

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA, THE REPUBLIC OF IRELAND OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL ("RESTRICTED JURISDICTION"). THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES. THE SECURITIES DISCUSSED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT. NO PUBLIC OFFERING OF THE SECURITIES DISCUSSED HEREIN IS BEING MADE IN THE UNITED STATES AND THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE AN OFFERING OF SECURITIES FOR SALE IN THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, SINGAPORE OR THE REPUBLIC OF SOUTH AFRICA.

FURTHER, THIS ANNOUNCEMENT IS MADE FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO SELL OR ISSUE OR SOLICITATION TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE SHARES IN OMEGA DIAGNOSTICS GROUP PLC IN ANY JURISDICTION IN WHICH ANY SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL.

23 September 2019

Omega Diagnostics Group plc

Placing of 16,425,000 New Ordinary Shares at 10 pence per share, Subscription of 575,000 New Ordinary Shares at 10 pence per share and Notice of General Meeting

Omega (AIM: ODX), the medical diagnostics company focused on allergy, food intolerance and infectious disease, announces that it has conditionally raised £1.7 million before expenses by way of a Placing and Subscription (together the "Fundraising"). The Fundraising will be satisfied through the issue of 16,425,000 new ordinary shares of 4 pence each ("Placing Shares") at a price of 10 pence per ordinary share ("Issue Price") and through the issue of 575,000 new ordinary shares of 4 pence each ("Subscription Shares") at the Issue Price.

Key Points

- The net proceeds of the Fundraising, amounting to approximately £1.6 million, will be used for working capital purposes and to continue the commercialisation of both versions of the VISITECT® CD4 test.
- The Issue Price represents a discount of approximately 15.25 per cent to the closing mid-market price of Omega's existing ordinary shares of 11.8 pence on 20 September 2019.
- Placing and Subscription Shares represent approximately 12.75 per cent of the Company's existing issued voting share capital.
- Certain Directors have agreed to subscribe for a total of 935,000 Placing and Subscription shares.

The Fundraising is subject to the passing of the Resolutions at the General Meeting. Shareholder approval in respect of the Fundraising will be sought at the General Meeting which is being convened for 10.00 a.m. on 10 October at the offices of the Company at Omega House, Hillfoots Business Village, Alva, Clackmannanshire, FK12 5DQ. Provided that the Resolutions are passed and the Fundraising has otherwise become unconditional, completion of the Fundraising is expected to take place on 11 October 2019.

A Circular and a Notice of General Meeting will be posted to Shareholders today and will be available shortly on Omega's website, www.omegadiagnostics.com

Contacts:

Omega Diagnostics Group PLC

Colin King, Chief Executive Officer

Kieron Harbinson, Group Finance Director

Jag Grewal, Group Sales and Marketing Director

Tel: 01259 763 030

www.omegadiagnostics.com

finnCap Ltd

Geoff Nash/Hannah Boros (Corporate Finance)

Camille Gochez(ECM)

Tel: 020 7220 0500

Walbrook PR Limited

Paul McManus

Lianne Cawthorne

Tel: 020 7933 8780 or omega@walbrookpr.com

Mob: 07980 541 893

Mob: 07584 391 303

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 ("MAR")
Important notice

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

This announcement does not constitute, or form part of, a prospectus relating to the Company, nor does it constitute or contain any invitation or offer to any person, or any public offer, to subscribe for, purchase or otherwise acquire any shares in the Company or advise persons to do so in any jurisdiction, nor shall it, or any part of it form the basis of or be relied on in connection with any contract or as an inducement to enter into any contract or commitment with the Company.

The content of this announcement has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000 ("FSMA"). This announcement has been issued by and is the sole responsibility of the Company. The information in this announcement is subject to change.

This announcement is not an offer of securities for sale into the United States. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold, directly or indirectly, in or into the United States, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the United States. This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any jurisdiction where to do so might constitute a violation of local securities laws or regulations (a "Prohibited Jurisdiction"). This announcement and the information contained herein are not for release, publication or distribution, directly or indirectly, to persons in a Prohibited Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction.

finnCap Ltd ("finnCap") is authorised and regulated by the Financial Conduct Authority in the United Kingdom. finnCap is acting solely as nominated adviser and broker exclusively for the Company and no one else in connection with the contents of this announcement and will not regard any other person (whether or not a recipient of this announcement) as its client in relation to the contents of this announcement nor will it be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on finnCap by FSMA or the regulatory regime established thereunder, finnCap accepts no responsibility whatsoever, and makes no representation or warranty, express or implied, for the contents of this announcement including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on behalf of it, the Company or any other person, in connection with the Company and the contents of this announcement, whether as to the past or the future. finnCap accordingly disclaims all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of the contents of this announcement or any such statement.

In connection with the Placing, finnCap and its respective affiliates, acting as investors for their own accounts, may subscribe for or purchase ordinary shares in the Company ("Ordinary Shares") and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt in should be read as including any offer to, or subscription, acquisition, placing or dealing by finnCap and any of its respective affiliates acting as investors for their own accounts. In addition, finnCap or its respective affiliates may enter into financing arrangements and swaps in connection with which it or its affiliates may from time to time acquire, hold or dispose of Ordinary Shares. finnCap has no intention to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Forward-looking Statements

This announcement includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Company's business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. No undue reliance should be placed upon forward-looking statements. These forward looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by applicable law or the AIM Rules for Companies.

Placing of 16,425,000 New Ordinary Shares at 10 pence per share

**Subscription of 575,000 New Ordinary Shares at 10 pence per share
and
Notice of General Meeting**

1. Introduction

The Company announced today the conditional Placing by finnCap of 16,425,000 new Ordinary Shares at 10 pence per share and the conditional Subscription of 575,000 new Ordinary Shares at 10 pence per share to raise £1.7 million (before expenses). The net proceeds of the Fundraising, amounting to approximately £1.6 million, will be used for working capital purposes and to continue the commercialisation of both versions of the VISITECT® CD4 test.

The Placing and Subscription are conditional on, inter alia, the passing of the Resolutions at the General Meeting and Admission. It is expected that, subject to passing the Resolutions, the New Ordinary Shares will be admitted to trading on AIM on 11 October 2019. The Issue Price represents a discount of approximately 15.25 per cent. to the closing mid-market price of 11.8 pence per Ordinary Share on 20 September 2019 (being the last practical date prior to the announcement of the Fundraising).

2. Background on the Company

Omega are focused on selling a wide range of specialist products, primarily in the immunoassay, in-vitro diagnostics (IVD) market within three segments: Allergy, Food Intolerance and Global Health.

In 2006, Omega's core business was acquired by way of a reverse acquisition by Omega Diagnostics Limited of an AIM Listed Cash Shell Company then called Quintessentially English PLC and subsequently renamed Omega Diagnostics Group plc. In 2007, Genesis Diagnostics Ltd and Cambridge Nutritional Sciences Ltd were acquired, expanding their product range and giving customers access to food intolerance testing. In 2010, Omega acquired the IVD division of allergy and specific immunotherapy specialist Allergopharma Joachim Ganzer KG, giving further access to a range of allergy tests.

In November 2017, Omega obtained CE marking for the first version of its VISITECT® CD4 in-vitro diagnostic test. This test is used to help manage patients with pre-diagnosed HIV infection. It indicates whether a person's CD4 count is higher or lower than 350 cells/mm³. Successful CE-Marking made the test available for general sale through business to business channels in certain countries not requiring individual product registration.

In 2018, Omega restructured its business by amalgamating the trading operations of its four UK companies into one entity, Omega Diagnostics Ltd. This was a busy year for restructuring and in June 2018, Omega agreed to dispose of its infectious disease business, excluding its VISITECT® CD4 tests, to Novacyt SA., an international specialist in clinical diagnostics an up-front sum of £1.8 million and a deferred payment of £0.18 million. The net proceeds were used to complete the development of its VISITECT® CD4 Advanced Disease test, to work with its partner IDS to expand its allergy menu and to explore avenues for realising value for our Food Intolerance business in line with their strategic review in April 2018. Further to this, in May 2018, Omega began insolvency proceedings of Omega Diagnostics GmbH as the Board was unable to conclude any sale transaction of this entity.

In April 2018, Omega signed an exclusive long-term global distribution agreement with Immunodiagnostic Systems Limited ("IDS") for its range of allergy assays. To date, Omega has CE-Marked 62 allergens which can be run on the fully automated IDS Instrument. The ongoing investment to increase the allergen menu is supported by a £1.8 million R&D grant secured from Scottish Enterprise in 2016. IDS commercially launched Omega's allergy range in March 2019.

In March 2019, Omega obtained CE Marking for the second version of its VISITECT® CD4 Advanced Disease test, indicating whether a person's CD4 count is higher or lower than 200 cells/mm³. Earlier this month, Omega announced that, following the conclusion of a quality risk assessment review by the Expert Review Panel for Diagnostics, The Global Fund has informed the Company that its VISITECT® CD4 Advanced Disease test will be included in The Global Fund procurement list.

Over the last twelve to eighteen months, the Group has undertaken a number of initiatives to simplify the business and reduce cash burn, including:

- exiting from the Company's German allergy business with the filing for insolvency of Omega Diagnostics GmbH;
- closing down the Indian manufacturing facility in Pune;
- divesting the Company's legacy infectious disease business to Lab21 Healthcare Ltd, a division of Novacyt SA for an up-front sum of £1.8 million, received in June 2018, and a deferred payment of £0.18 million, received in July 2019.

3. Reasons for the Fundraise and use of funds

In May 2019, the Company announced that it had raised £0.64 million by way of subscription from investors, the purpose of this Fundraising being to provide ongoing working capital whilst the Board continued its strategy to realise value in the short-term as well as building value through more rapid exploitation of the opportunity in CD4 testing at the point-of-care. Since that date, a

number of purchase orders have been received for the CD4 tests and there has been progress made within both the Allergy and Food Intolerance divisions of the business seen by the purchase orders previously announced.

Earlier today the Company announced its audited results for the full year to 31 March 2019. They show that, at 31 March 2019 the Company was utilising c.£0.74 million of the £2 million overdraft facility. In the months since March 2019 to the beginning of September 2019, utilisation of this facility has increased to c.£1.3 million to provide the business with working capital. Accordingly, the audit report accompanying the results for the year to 31 March 2019 has an emphasis of matter with regard to the going concern of the business. Whilst the Directors are confident that the expected growth of revenues will provide the working capital the Company requires, the net proceeds of the Fundraising will provide additional working capital to support the Company's programme to fully commercialise CD4.

4. Current Trading and Prospects

The Company announced its full year audited results to 31 March 2019 earlier today, and since the year end trading is in line with management expectations.

4.1. VISITECT® CD4 Test

The development risk profile of the Company's CD4 tests have reduced significantly following the CE-Marking of the VISITECT® CD4 350 test in November 2017 and the CE-Marking of the VISITECT® CD4 Advanced Disease test in March 2019.

Both versions of the CD4 test have now received purchase orders. On 16 August 2019 the Company announced a purchase order in from its distributor in Nigeria for 50,000 units of its VISITECT® CD4 350 test, with an order value c. £210k. This order is conditional upon the Nigerian Ministry of Health approving the Company's VISITECT® CD4 350 test into its national HIV policy, a process which is still ongoing at present. In addition, on 20 August 2019, the Company announced the purchase order for the VISITECT® CD4 Advanced Disease Test for 20,000 units with an order value of c.£80k from its partner company in Zimbabwe. The order from Zimbabwe was not contingent upon the recently announced conclusion from the UNITAID-funded Expert Review Panel for Diagnostics as this order will supply into B2B marketing channels, rather than Non-Government Organisations.

4.2. Allergy

Since signing the distribution agreement with Imunodiagnosics Systems ('IDS') in April 2018, the Company has continued to develop allergens for IDS' automated instrument. The Company has grown the CE-Marked allergens menu to 62 allergens in total that can be run on the IDS automated instrument.

4.3. Food Intolerance

Following the development of a new Chinese version of the Company's 46-panel Food Detective® test, the Company announced on 16 August 2019 and 10 September 2019 that it has received a purchase order from its new partner in China for 20,000 and 26,896 units respectively, with order values of c. £290k and c. £400k respectively. The Company believes that the food intolerance division offers a longer-term growth opportunity, particularly in the US and China.

5. Details of the Placing and Subscription

The Company is proposing to raise, in aggregate, £1.7 million (before expenses) by means of the Placing and Subscription. The Placing Shares and Subscription Shares will represent approximately 12.8 per cent. of the Existing Ordinary Shares. The aggregate net proceeds after costs related to the Placing and Subscription are expected to be £1.6 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 and Subscription Shares to be admitted to trading on AIM and it is anticipated that trading in the Placing and Subscription Shares will commence on AIM at 8.00 a.m. on 11 October 2019.

The Placing is conditional upon, amongst other things:

- (ii) the Placing Agreement becoming unconditional in all respects (save for Admission) and not having been terminated;
- (iii) the Resolutions being passed at the General Meeting; and
- (iv) admission of the Placing Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 11 October 2019 or such later date (being not later than 8.00 a.m. on 25 October 2019) as the Company and finnCap may agree.

Pursuant to the terms of the Placing Agreement, finnCap as agent for the Company, has agreed to use its reasonable endeavors to procure places 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. Related Party Transactions

Richard Sneller and Harwood Capital have agreed to subscribe for 7,500,000 and 930,358 Placing Shares respectively as part of the Placing. These Shareholders are related parties of the Company for the purposes of the AIM Rules by virtue of their status as substantial shareholders 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 parties are fair and reasonable insofar as the Company's shareholders are concerned.

Certain Directors have agreed to subscribe for a total of 935,000 New Ordinary Shares as part of the Fundraise, further detail is provided in the below table. Each of them are 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 Placing and Subscription with such related parties is fair and reasonable insofar as the Company's Shareholders are concerned.

Director	Role	New Ordinary Shares Subscribed for in the Fundraise	Ordinary Shares held following the Fundraising	% Holding of the Enlarged Issued Share Capital
Colin King	Chief Executive Officer	300,000	768,253	0.51%
Kieron Harbinson	Chief Financial Officer	75,000	681,617	0.45%
Jeremy Millard	Non-Executive Director	500,000	500,000	0.33%
Jag Grewal	Group Sales & Marketing Director	60,000	213,246	0.14%
Total		935,000	2,163,116	1.43%

7. Effect of the Fundraise

Upon Admission, the Enlarged Issued Share Capital is expected to be 150,307,010 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 11.3 per cent. of the Company's Enlarged Issued Share Capital.

8. General Meeting

A circular to shareholders is expected to be posted to shareholders later today giving notice of the general meeting of the Company to be held at the Company's office of Omega House, Hillfoots Business Village, Alva FK12 5DQ on 10 October 2019 at 10.00 a.m. The notice will contain the Resolutions that are to be proposed at the General Meeting to authorise the Directors to allot the New Ordinary Shares under the Placing and Subscription and to disapply Shareholders' pre-emption rights under the Companies Act 2006 in respect of the Placing and Subscription Shares. The Fundraising is conditional on the passing of the Resolutions. A copy of the circular will be available on the Company's website www.omegadiagnostics.com.

PLACING AND SUBSCRIPTION STATISTICS

Issue Price	10 pence
Number of Existing Ordinary Shares	133,307,010
Number of Placing Shares	16,425,000
Number of Subscription Shares	575,000
Placing Shares and Subscription Shares as a percentage of the Enlarged Issued Share Capital	11.3 per cent.
Gross proceeds of the Placing and Subscription	£1.7 million
Net proceeds of the Placing and Subscription	£1.6 million
Enlarged Issued Share Capital	150,307,010
ISIN	GB00B1VCP282
SEDOL	B1VCP28

EXPECTED TIMETABLE

Publication and Posting of the Circular and Form of Proxy	23 September 2019
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 8 October 2019
General Meeting	10.00 a.m. on 10 October 2019
Results of the General Meeting announced	10 October 2019
Admission and dealings in the New Ordinary Shares expected to commence on AIM	11 October 2019
Where applicable, expected date for CREST accounts to be credited in respect of Placing Shares and Subscription Shares in uncertificated form	11 October 2019
Where applicable, expected date for despatch of definitive share certificates for Placing Shares and Subscription Shares in certificated form	By 28 October 2019

Notes:

1. 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.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

DEFINITIONS

The following definitions apply throughout this announcement and the Form of Proxy unless the context otherwise requires:

“Admission”	the admission of the Placing Shares and Subscription 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
“Board”	the board of directors of the Company
“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 on Admission inclusive of the New Ordinary Shares
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Existing Ordinary Shares”	the 133,307,010 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 and the Subscription
“General Meeting”	the general meeting of the Company convened for 10.00 a.m. on 10 October 2019
“Group”	the group comprising the Company and its subsidiary undertakings
“Issue Price”	10 pence per New Ordinary Share
“London Stock Exchange”	London Stock Exchange plc
“Money Laundering Regulations”	the Money Laundering Regulations 2007
“New Ordinary Shares”	together, the Placing Shares and the Subscription Shares
“Ordinary Shares”	ordinary shares of 4 pence each in the capital of the Company
“Placing”	the conditional placing of the Placing Shares pursuant to the Placing Agreement
“Placing Agreement”	the agreement dated 23 September 2019 between the Company and finnCap relating to the Placing
“Placing Shares”	16,425,000 New Ordinary Shares
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of FSMA
“Registrar”	Share Registrars Limited
“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
“Shareholders”	holders of Ordinary Shares
“Subscription”	the subscriptions to be made by Kieron Harbinson and Jeremy Millard, Chief Financial Officer and Non-Executive Director respectively of the Company, for Subscription Shares
“Subscription Shares”	the 575,000 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”	are references to the lawful currency of the United Kingdom “pence” or “p”