million to £5 million p.a. over the next five years.

Operational efficiency

The Group is well underway with its planned relocation to the new facility in Ely, Cambridgeshire, with access to the new site expected in late Q1 2022. The new facility is a 35,000 ft² state-of-the-art manufacturing space and will accommodate the Group's future expansion plans. In addition, the new site will be temperature and humidity controlled to facilitate key manufacturing processes and will be compliant to ISO 13485 and ISO 9001.

The Company intends to use the net proceeds of the Fundraising as follows:

Estimate Use of Proceeds	£m
Exit Alva manufacturing site	0.4
Relocate CD4 production to Ely	1.5
Establish Health & Nutrition US business	1.1
Broaden Health & Nutrition product range	0.4
Working Capital/costs	3.2
Total	£6.6 million*

*Assuming take-up in full of the Open Offer by Qualifying Shareholders. To the extent that less is taken up in the Open Offer, the working capital element will be reduced

3. Group Segments

3.1. Health and Nutrition

The Group offers products to test for food intolerance, a condition when there is a non-immediate adverse physiological response to particular foods as distinct to an allergic reaction to food. The Food Detective® product is designed for use by health practitioners and is believed to be the world's only established Point-of-Care food specific IgG test. FoodPrint® is a microarray technology used by over 140 laboratories worldwide offering significant benefits over traditional plate-based ELISA tests. The Group also provides a laboratory testing service from its UK base near Cambridge serving health care professionals and the consumer directly. The division's products have a widespread coverage and brand reach in over 70 countries.

In the six months to 30 September 2021, Health and Nutrition revenue increased by 62% to £4.17m compared to H1 2020 and this division has largely recovered from the impact of the coronavirus pandemic. Growth during the period was driven by sales in North America, Europe and the Middle East. Omega's team have worked incredibly hard to educate consumers and drive awareness of nutritional therapy through its Health and Nutrition Academy webinars. These webinars have also focused on naturopathic therapies, functional medicine and sports nutrition and Omega remains confident that this will drive demand once markets fully open back up. Comparative sales from China in the first half of the year are skewed by a large stocking order placed the previous year with Omega's partner utilising that inventory in 2021 to seed the market. Sales ramp up in China is taking a little longer than expected due to local market conditions and the challenges that face any company looking to introduce a relatively new concept into the Chinese consumer market.

During the period, the Health and Nutrition team have begun marketing in a number of new and significant European territories, but the focus on future growth outside of China remains with the US and, as travel opens up with the US, Omega's team have more opportunities to engage with key partners in this market.

In readiness for a future growth in this division the Company expects to relocate this division to a new purpose-built facility in Ely in late Q1 2022, which will improve operational efficiencies and provide the additional capacity required to support this division's growth expectations.

3.2 Global Health

The Group's VISITECT® CD4 products are disposable, lateral flow Point-of-Care tests for determining CD4 levels in people living with HIV. Omega believes VISITECT® CD4 is the only instrument-free Point-of-Care established test in the market. Its strengths include the fact there is no requirement for refrigerated storage and that, relative to other CD4 tests that require an accompanying desktop instrument, it is affordable and easy to use.

CD4

The long-term prospects remain undiminished for the roll-out of the Company's VISITECT® CD4 Advanced Disease test, the first and the world's only instrument-free point of care test for monitoring CD4 levels, essential for the effective management of advanced HIV. Whilst Omega recorded only £167k of CD4 sales in the six months ended 30 September 2021 it is encouraged by the progress being made to implement CD4 testing in high HIV prevalence countries. At the end of October 2021 Omega had confirmed orders worth over £0.8m which are expected to be delivered in the second half, and the Company has an encouraging pipeline into the next financial year.

Key to the success of this roll-out is the Company's relationship with agencies such as the Clinton Health Access Initiative ("CHAI") and Unitaid, as they implement the WHO Advanced HIV Disease strategy in a number of low and middle-income countries. Following successful WHO prequalification last year, Omega is seeing a growing number of implementation partners engage through CHAI's Early Access Market Vehicle. Omega continues to receive strong

feedback from external clinical studies and evaluations in key countries and can see positive indications that long term funders are supporting the roll out of the Advanced Disease initiative. The Company is now cleared to supply into 21 countries, up from the 15 country approvals announced in its year end results in July.

The Company is pleased to have received several purchase orders via the procurement and logistics partners of the US President's Emergency Plan for AIDS Relief ("PEPFAR"), the world's largest funding contributor to the global HIV response. The Company's VISITECT® CD4 Advanced Disease test has been included in the PEPFAR 2022 Country and Regional Operational Plan Guidance for all PEPFAR-supported countries. The Company's test has again been highlighted as a semi-quantitative lateral flow assay which is able to differentiate CD4 value above and below 200 cells/mm³ and therefore should be used where existing instruments are not available or are available and without existing or planned service and maintenance and/or resource support, but not functional.

The Company continues to make progress with Médecins San Frontier ("MSF") which has a six-country deployment plan for the introduction of CD4 Advanced Disease in Africa, and it has commenced product deliveries and is currently supporting implementation with in-country training of MSF health workers.

The Company also continues to engage with a number of UN operation agencies to roll out its CD4 test and the ongoing momentum and progress made in implementation means that it remains confident in the market potential for its product. The addressable market is estimated to be in excess of \$20m, with the potential for the Company to generate revenues of £6-£10m per annum in 3-5 years' time.

COVID-19

In the first half of the financial year, the Company recorded COVID-19 revenues of £1.29m, up 136% on the same period last year.

As reported in the Company's interim it did not receive confirmation from the DHSC regarding which test it required Omega to manufacture and dialogues with the third parties introduced to Omega by the DHSC did not result in a commercial agreement to manufacture tests to be procured by the UK Government.

Accordingly, the Company has increased its efforts in securing manufacturing and supply agreements for the commercial sale of COVID-19 LFTs, and the first fruits of these efforts has been the securing of its partnership agreement with DAM Health Limited ("DAM Health"), a leader in fit-to-fly testing and one of the UK's fastest growing and largest in-clinic and mobile test providers for COVID-19. The Company has already received an initial purchase order to supply VISITECT® professional use COVID-19 antigen tests worth over £750,000. As the Company's tests are rolled out to DAM Health's over 100 clinics throughout the UK and Europe, it expects to receive further stocking orders, particularly as DAM Health clinics currently undertake around 200,000 in-clinic COVID tests every month.

The Company remains encouraged by other emerging commercial opportunities for its VISITECT® COVID-19 Antigen test that is expected to be unlocked following further regulatory approvals.

In terms of regulatory approvals, the Company is still waiting for the UK Health Security Agency to clear the backlog of desktop reviews for products seeking approval under the new Medical Devices (Coronavirus Test Device Approvals) (Amendment) Regulations 2021 ("CTDA"). Omega remain in the review process under CTDA regulations, which were introduced on 1 November 2021. Omega has now submitted all available data ahead of the deadline of 10 February 2022 and is currently awaiting response from the UK Health Security Agency.

The Company recently confirmed conditional CE mark certification for self-test use for its COVID-19 Antigen test, which permits Omega to sell into Europe now, but remains conditional upon the subsequent submission of additional information by 31 March 2022, conditions which the Company expects to meet. The Company remains in discussions with commercial partners about how best to service the European market and other territories that recognise the CE mark. Omega's commercial offering will be via B2B partners and distributors, and not through a direct-to-consumer

strategy.

The Company notes that its lead partner in the Rapid Test Consortium, Abingdon Health, remains optimistic about the opportunities for AbC-19™ however with the planned withdrawal from the Alva site, the Company will no longer be in a position to participate in the Rapid Test Consortium.

As announced on 10 December 2021, the Company is in dispute with the DHSC regarding the potential repayment of a pre-production payment of £2.5m (net of VAT). The Board of Omega, having taken legal advice, do not believe that the Company is required to repay the pre-production payment and that it is entitled to recover additional losses incurred under the contract. Discussions with the DHSC are ongoing.

4. Current Trading

The Company remains focused on improving operational efficiencies and sensibly controlling costs. The Company is confident that revenues in the second half will see significant growth in both Health and Nutrition and for its CD4 product, whilst COVID-19 revenues are now likely to be minimal given the delays in gaining CTDA approval for the Company's professional antigen test and the very recent CE-marking of the antigen self-test. Overall, the Company believes that it will see an improved sales performance across the Group for the full year as compared with the year ended 31 March 2021 and to see trading losses slightly reduced in the second half.

As a result of the agreement to exit the Alva site, the Company will be reporting an exceptional, non-cash impairment charge of approximately £3.5m, reflecting the impairment of assets associated with the Alva site.

5. Details of the Placing and Subscription

The Company is proposing to raise, in aggregate, £5.0 million (before expenses) by means of the Placing and Subscription. The Placing Shares and Subscription Shares will represent approximately 55 per cent. of the Existing Ordinary Shares. The aggregate net proceeds after costs related to the Placing and Subscription are expected to be £4.6 million. The Placing and Subscription Shares shall, when issued, rank in full for any dividend or other distribution declared, made or paid after Admission and otherwise equally in all respects with the Existing Ordinary Shares.

Application will be made to London Stock Exchange for the Placing Shares and Subscription Shares to be admitted to trading on AIM and it is anticipated that trading in the Placing Shares and Subscription Shares will commence on AIM at 8.00 a.m. on 8 March 2022.

The Placing is conditional upon, amongst other things:

- the Placing Agreement becoming unconditional in respect of such obligations that fall to be performed prior to Admission (save for Admission) and not having been terminated;
- the Resolutions being passed at the General Meeting;
- admission of the Placing Shares and Subscription Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 8 March 2022. or such later date (being not later than the Longstop Date) as the Company and finnCap may agree; and
- the Business Purchase Agreement relating to the sale of the Alva site to Orient Gene having become unconditional in all respects.

Pursuant to the terms of the Placing Agreement, finnCap as agent for the Company, has agreed to use its reasonable endeavours to procure placees for the Placing Shares at the Issue Price; the Placing Agreement contains warranties from

the Company in favour of finnCap in relation to, *inter alia*, the accuracy of the information contained in the documents relating to the Placing and certain other matters relating to the Company and its business. In addition, the Company has agreed to indemnify finnCap in relation to certain liabilities that it may incur in respect of the Placing.

finnCap may terminate the Placing Agreement in certain circumstances (including for breach of warranty at any time prior to Admission, if such breach is reasonably considered by finnCap to be material in the context of the Placing) and in the event of a force majeure event or material adverse change occurring at any time prior to Admission.

6. Details of the Open Offer

The Company considers it important that Qualifying Shareholders have an opportunity (where it is practicable for them to do so) to participate at the same price per Ordinary Share as the Placing and Subscription and accordingly the Company is making the Open Offer to Qualifying Shareholders. The Company is proposing to raise a maximum of approximately £2.0 million (before expenses) (assuming full take up of the Open Offer but being less than the €8 million maximum amount permitted without requiring the publication by the Company of a prospectus under the Prospectus Regulation Rules) through the issue of up to 40,596,089 Open Offer Shares.

The Open Offer Shares are available to Qualifying Shareholders pursuant to the Open Offer at the Issue Price of 5 pence per Open Offer Share, payable in full on acceptance. Any Open Offer Shares not applied for by Qualifying Shareholders will be available to Qualifying Shareholders under the Excess Application Facility.

Qualifying Shareholders may apply for Open Offer Shares under the Open Offer at the Issue Price on the following basis:

2 Open Offer Shares for every 9 Existing Ordinary Shares held by the Qualifying Shareholder on the Record Date

Entitlements of Qualifying Shareholders to apply for Open Offer Shares will be rounded down to the nearest whole number of Open Offer Shares. Fractional entitlements which would otherwise arise will not be issued to the Qualifying Shareholders but will be aggregated and made available under the Excess Application Facility. The Excess Application Facility enables Qualifying Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement. Not all Shareholders will be Qualifying Shareholders. Shareholders who are located in, or are citizens of, or have a registered office in the Restricted Jurisdictions will not qualify to participate in the Open Offer.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements as shown on the Application Form (for Qualifying Non-CREST Shareholders) and as credited to stock accounts in CREST (for Qualifying CREST Shareholders). Applicants can apply for less or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied as this will depend in part on the extent to which other Qualifying Shareholders apply for less than or more than their own Open Offer Entitlements. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take up of Open Offer Entitlements, such applications will be scaled back pro rata to existing shareholdings. It should be noted that applications under the Excess Application Facility may not be satisfied in full.

Application has been made for the Open Offer Entitlements to be admitted to CREST. It is expected that such Open Offer Entitlements will be credited to CREST at 8.00 a.m. on 14 February 2022. The Open Offer Entitlements will be enabled for settlement in CREST until 11 a.m. on 28 February 2022. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of bona fide market claims. The Open Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST applications and payment in respect of the Open Offer is 11 a.m. on 28 February 2022.

The Open Offer is conditional on the Placing becoming unconditional in all respects and not being terminated before Admission (as the case may be). Accordingly, if the conditions to the Placing are not satisfied or waived (where capable of waiver), the Open Offer will not proceed and the Open Offer Shares will not be issued and all monies received by the Receiving Agent will be returned to the applicants (at the applicant's risk and without interest) as soon as possible, but within 14 days thereafter. Any Open Offer Entitlements admitted to CREST will thereafter be disabled.

The Open Offer Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank pari passu in all respects with the New Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

7. Related Party Transactions

Director	Position	Current Number of Ordinary Shares	Current % Holding	Participation in the Placing	Participation in the Subscription	Entitlements in the Open Offer	Resultant holding % if full entitlements are taken up
Simon Douglas	Chairman	0	0	0	400,000*	0	0.12%
Jag Grewal	CEO	235,746	0.13	400,000	0	52,388	0.21%
Chris Lea	CFO	0	0	0	400,000	0	0.12%
Jeremy Millard	Non-Executive Director	525,000	0.29	0	400,000	116,666	0.32%

**In addition two adult children of Simon Douglas are subscribing for 100,000 shares in aggregate*

Jag Grewal has agreed to subscribe for 400,000 New Ordinary Shares as part of the Placing. Jag is a related party of the Company for the purposes of the AIM Rules by virtue of his status as Director of the Company. William Rhodes, being the independent director for this purpose, considers, having consulted with the Company's nominated adviser, finnCap, that the terms of the Placing with such related party is fair and reasonable insofar as the Company's Shareholders are concerned.

Simon Douglas, Chris Lea and Jeremy Millard have agreed to subscribe for 400,000 New Ordinary Shares each as part of the Subscription. Each of them is a related party of the Company for the purposes of the AIM Rules by virtue of their status as Directors of the Company. William Rhodes, being the independent director for this purpose, considers, having consulted with the Company's nominated adviser, finnCap, that the terms of the Subscription with such related parties is fair and reasonable insofar as the Company's Shareholders are concerned.

8. Effect of the Fundraise

Upon Admission, and assuming full take up of the Open Offer Entitlements, the Enlarged Issued Share Capital is expected to be 323,278,493 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 43.4 per cent. of the Company's Enlarged Issued Share Capital.

Following the issue of the New Ordinary Shares pursuant to the Fundraising, assuming full take up of the Open Offer Entitlements, Qualifying Shareholders who do not take up any of their Open Offer Entitlements nor participate in the Fundraise will suffer a dilution of approximately 43.4 per cent. to their interests in the Company. If a Qualifying Shareholder takes up his Open Offer Entitlement in full, and does not participate in the Placing and Subscription, he will suffer a dilution of approximately 30.9 per cent. to his interest in the Company.

DEFINITIONS

The following definitions apply throughout this announcement unless the context otherwise requires:

“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the market of that name operated by London Stock Exchange
“AIM Rules”	the AIM Rules for Companies, published by London Stock Exchange
“Application Form”	the application form for use by Qualifying Non-CREST Shareholders in connection with the Open Offer
“Board”	the board of directors of the Company
“Bookrunner”	finnCap
“Company” or “Omega”	Omega Diagnostics Group plc
“CREST”	The relevant system (as defined in the Uncertificated Securities Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
“Dealing Day”	a day on which the London Stock Exchange is open for business in London
“Directors”	the directors of the Company
“Enlarged Issued Share Capital”	all of the Ordinary Shares in issue upon Admission of the New Ordinary Shares
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Excess Application Facility”	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer
“Excess CREST Open Offer”	in respect of each Qualifying CREST Shareholder, his Excess Open Offer Entitlement
“Excess Open Offer Entitlements”	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling
“Excess Shares”	Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility
“Ex-entitlement Date”	the date on which the Existing Ordinary Shares are marked “ex” for entitlement under the Open Offer,

"Existing Ordinary Shares"	being 8:00 a.m. 11 February the 182,682,404 existing ordinary shares of 4 pence each in issue at the date of this announcement all of which are admitted to trading on AIM
"FCA"	the Financial Conduct Authority
"finnCap"	finnCap Limited
"Form of Proxy"	the form of proxy for use by Shareholders in connection with the General Meeting
"FSMA"	the Financial Services and Markets Act 2000
"Fundraising"	together the Placing, the Subscription and the Open Offer
"General Meeting"	the general meeting of the Company convened for 11 a.m. on 7 March
"Group"	the group comprising the Company and its subsidiary undertakings
"Issue Price"	5 pence per New Ordinary Share
"London Stock Exchange"	London Stock Exchange plc
"Longstop Date"	31 March 2022
"Money Laundering Regulations"	Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Criminal Justice Act 2003 and the Proceeds of Crime Act 2002
"New Ordinary Shares"	together, the Placing Shares, the Subscription Shares and the Open Offer Shares
"Ordinary Shares"	ordinary shares of 4 pence each in the capital of the Company
"Open Offer"	the conditional invitation by the Company to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price
"Open Offer Entitlement"	the individual entitlements of Qualifying Shareholders to subscribe for Open Offer Shares allocated to Qualifying Shareholders pursuant to the Open Offer
"Open Offer Shares"	the up to 40,596,089 new Ordinary Shares to be issued by the Company pursuant to the Open Offer
"Overseas Shareholders"	Shareholders with a registered address outside the United Kingdom
"Placing"	the placing of the Placing Shares pursuant to the Placing Agreement
"Placing Agreement"	the agreement dated 10 February 2022 between the Company and finnCap relating to the Placing
"Placing Shares"	98,700,000 new Ordinary Shares to be issued pursuant to the Placing
"Prospectus Regulation"	means Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
"Prospectus Regulation Rules"	the prospectus rules and regulations made by the FCA pursuant to section 73A of FSMA (as

	emended from time to time)
“Qualifying CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in uncertificated form
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date but excluding any Overseas Shareholder who has a registered address in any Restricted Jurisdiction
“Receiving Agent” or “Registrar”	Share Registrars Limited
“Record Date”	close of business on 10 February 2022
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
“Resolutions”	the resolutions set out in the Notice of General Meeting forming part of this Circular
“Restricted Jurisdiction”	has the meaning set out on page 3 of this Circular
“Shareholders”	holders of Ordinary Shares
“Subscription”	the subscription to be made by Simon Douglas, Chris Lea and Jeremy Millard, Chairman, CFO and Non-Executive Director of the Company respectively, for 400,000 New Ordinary Shares each at the Issue Price
“Subscription Shares”	the 1,300,000 New Ordinary Shares to be issued pursuant to the Subscription
“UK”	the United Kingdom of Great Britain and Northern Ireland
“US” or “United States”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction
“uncertificated” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“£”, “pounds sterling”, “pence” or “p”	are references to the lawful currency of the United Kingdom
“€” or “Euros”	are references to a lawful currency of the European Union

PLACING, SUBSCRIPTION AND OPEN OFFER STATISTICS

Issue Price	5 pence
Number of Ordinary Shares in issue on the date of this announcement	182,682,404
Number of Placing Shares	98,700,000
Number of Subscription Shares	1,300,000
Number of Open Offer Shares	up to 40,596,089
Enlarged Issued Share Capital upon Admission	323,278,493
New Ordinary Shares as a percentage of the Existing Ordinary Shares*	76.96 per cent.
Gross proceeds of the Placing and Subscription	£5.0 million
Gross proceeds of the Open Offer*	£2.0 million
Gross proceeds of the Fundraising	£7.0 million
Net proceeds of the Fundraising	£6.6 million

Open Offer Statistics

Open Offer basic entitlement	2 Open Offer Shares for every 9 Existing Ordinary Shares
Open Offer Shares as a percentage of the Enlarged Issued Share Capital upon Admission*	12.6 per cent.
Open Offer Basic Entitlements ISIN	GB00BL6LW742
Open Offer Excess Entitlements ISIN	GB00BL6LW858

*Assuming take-up in full of the Open Offer by Qualifying Shareholders

EXPECTED TIMETABLE

2022

Record Date for Entitlements Open Offer	Close of business on 10 February
Announcement of Launch of Placing, Open Offer and Subscription	07:00 a.m. 11 February
Ex-entitlement date for Open Offer	8:00 a.m. 11 February
Publication and Posting of the Circular, Form of Proxy and, in respect of Qualifying non-CREST Shareholders, the Application Form	11 February
Open Offer Entitlements and Excess Open Offer Entitlement credited to CREST accounts for Qualifying Shareholders	14 February
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements from CREST	4:30 p.m. 22 February
Recommended latest time and date for depositing Open Offer Entitlements into CREST	3:00 p.m. 23 February
Latest time and date for splitting Application Forms (to satisfy bona fide market claims only)	3:00 p.m. 24 February
Latest time and date for receipt of completed Application Forms from Qualifying Non-CREST Shareholders and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11:00 a.m. 28 February
Announcement of result of Open Offer	1 March
Latest time and date for receipt of Forms of Proxy or electronic proxy appointments for use at the General Meeting	11:00 a.m. 5 March
General Meeting	11:00 a.m. 7 March
Announcement of result of the General Meeting	7 March
Admission and commencement of dealings in the New Ordinary Shares on AIM	08:00 a.m. 8 March
New Ordinary Shares in uncertificated form expected to be credited to accounts in CREST (uncertificated holders only)	8 March
Expected date of despatch of definitive share certificates for the New Ordinary Shares in certificated form (certificated holders only)	Week commencing 14 March
Longstop date	31 March

Notes:

- Each of the above times and/or dates is subject to change at the absolute discretion of the Company and finnCap. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
- All of the above times refer to London time unless otherwise stated.
- All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.