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Genedrive PLC
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31 March 2023

genedrive plc
("**genedrive**", the "**Group**" or the "**Company**")

£5 million Equity Prepayment Facility in place with initial draw down of £2 million

Manchester, UK - 31 March 2023: genedrive plc (LSE: GDR), the point of care molecular diagnostics company, is pleased to announce that it has agreed terms on an Equity Prepayment Facility for up to £5 million (the "Facility") with Riverfort Global Opportunities PCC Limited (the "Investors"), with an initial drawn amount of £2 million, expected to be received by the Company in early April 2023, net of associated costs.

The Facility and the Company's existing cash resources will be directed towards the commercialisation of the Company's Antibiotic Induced Hearing Loss test, Genedrive® MT-RNR1 ID Kit ("AIHL test") and enhancing the Genedrive® platform through the validation and verification of the Company's CYP2C19 test, Genedrive® CYP2C19 ID Kit ("CYP2C19 test") as well as providing additional working capital.

The Directors have assessed a number of financing options for the Company including an equity raise but believe that the Facility is the best option available to the Company at the present time in order to further fund the Company's progress while also taking consideration of the investor shareholder base. Further, the Directors believe that a combination of the possibility of positive future news flow around the Company's two main assays as well as the potential for reasonable levels of liquidity in the Company's ordinary shares make the Facility the most attractive form of financing for the Company at the current time.

The Company is not currently planning for a material increase in the Company's operating expenses in the future and the Company's pro forma cash balances post receipt of the Initial Prepayment alone will be circa £3.5 million. This will provide the Company with additional capital to drive sales of its AIHL assay and finalise the development/plan for launch of its CYP2C19 assay which are both expected to be key potential drivers of shareholder value in the future.

The Key terms of the Facility:

- Riverfort have committed to providing an Equity Prepayment Facility of £5 million
- Initial Prepayment of £2m (the "Initial Prepayment").
- Balance of £3 million is available for the Company to draw down, at its discretion, but subject to customary conditions precedents (including sufficient authority to allot shares to the Investors and disapply pre-emption rights).
- No interest is payable on the Initial Prepayment and the £3 million committed payments.
- 6,500,000 ordinary share of 1.5p each will be allotted and issued to the Investors in respect of the Initial Prepayment (the "Initial Placing Shares"). The number of ordinary shares to be issued has been calculated using a genedrive share price of 32p being the Reference Price. The shares are issued at nominal value
- The Initial Prepayment will be redeemed on the basis of proposed future disposals of the ordinary shares by the Investors. On service of a notice of disposal, the Facility is deemed to be redeemed by an amount equivalent to the number of ordinary shares proposed to be disposed of multiplied by the lower of (a) 130% of the relevant Reference Price for a Share (the "Fixed Premium Placing Price") and (b) an amount equivalent to an 8% discount of the selected daily VWAP in the 10 trading days prior to the service of the disposal notice (the "Adjusted Placing Price"). The Reference Price for the Initial Placing Shares is 32 pence and the Reference Price for future drawdowns will be the average of the daily VWAP for the five consecutive Trading Days prior to drawdown (Reference Price).
- The Investors are restricted to sales of ordinary shares at the Adjusted Placing Price where the number of share to be traded would be greater than 15% of the one calendar month total volume traded.
- Subject to appropriate authority to allot further shares to the Investors and disapply pre-emption rights, the Company can drawdown at its discretion, further committed prepayments at the rate of £300,000 per month over 10 months, commencing 30 May 2023.
- If the Investors hold any shares following redemption of the Facility, such shares will be gifted back to the Company or sold in the market and 98% of the sale proceeds would be paid to the Company, less expenses.
- If the Investors have disposed of all the Initial Placing Shares and amounts remain outstanding, the Investors can issue subscription notices to the Company to receive further subscription shares. The subscription price payable by the Investors will be applied to reduce the amounts of the prepayment principal outstanding pursuant to the Facility. The number of shares to be issued would be calculated at the lower of the Fixed Premium Placing Price and the Adjusted Placing Price. This price is reset in the event that the Company issues further shares at a price less than the Fixed Premium Placing Price, to the lower subscription price.
- The term of the Facility is two years.
- The Facility automatically terminates once the Facility is redeemed in full
- The Investors will also be granted a number of warrants equal to 40% of each drawdown divided by the Reference Price. The exercise price of the warrants payable to the Company will be 140% of the Reference Price.
- The Reference Price for the Initial Prepayment is 32 pence, meaning the Investors will be granted 2,500,000 warrants at the time of the Initial Advance, exercisable at 44.8 pence

each. Warrants are exercisable for up to four years.

- genedrive will pay a commitment fee of 2% of the £5 million committed facility plus legal and due diligence fees which will be deducted from the Initial Prepayment to the extent not settled in advance of the Initial Prepayment. A commission of 4% on amounts subject to a prepayment is also payable which the Company has elected will be paid by the issue of 250,000 additional shares.

Background to and reasons for the Equity Prepayment Facility

genedrive is a molecular diagnostics company developing and commercialising a low cost, rapid, versatile, simple to use and robust point of need molecular diagnostics platform for the diagnosis of infectious diseases and for use in patient stratification (genotyping), pathogen detection and other indications. The Company is also currently developing a genetic test for CYP2C19 metaboliser status applicable to the management of certain pharmaceutical treatments of ischemic stroke patients. The Company sees attractive short and long term revenue opportunities for its novel AIHL test for use in neonatal acute care settings and also for the CYP2C19 test, a point of care product with a number of performance differentiating features which is in the final stages of development and which the Company is now planning to launch in the United Kingdom circa September/October 2023.

The markets that the Company is targeting are significant relative to its size. The Company estimates the Total Available Market opportunity of its assays is over £300 million based on end user pricing, and believes that there are currently no other MT-RNR1 products that can deliver time critical results in under 1 hour. The Genedrive® CYP2C19 assay has limited competition (which currently has a more limited genetic analysis and usability compared to genedrive's proposed solution).

The Company's Assays and Markets

Antibiotic-Induced Hearing Loss ("AIHL")

Antibiotic Induced Hearing Loss ("AIHL") from antibiotics is a widely known issue with specific clinical guidance on genetic mutations and their role in hearing loss in newborns. Around one in 500 infants carry a genetic mutation that puts them at risk of suffering lifelong profound hearing loss after exposure to gentamicin, a commonly used antibiotic. genedrive has developed what is believes to be the world's first rapid point-of-care genetic test for neonatal intensive care, the Genedrive® MT-RNR1 ID Kit, which is used to screen babies for the variant and allow clinicians to prescribe alternatives that are purportedly safer. The Directors believe genedrive's test could support a new standard of care for urgent case infants providing a test result in 30 minutes on average.

As announced on 9 February 2023, NICE had preliminarily recommended that the Genedrive®AIHL test can be used by the NHS following the evidence review as part of their Early Value Assessment (EVA) Programme. NICE concluded that the Genedrive®MT-RNR1 ID Kit can quickly and accurately identify babies with the primary genetic variant, there is currently no other test available in the NHS that provides results quickly enough to inform decisions on antibiotic prescribing in emergency care, the long-term savings to the NHS associated with hearing loss and

fitting cochlear implants could be substantial. Final positive NICE guidance under their Early Value Assessment programme was issued on 30 March 2023 ratifying the 9 February decision . The Directors anticipate 6-8 UK Hospitals will be in various stages from "fully operational" to "approved and beginning implementation" within 3 months post NICE final publication and anticipate 6-8 non-UK distributors will be contracted by the end of the same timeframe. The US market represents a significant opportunity for the Group's AIHL test and an FDA "pre-submission" process is currently underway however additional funding would be required to progress the FDA approval process. The Company remains engaged with the FDA in the pre-submission process and, as such, is not at a relevant point in discussions to announce possible next steps.

The Company estimates that the total addressable UK market is up to £8.5 million per annum which is based on approximately 100,000 NICU admissions per annum and an estimated customer price per test of more than £80. The EU market is potentially another c. £46.8 million per annum, the U.S. market is c. £34 million and Rest of World markets around £13.8 million. Market estimates are based on end user pricing. The Directors believe that the UK and Europe presents an attractive market opportunity for the Company to target. The Company expects to pursue a distributor model alongside some investment in its own business development activities including an expanded commercial sales and marketing team to help drive initial adoption. A geographic expansion process is underway with targeted launch (outside the UK) expected in Spain, Saudi Arabia, Austria, France and Greece in H1 2023 with other countries to follow. Distributors have already been appointed in 8 countries. The Company is developing materials and undergoing activities to educate the market and drive product awareness.

Genedrive® CYP2C19-ID Kit ("CYP2C19")

The CYP2C19 ID Kit being developed will be used in conjunction with the Genedrive® System to provide a rapid, automated result of targeted CYP2C19 genotypes to inform clinicians on metaboliser status ahead of treatment strategies using drugs that are metabolised by Cytochrome P450 2C19 (CYP2C19). One example of the clinical utility of CYP2C19 metaboliser status in an urgent care setting would be rapid genotyping for the prescription of the anti-platelet therapy, clopidogrel. Clopidogrel is a pro-drug administered for the management of ischaemic strokes and requires conversion to an active form by the enzyme, CYP2C19. The combination of inherited CYP2C19 alleles determines the individual's metaboliser status. The CYP2C19 Kit screens for patients that should metabolize clopidogrel appropriately. Alternative drugs can be given to those that don't respond. CYP2C19 testing could generate more quality adjusted life-years for patients and lower costs compared with no testing.

The Company estimates that the total addressable UK market is up to £8.5 million per annum which is based on approximately 85,000 ischaemic strokes per annum. The EU market is potentially another c. £93.5 million per annum (c. 800,000 strokes per annum), the U.S. market is c. £67.6 million per annum (c. 700,000 strokes per annum) and rest of world markets c. £51.0 million per annum. The Company anticipates the customer price to be approximately £100 per test. The U.S. market has established reimbursement under Medicare (c. US$291). Market estimates are based on estimated end user pricing. NICE has included Genedrive's ® CYP2C19-ID Kit in a new Diagnostics Assessment Programme reviewing general applicability of CYP2C19 testing by any technique. The Company anticipates it could recommend genotyping is appropriate and cost effective.

Future News Flow

Within the next six months, the Company expects to sign additional distribution partners for Genedrive® MT-RNR1, establish additional go-live sites in the UK for Genedrive® MT RNR1, promote and launch the Genedrive® MT RNR1 assay in other EU countries (following language translations and any country specific product registrations) and launch/ be close to launch of Genedrive® CYP2C19 in the UK post receipt of UKCA mark.

In the following six month period, the Company expects to receive the completed NICE review for CYP2C19, launch Genedrive® CYP2C19 in other territories following IVDR registration and begin the FDA application processes for MT RNR1 should a positive pre-submission process be completed and sufficient funding be in place.

Current Trading

The Company issued its interim results today. Unaudited revenues in the six months to 31 December 2022 were £0.02 million and the operating loss was £2.7 million. Period end cash was £2.1 million and this had reduced slightly by 14 March 2023 to £2.0 million reflecting the recent receipt of an R&D tax credit of £0.96 million. The Company's underlying cash burn rate negating any material revenues is around £0.4 million per month.

The Board is confident that the Company will see an increase in revenues through 2023 and going forwards. The recent NICE recommendation, given the health benefits and health economics, is expected to facilitate the rollout of our AIHL product in both the UK and international markets (subject to relevant regulatory approvals).

General Meeting

In order to be able to draw down any further amounts under the Equity Prepayment Facility, the Company requires to seek approval from shareholders at a General Meeting to pass resolutions to give the directors authority to allot additional shares to Investors and disapply statutory pre-emption rights. The Company therefore intend to convene a general meeting which is expected to be held in late April/early May for the purpose of considering such resolutions.

If the resolutions are not passed, the Company will not be able to draw down any further amounts under the Equity Prepayment Facility. This would materially and adversely affect the Company's business plans and severely impact its ability to launch the AIHL test and to continue to trade beyond the end of the current financial year.

If this were to happen, in order to have sufficient working capital to continue to trade, the Directors would need to explore alternative forms of funding for its operations which may not be available at all or if available, may be on commercially unacceptable terms and could lead to more substantial dilution for Shareholders than would be the case under the Equity Prepayment Facility.

Application for admission to trading

Application will be made to the London Stock Exchange plc (the "**London Stock Exchange**") for the admission of 6,50,000 new Ordinary Shares ("New Shares") to trading on AIM ("**Admission**").

It is expected that Admission of the New Shares will occur at or before 8.00 a.m. (London time) on 6 April 2023.

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About genedrive plc (http://www.genedriveplc.com)

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The Genedrive® MT-RNR1 ID Kit, selected as 1 of the 10 EVA pilot projects, is the world's first commercial point-of-care genetic test for emergency care. It helps to avoid irreversible lifelong hearing loss in specific infants exposed to aminoglycosides by rapidly detecting the m.1555A>G gene variant that can cause lifelong deafness, allowing for alternative antibiotics to be prescribed. Product information can be found at https://www.genedrive.com/assays/rnr1-product.php

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