



2 April 2020

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

Trading Update

Omega (AIM: ODX), the medical diagnostics company focused on CD4, food intolerance and allergy testing provides the following trading update in advance of its final results for the year ended 31 March 2020 and an impact assessment of the coronavirus global pandemic.

Food Intolerance testing ("FIT") business

At this stage, we have seen minimal impact from the coronavirus outbreak on our FIT business and we expect revenues for the year ended 31 March 2020 to be in-line with market expectation.

As announced separately today, we have received regulatory approval from the National Medical Products Administration ("NMPA"), formerly the China Food and Drug Administration, for laboratory use of the Chinese version of our Food Detective® test. The approval for laboratory use has taken two months longer than anticipated due to the coronavirus outbreak, but it is testimony to the development teams of Omega and our partner, along with the NMPA in China, that approval has been gained so shortly after the outbreak.

We will continue to monitor demand through our extensive distribution network to assess any impact of the coronavirus outbreak on our FIT business moving forward.

VISITECT® CD4 350 test

Following the announcement on 17 January 2020 that the Company has received approval from the Nigerian Federal Ministry of Health ("MOH") to enable its VISITECT® CD4 350 test to be deployed throughout the country, the Company has been in regular contact with its distribution partner in Nigeria to understand the delivery requirements of the Nigerian Government for the Company's VISITECT® CD4 350 test.

We have been informed that, further to MOH approval, there has been work on-going among the Nigerian Government purchasing agencies to analyse and set demand and deployment for the VISITECT CD4 350 test. This process has taken longer than both we and our Nigerian distribution partner had anticipated such that the first product shipments will now take place in the new financial year. However, we remain confident that this demand will materialise and that Nigeria remains a large market opportunity. It is possible that there may be further delays in the short term due to the lock down procedures that are now being introduced into parts of Africa.

VISITECT® CD4 Advanced Disease test

Our VISITECT® CD4 Advanced Disease test continues to progress through the WHO Prequalification ("WHO PQ") process.

We have selected Kenya as the location for conducting the performance evaluation and we are currently awaiting ethics approval to commence the evaluation. Since the coronavirus outbreak, the Kenyan medical institution undertaking the evaluation has put new applications for ethics approval on hold. It is too early to estimate the duration and impact from this decision, but we continue to monitor events there closely, and remain hopeful that we will be able to start and complete these studies during 2020.

In the year to 31 March 2020, we have shipped and invoiced just over 15,000 CD4 tests, comprising 3,600 VISITECT® CD4 350 tests and 11,500 VISITECT® CD4 Advanced Disease tests. We estimate that the delay to the Nigerian deployment outlined above, along with the coronavirus impact on certain countries due to deploy the Advance Disease test, have deferred demand in the financial year just ended by approximately 50,000 tests for each version of the test.

Financial

We are currently in the process of stress-testing our business forecasts to include mitigation measures available to us from the recently announced UK Government initiatives so we can focus on preserving our cash position and help to minimise any disruption to our business operations over the coming weeks and months. Net utilisation of our £2m overdraft facility at 31 March 2020 was £611k.

We have been carefully managing costs to mitigate the delays with anticipated sales of the VISITECT®CD4 tests and we expect EBITDA for the year ended 31 March 2020 to be in a range of £700k to £750k which is broadly in line with market expectations.

Overall, our business is well placed to deliver significant growth in the medium term and we remain excited as to the VISITECT®CD4 opportunity. Our short term focus is very much on the safety of our staff and managing our costs and financial resources so that we are well positioned to benefit as and when the global environment resumes a level of normality.

The information communicated in this announcement is inside information for the purposes of Article 7 of EU Regulation 596/2014.

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