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5 May 2020

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

Proposed Placing to raise £7 million, Proposed Broker Option to raise up to £1 million

genedrive plc (AIM: GDR), the near patient molecular diagnostics company, today announces its intention to raise £7 million, before expenses, by way of a conditional placing (the "Placing") with existing and new institutional investors through the issue of 8,750,000 new ordinary shares ("Placing Shares") at a price of 80 pence per Placing Share (the "Placing Price").

The Company also announces a proposal to raise up to a further £1 million by way of a broker option through the issue of up to 1,250,000 additional new Ordinary Shares (the "Broker Option Shares" and, together with the Placing Shares, the "New Ordinary Shares") at the Placing Price in order to enable smaller shareholders in the Company and other retail and institutional investors to participate in the Fundraising (the "Broker Option" and, together with the Placing, the "Fundraising").

The net proceeds of the Fundraising will support the rapid development of the Genedrive® SARS-CoV-2 assays, fund the scale-up of the Genedrive-96-SARS-CoV-2 test including build-up of inventory for an initial period, fund product development, commercialisation and general corporate purposes.

The Placing Price of 80 pence per New Ordinary Share equates to a 60 per cent. discount to the mid-market closing price of an Ordinary Shares on 4 May 2020, the last practicable date prior to the date of the Announcement, and a 1.8 per cent. discount to the 20 day volume weighted average price ending on 4 May 2020.

On 24 March 2020 the Company's share price closed at 9p and on the following day the Company issued a business update confirming that it was developing two SARS-CoV-2 tests. Genedrive's share price rose on the day of this announcement, closed at 29.5p and has performed very strongly since. The Directors believe this share price performance has been driven by increased investor interest in companies with potential diagnostic and therapeutic solutions to the COVID-19 crisis. The Company's share price rose further following the Company's announcements on 20 April 2020 (confirming it had entered into an agreement with Cytiva for the development of the Genedrive® 96 SARS-CoV-2 assay for use on lab-based PCR instruments) and the announcement on 1 May 2020 (confirming it has completed the last significant manufacturing milestone in the co-development of the Genedrive® 96 SARS-CoV-2 kit with Cytiva). The price of an Ordinary Share at the close of business on 27 April 2020, the day before the Company started the roadshow with potential investors for the Fundraising, was 88p. The Company's share price closed at 198p on 4 May 2020, the last practicable date prior to the date of this Announcement.

The Company has recently received advance assurance from HMRC that the Ordinary Shares in the Company represent a qualifying investment for a VCT and are capable of qualifying for EIS tax reliefs. Accordingly around £5 million of the Placing Shares and Broker Option Shares (together the "New Ordinary Shares") are expected to rank as "eligible shares" and will be capable of being a "qualifying holding" for the purposes of investment by VCTs, and that the Company can issue EIS 3 "compliance certificates" for the purpose of EIS.

Certain of the Directors and an employee considered a PDMR have indicated an intention to place orders for, in aggregate, Placing Shares with an aggregate value of £20,000 via the Placing and certain of the Directors have indicated an intention to place orders to subscribe for, in aggregate, Broker Option Shares with an aggregate value of up to £40,000 via the Broker Option.

The Fundraising will be conditional (amongst other things) on the passing of resolutions to grant authority to the Directors to allot the New Ordinary Shares and to disapply statutory pre-emption rights (the "Resolutions") at a General Meeting. A circular containing a notice convening the General Meeting will be posted to Shareholders in due course.

Peel Hunt LLP ("Peel Hunt") and finnCap Ltd ("finnCap") are acting as joint bookrunners (together, the "Bookrunners") in respect of the Placing and Broker Option. Neither the Placing nor the Broker Option have been underwritten.

The person responsible for the release of this Announcement on behalf of genedrive plc is Matthew Fowler, Chief Financial Officer.

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

genedrive plc 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 Genedrive® mt-RNR1-ID kit has received CE-IVD Certification and will be launched into Europe and other markets following full evaluation by the UK National Health Service. The Company has assays on market for the detection of HCV, certain military biological targets, and has tests in development for tuberculosis (mTB). The company recently announced the development of the high throughput SARS-CoV-2 assay, based on Genedrive PCR chemistry.

Important notice

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Peel Hunt and finnCap, which are authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"), are acting exclusively for the Company and for no

one else in relation to the proposed Fundraising (as defined below), and will not be responsible to any other person for providing the protections afforded to their respective clients nor for providing advice in connection with the matters contained in this Announcement. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Peel Hunt or finnCap nor by any of their affiliates or agents (or any of their respective directors, officers, employees or advisers), as to or in relation to, the contents, accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, or any other statement made or purported to be made by or on behalf of Peel Hunt or finnCap.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Peel Hunt and finnCap will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

Certain statements in this Announcement may be forward-looking. Although the Company believes that the expectations reflected in these forward looking statements are reasonable, it can give no assurance or guarantee that these expectations will prove to have been correct because these statements involve risks and uncertainties and other important factors beyond the Company's control that could cause the actual results,

performance or achievements of the Group to be materially different from future results, performance or achievements expressed or implied by such forward looking statements.

1. Background to and reasons for the Fundraising

Background

genedrive is a rapidly developing commercial-stage molecular diagnostics business, which develops highly accurate molecular diagnostic assays for use on its Genedrive® point-of-need molecular diagnostic gene reader instrument. genedrive has three tests on market or close to launch:

- Genedrive® HCV ID assay, which is the first approved decentralised hepatitis C (HCV) test on market designed to diagnose if people should be treated with new life saving Direct-Antiviral Treatment;
- an Antibiotic-Induced Hearing Loss assay, which screens children for a genetic defect causing life-long deafness from certain antibiotics; and
- a portable field-deployed bio-warfare testing system developed for the US Department of Defense.

As announced on 25 March 2020, following the rapid global shift of healthcare emphasis towards testing and treatment of COVID-19, the Company refocused a significant part of its core resources towards development of two SARS-CoV-2 tests to detect people with active COVID-19 infections. The first test, which is circa three weeks from market, is a high throughput laboratory test and the second test, expected to be launched circa December 2020, is a point-of-care test that would run on a Genedrive® instrument. The Directors believe that the Company's skill set is also relevant for developing high throughput laboratory based tests and that the Company will be able to leverage its strong development, manufacturing and commercial relationships in its SARS-CoV-2 tests. The Company is expecting to make use of its existing distributor relationships as well as new distributors and some direct sales in accessing the markets for SARS-CoV-2 testing.

The Company also has a tuberculosis test in development expected to be launched in 2022.

In the announcement issued on 25 March 2020 the Company also confirmed that, based on an assumption of it delivering circa £1.0m in revenues to 30 June 2020, the Company had a cash runway, at that time, of 6-9 months. This excludes any funding or additional revenues from HCV, AIHL and the SARS-CoV-2 assays, but does assume genedrive utilises various UK Government support packages. To date the Company has not received funds from any UK Government lending package but has placed certain staff on furlough and has submitted a claim under the Governments Coronavirus Job Retention Scheme. The Company estimates that, excluding any net proceeds of the Fundraising (and on the same product revenue assumptions set out in the announcement of 25 March 2020), it has a cash runway of around five to seven months as at the date of this Announcement.

2. The Market

COVID-19 diagnostics market

COVID-19, caused by infection with SARS-CoV-2, has emerged as a significant global threat and, in the absence of a vaccine, this is placing a huge burden on healthcare systems and economies worldwide. Diagnostic testing is a critical part of monitoring and controlling the spread of COVID-19 and only a few countries can potentially claim to have been testing widely enough to be able to control significantly the spread of disease. There are two types of tests for SARS-CoV-2 - those which test whether a person has the virus (PCR tests) and those used to detect the presence of antibodies against the virus (serology).

Governments require exit strategies from severe lock-downs which have been implemented around the world to slow the spread of the SARS-CoV-2 virus. Implementing high levels of diagnostic testing (to determine whether a person has the virus) and contact tracing is likely to be a critical part of providing key intelligence on the spread of the virus and reducing the risk of further waves of infection and corresponding impacts on health systems and economic activity. Only a relatively small percentage of the global population is estimated to have been infected to date with a recent WHO study finding this to be not more than 2% to 3%. Antibody tests, which look to identify certain biomarkers associated with COVID-19 infections, are also expected to be an important tool in monitoring disease progression through populations. However the WHO has recently warned that antibody testing has not yet been fully developed and proven for SARS-CoV-2 and therefore as a reliable next step for countries seeking to lift lockdown restrictions. The WHO has been advising against issuing things like immunity passports and risk free certificates at this point in the pandemic.

Pending the advancement of understanding of COVID-19 and treatment options for patients with more severe forms of the disease, detection of active disease in populations is likely to remain a key part of disease control policies. Further, the Directors believe that until therapeutic breakthroughs, and/or vaccines are approved and widely available, diagnostic testing and contact tracing are likely to remain critical elements of monitoring and controlling the spread of COVID-19.

The COVID-19 diagnostic market is highly fragmented with many companies marketing molecular, serology and antibody tests of varying speeds, requirements and accuracy. The US Food and Drug Administration (FDA) has granted Emergency Use authorization (EUA) to over 50 COVID-19 diagnostic tests of which three are approved for use in patient care settings. The Directors believe the demand for diagnostic testing currently far exceeds supply.

Tests to determine the presence of the virus can firstly be divided into those that can only be performed on a specific instrument (closed platform) and those that can be performed on multiple instruments (open platform), and secondly into laboratory based tests and tests that can be used at the point-of-care. Many "tests" are sold as a package of raw ingredients requiring the lab to assemble and verify.

Whilst first to market opportunities are significant, the Directors believe that the underlying qualities and reliability of a test are also of significant importance. The Directors believe that distributors and end-users are looking for a clinically validated

product that is stable and able to use used across the globe and that any assay should be flexible and able to be run on open platforms, easy to use and have internal controls and quality assurance.

genedrive's SARS-CoV-2 tests

genedrive is developing the Genedrive® 96-SARS-CoV-2, which is an open platform laboratory based test. The Genedrive® 96-SARS-CoV-2 is a one-step "ready to go" polymerase chain reaction (RT-PCR) test. It is a high volume laboratory assay compatible with multiple third party platforms and is expected to be able to perform 96 tests in under two hours. The Genedrive 96 SARS-CoV2-test is a final format test, meaning that it only requires the addition of patient sample, and no other user preparation is required. The test can be transported globally without the need for refrigeration, which will support global product distribution and use in a variety of different environments. Other open platform laboratory based tests include the Novacyt COVID19 test and the Altona RealStar SARS-CoV-2 RT-PCR Kit.

On 20 April 2020, genedrive announced that it had entered into a development agreement with Cytiva (formerly GE Healthcare Life Sciences) to allow for high throughput manufacturing of over 10,000 tests per hour. genedrive has also secured sufficient supply chain commitments for the most critical components to enable the manufacturing of six million tests. The Company anticipates launching the Genedrive® 96-SARS-CoV-2 in May 2020 at an estimated price of £8-10 per test. The Company will address the market on a non-exclusive basis with sales through an appropriate mix of distributors and direct to customers. The Directors believe that based on its sales volume forecasts and estimates of selling prices in the market, the Company will be able to achieve attractive gross margins of at least 60%, noting genedrive does not fully absorb labour costs into its margins.

The exact performance characteristics of the assay will be determined following data generated with the production batches of assay, and finalised at the point of CE marking. In the development ("wet") phase prior to the freeze-drying process with Cytiva, the assay was able to detect 5-10 copies of COVID-19 virus target per reaction, a limit of detection equivalent to other validated PCR tests.

genedrive is also developing the Genedrive® SARS-CoV-2 ID Kit, which is a closed platform single patient point-of-care test that will run on the Genedrive® instrument. The Genedrive® SARS-CoV-2 ID Kit could provide rapid acute care testing for hospital staff, care homes, mobile facilities and emergency outbreaks with a target turnaround time of under 90 minutes. Other closed platform point-of-care tests include Abbott's Abbott ID NOW™ COVID-19 test.

Cytiva will manufacture the test cartridges, which will be able to be shipped at room temperature in a stable test-pack. genedrive intends to apply for a CE Mark for the test and seek relevant approvals in other relevant markets. The Company anticipates launching the Genedrive® SARS-CoV-2 ID Kit circa December 2020 through distributors at an estimated price of £20 per test and the Directors expect to achieve similar gross margins to the Genedrive® 96-SARS-CoV-2.

Genedrive® HCV-ID Assay

According to a 2015 WHO report, an estimated 70 million people worldwide are infected with HCV and there are 1.75 million new HCV infections annually. HCV primarily affects the liver and over many years infection often leads to liver disease, cirrhosis, liver failure or cancer. New 'curative' Direct Acting Antiviral (DAA) treatments for HCV are now becoming available at an affordable price in many target countries but molecular diagnostics need to be widely available prior to treatment to help identify the millions of patients that will benefit from DAAs.

genedrive is the first to market a qualitative point-of-need molecular test. In independent field testing, the Genedrive® HCV-ID assay was shown to have sensitivity and specificity of 100% versus the laboratory standard. genedrive has distribution agreements in place with Sysmex in Europe, Africa and Asia (excluding India) and Arkay in India. As announced on 25 March 2020, commercial traction has recently been impacted by the spread of COVID-19. The Company announced receipt of WHO Prequalification for its HCV-ID Kit on 4 May 2020.

Antibiotic-Induced Hearing Loss ("AIHL")

Around one in 500 infants carry a genetic mutation that's puts them at risk of suffering lifelong profound hearing loss after exposure to gentamycin, a commonly used antibiotic. genedrive has developed world's first rapid point-of-care genetic test for neonatal intensive care. There are no other point-of-care tests commercially available for AIHL and the Directors believe genedrive's test could support a new standard of care for all urgent case infants.

genedrive's AIHL test has a high clinical accuracy with 100% sensitivity and 100% specificity. Implementation trials for the test are progressing at Manchester and Liverpool but, as announced on 25 March 2020, have not been able to continue at the same pace as previous months as a result of NHS resources being diverted to address COVID-19.

On 24 April 2020, genedrive announced that it had entered into a distribution agreement with Inspiration Healthcare Group plc for the distribution of genedrive's AIHL test in the UK and Ireland. The Directors estimate the UK and global markets for this test to be worth up to £3.5 million and £35 million per year, respectively, to genedrive based on a price of £2,000 per Genedrive® unit and £35 per test.

US Department of Defense ("DoD")

genedrive was contracted by the United States Department of Defense (DoD) to develop Genedrive® as a portable bio-warfare testing system. The development contract was worth approximately \$10.0 million to date and has included approximately 185 Genedrive unit sales since 2014. The contract has now moved on to a conventional commercial phase and, as announced on 25 March, the Company has now received confirmation that a long-term supply contract with the DoD will be agreed that will enable ordering from Autumn 2020 onwards. The first internal DoD customer to procure

under this contact has indicated an intention to order circa 500 Genedrive® units over the first 3 years.

The Genedrive® instrument

The Genedrive® is a versatile instrument that can be used across a range of applications and provides rapid results in small hospitals, clinics and in the field. It takes as little as 27 minutes from sample to result compared to days required by a service laboratory, enabling prompt clinical decision making. It has a single use, disposable reagent cartridge revenue model and works by single push button device activation. The Genedrive® can operate in hot and humid conditions present outside laboratories and can be configured with a UPS battery to withstand fluctuating power availability. The Genedrive® instrument is designed to be affordable with the system and test price points targeted to be accessible to worldwide markets and, subject to the development of the SARS-CoV-2 ID Kit, is expected to have utility in the diagnosis of Covid-19 in a variety of environments and settings.

3. Convertible loan notes

In July 2014, the Company entered into a collaborative funding agreement with the Global Health Investment Fund I, LLC (**GHIF**) under which it issued a US\$8 million convertible bond to GHIF (**GHIF Bond**). The GHIF Bond was amended and restated in 2016 and 2018 and key details are set out in the announcement of 16 November 2018. The GHIF Bond matures in December 2023 and carries a 5% coupon. Interest payments are deferred up to and including January 2022 and are added to the principal. \$2.0 million of the GHIF Bond can be converted at 28.75p and the remainder at 150p at GHIF's discretion. The Company can request the conversion of the first \$2 million of the GHIF Bond if for 20 consecutive days the average closing price exceeds 1.3x the tranche's conversion price and the remaining \$6 million if the average close price is greater than or equal to 180 pence for 20 consecutive days. The GHIF Bond contains provisions for the adjustment of the conversion price (and therefore the numbers of share to be issued on conversion) on the occurrence of certain events including the issue of shares at more than a set discount to the calculation of market price under the GHIF Bond. On the basis of a Placing Price of 80 pence no adjustment is expected to be made to the conversion price.

In November 2018, BGF subscribed for a £2.5 million convertible loan note (**BGF Loan Note Instrument**), the key terms of which are set out in the announcement of 16 November 2018. The BGF Loan Note Instrument matures in June 2025 and carries a 7% coupon. Interest payments are deferred until December 2021 and are not convertible. The BGF Loan Notes can be converted at BGF's discretion at 28.75p. The BGF Loan Note Instrument contains provisions for the adjustment of the conversion price on the occurrence of certain events. The issue of New Ordinary Shares under the Placing and Broker Option will require an adjustment to the conversion price of the BGF Loan Notes in order to maintain BGF's percentage of voting rights after the adjustment and conversion. The maximum number of additional Ordinary Shares to be issued to BGF as a result of such adjustment, assuming subscription in full for the Placing Shares and Broker Option Shares is estimated to be 2,501,051.

At the time of the issue of the BGF convertible loan notes, BGF and GHIF entered into an intercreditor agreement to regulate the ranking of payments under the GHIF Bond and BGF Loan Note Instrument. Any conversion of the GHIF Bond or BGF Loan Notes or adjustment to their terms would require the consent of GHIF and BGF.

4. Future News Flow

Within the next three months, the Company expects to be able to announce the CE Marking of its Genedrive® 96-SARS-CoV-2 test followed by FDA Emergency Use authorisation and its launch and first sales. Announcements of commercial agreements and revenue from the Genedrive® 96-SARS-CoV-2 test are also anticipated.

Later in the year, genedrive expects to announce a long-term contract agreement with the DoD and subsequent ordering under the contract. The completion of AIHL trials at Manchester and Liverpool NHS hospitals is expected, subject to the lifting of COVID-19 restrictions, following which the Company will launch the product in the UK and announce first sales.

The receipt of regulatory approvals and launch of the Genedrive® SARS-CoV-2 ID Kit are expected at the end of the year on the basis of emergency shortened timescales and subject to the risk factors outlined in "COVID-19 Market Risk" below.

5. Current Trading

The Company issued a detailed business update on 25 March 2020. Since then the Covid-19 pandemic has continued to create uncertainty over many areas of the business however significant progress has been made with the development of its PCR test and it continues to expect to have the product CE-Marked by the end of May 2020. The Company was also pleased to enter into a distribution agreement with Inspiration Healthcare Group plc for its AIHL assay and also recently confirmed it has received World Health Organisation (WHO) Prequalification for the Genedrive® HCV ID kit. At the time of the business update issued on 25 March 2020, the Company confirmed that based solely on sales and purchase orders in hand, the Company expected to achieve revenues for the year to 30 June 2020 of circa £1.0m.

Unaudited cash as at the end of April 2020 was £2.1m. To date the Company has not received funds from any UK Government loan support package but has put certain staff on furlough and has submitted a claim under the Coronavirus Job Retention Scheme. The Company estimates that, excluding any net proceeds of the Fundraising (and on the same product revenue assumptions set out in the announcement of 25 March 2020), that it has a cash runway of around five to seven months as at the date of this Announcement.

6. EIS/VCT

The following information is based upon the laws and practice currently in force in the UK and may not apply to persons who do not hold Ordinary Shares as investments.

The Company has recently received assurance from HMRC that the Ordinary Shares in the Company represent a qualifying investment for a VCT and are capable of qualifying for EIS tax reliefs. Accordingly, the New Ordinary Shares will rank as "eligible shares" and will be capable of being a "qualifying holding" for the purposes of investment by VCTs and that the Company can issue EIS 3 "compliance certificates" for the purposes of EIS.

Shareholders and investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own independent financial adviser immediately.

The information below is intended only as a general guide to the current tax position under UK taxation law and is not intended to be exhaustive. Shareholders and investors who are in any doubt as to their tax position or who are subject to a tax jurisdiction, other than the UK, are strongly advised to consult their professional advisers. The Company is a knowledge intensive company and knowledge intensive companies can raise up to £10 million under the combined VCT, EIS, SEIS, social investment tax relief or any other state aid risk capital investment in any 12 month period.

EIS

The Company intends to operate so that it qualifies for the taxation advantages offered under EIS. The main advantages are as follows:

- Individuals can claim a tax credit reduction of 30% of the amount invested in the Company against their UK income tax liability, provided they have a sufficient tax liability to reclaim this amount, thus reducing the effective cost of their investment to 70 pence for each £1 invested. However, there is an EIS subscription limit of £1 million in each tax year, or £2 million in each tax year providing at least £1 million is invested into shares in a company which qualifies as a knowledge intensive company, and, to retain the relief, the EIS Shares must be held for at least three years.
- UK investors (individuals or certain trustees) may defer a chargeable gain by investing the amount of the gain in the Company. There is no limit to the level of investment for this purpose and, therefore, to the amount of gain which may be deferred in this way. Note that the deferred gain will come back into charge when the EIS Shares are disposed of or if the Company ceases to qualify as an EIS company within the three year qualifying period.
- There is no tax on capital gains made upon disposal after the three year period (the "Qualifying Period") of shares in an EIS qualifying company on which income tax relief has been given and not withdrawn.
- If a loss is made on disposal of the EIS Shares at any time, the amount of the loss (after allowing for any income tax relief initially obtained) can be set off against either the individual's gains for the tax year in which the disposal occurs, or, if not so used, against capital gains of a subsequent tax year, or against the individual's net income of the tax year of the disposal or of the previous tax year.

- Provided a Shareholder has owned EIS Shares for at least two years and certain conditions are met at the time of transfer, up to 100% business property relief will be available, which reduces the inheritance tax liability on the transfer of EIS Shares to nil.
- The amount of relief an investor may gain from an EIS investment in the Company will depend on the investor's individual circumstances.

Qualifying Period

In order to retain the EIS reliefs, an investor must hold their shares for at least three years. A sale or other disposal (other than an inter-spousal gift or a transfer on death) will result in any income tax relief that has been claimed being clawed back by HMRC. Additionally, any capital gains deferred will come back into charge and the capital gains tax exemption will be lost. It is the investor's responsibility to disclose a disposal to HMRC.

An individual can only be eligible for EIS relief on the purchase of shares if all shares held by that investor are either risk-based shares (that is, shares for which an EIS 3 compliance statement has been or will be issued) or the original subscriber shares which the investor has continued to hold.

Additionally, if the Company ceases to meet certain qualifying conditions within three years from the date of the share issue, the tax reliefs will be lost. This will be shown as the "Termination Date" on the EIS3 certificate which the Company will issue to investors following formal approval of the share issue by HMRC.

Advance Assurance of EIS Status

In order for investors to claim EIS reliefs relating to their shares in the Company, the Company has to meet a number of rules regarding the kind of company it is, the amount of money it can raise, how and when that money must be employed for the purposes of the trade, and the trading activities carried on. The Company must satisfy HMRC that it meets these requirements and is therefore a qualifying company. Although the Company currently expects to satisfy the relevant conditions for EIS investment, neither the Directors nor the Company gives any warranty or undertaking that relief will be available in respect of any investment in the EIS Shares.

VCT

The status of the New Ordinary Shares as a qualifying holding for VCTs will be conditional, inter alia, upon the Company continuing to satisfy the relevant requirements.

Although the Company currently expects to satisfy the relevant conditions for VCT investment, neither the Directors nor the Company gives any warranty or undertaking that an investment in New Ordinary Shares by a VCT will be a qualifying holding.

As the rules governing EIS and VCT reliefs are complex and interrelated with other legislation, if Shareholders and investors are in any doubt as to their tax position, require more detailed information than the general outline above, or are subject to tax in a jurisdiction other than the United Kingdom, they should consult their professional adviser.

7. Details of the Placing and Broker Option

Structure

The Directors gave careful consideration as to the structure of the Fundraising and concluded that the Placing and Broker Option was the most suitable option available to the Company and its Shareholders at this time.

The Directors considered that the accelerated bookbuilding process would enable the Placing to be carried out quickly and at the most suitable price for the Company. The Placing will be made available to certain eligible existing institutional shareholders and certain new institutional investors to raise £7 million.

The Company has granted to Peel Hunt and finnCap the Broker Option to raise up to approximately £1 million through the issue of up to 1,250,000 Broker Option Shares at the Placing Price. The Broker Option is designed to enable smaller shareholders in the Company and other retail and institutional investors to participate in the Fundraising.

The Broker Option may be exercised by Peel Hunt and finnCap between 5 May 2020 and 5.00 p.m. on 11 May 2020 and, if exercised in full, shall require the Company to issue up to 1,250,000 Broker Option Shares. The exercise of the Broker Option shall be at the discretion of Peel Hunt and finnCap (with the agreement of the Company) and Peel Hunt and finnCap are under no obligation to exercise the Broker Option.

The New Ordinary Shares are not being made available to the public and none of the New Ordinary Shares are being offered or sold in any jurisdiction where it would be unlawful to do so.

The allotment and issue of the Placing Shares (and Broker Option Shares) is conditional on, amongst other things, the approval by Shareholders of the Resolutions required for the Directors to allot the New Ordinary Shares and for statutory pre-emption rights to be disapplied in respect of such allotments. The Resolutions to be proposed at the proposed General Meeting will contain the relevant approvals required for the Fundraising.

Reasons for the Fundraising and Use of Proceeds

The proceeds of the Placing and Broker Option alongside the Company's existing cash are intended to:

- (i) support the rapid development of SARS-CoV-2 assays including funding test development for high throughput Genedrive 96-SARS-CoV-2 and the development of the Genedrive SARS-CoV-2 ID Kit

- (ii) fund the scale-up of the Genedrive-96-SARS-CoV-2 test including providing working capital to build-up a 'Just in Case' inventory for the initial period; and
- (iii) product development, commercialisation and general corporate purposes including preparation for commercialisation of the AIHL test outside the UK, further development of the Company's test menu and the provision of flexibility for the Company's options on convertible loan notes and interest.

Principal Terms of the Placing

Peel Hunt and finnCap, as agents for the Company, have severally agreed to use their respective reasonable endeavours to procure Placees by way of an accelerated bookbuild process on the terms of the Placing Agreement. Placees are required to subscribe for the Placing Shares on the basis of the Terms and Conditions of the Placing set out in the Appendix to this Announcement. Neither the Placing nor the Broker Option is being underwritten.

The issue of the Placing Shares is intended to raise £7 million (before expenses). If the Broker Option is exercised in full, the Company would raise a further £1 million (before expenses) by the issue of the Broker Option Shares. It is expected that the proceeds of the Placing, and any Broker Option Shares subscribed for, will be received by the Company by the end of May 2020.

Under the Placing Agreement, the Company has agreed to pay to Peel Hunt and finnCap commission based on the aggregate value of the New Ordinary Shares placed at the Placing Price and the costs and expenses incurred in relation to the Placing together with any applicable VAT.

No commissions will be paid to Placees or by Placees in respect of any New Ordinary Shares.

Conditionality

The Placing and Broker Option are conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The Placing Agreement is conditional, amongst other things, upon the following:

- the passing, without amendment, of the Resolutions at the General Meeting;
- none of the warranties contained in the Placing Agreement, in the opinion of the Bookrunners (acting jointly and in good faith), being untrue or inaccurate or misleading at the date of the Placing Agreement or becoming untrue or inaccurate or misleading at any time between such date and Admission by reference to the facts and circumstances from time to time subsisting;
- the Company having complied with all of its obligations under the Placing Agreement which fall to be performed or satisfied on or prior to Admission; and
- Admission occurring by no later than 8.00 a.m. on 28 May 2020 (or such later time and/or date as may be agreed between the Company and Peel Hunt and finnCap, being no later than 8.00 a.m. on 11 June 2020).

If the conditions set out above are not satisfied or waived (where capable of waiver), the Fundraising will lapse and the New Ordinary Shares will not be allotted and issued and no monies will be received by the Company from investors in respect of the New Ordinary Shares.

Effect of the Placing

The New Ordinary Shares will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the date of this Announcement and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

The issue of the Placing Shares, upon completion of the Placing pursuant to the terms of the Placing Agreement, are expected to represent approximately 20 per cent. of the Enlarged Share Capital, assuming no take-up of the Broker Option.

8. The Placing Agreement

Pursuant to the terms of the Placing Agreement, Peel Hunt and finnCap, as agents for the Company, have agreed to use their respective reasonable endeavours to procure Placees to take up the Placing Shares on the terms and subject to the conditions set out therein, at the Placing Price. The Placing Agreement is conditional upon, amongst other things, the conditions set out above.

The Placing Agreement contains customary warranties given by the Company in favour of Peel Hunt and finnCap in relation to, amongst other things, the accuracy of the information in this Announcement and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Peel Hunt (and its affiliates) and finnCap in relation to certain liabilities which they may incur in respect of the Placing.

Peel Hunt and finnCap each have the right to terminate their obligations under the Placing Agreement in certain circumstances prior to Admission. In particular, in the event of breach of the warranties or a material adverse change or if the Placing Agreement does not become unconditional where both Peel Hunt and finnCap terminate their obligations under the Placing Agreement, the Placing Agreement will cease and terminate.

9. COVID-19 Market Risk

The Company is seeking to enter the novel COVID-19 diagnostics market. The Directors believe it is impossible to predict the full nature, extent and duration of the COVID-19 pandemic and therefore the total demand for COVID-19 diagnostic tests and the longevity of this demand are uncertain. Furthermore, the introduction of breakthrough therapeutic drugs or vaccines could reduce the requirement for widescale diagnostic testing of COVID-19 and the importance of contact tracing.

The ability of the Company to commercialise its COVID-19 tests is dependent on the ability to obtain regulatory approvals in relevant markets. genedrive intends to obtain a CE mark for its COVID-19 tests but the tests are currently unapproved. Under section 564 of the

Federal Food, Drug, and Cosmetic Act, the FDA Commissioner may allow unapproved medical products or unapproved uses of approved medical products to be used in an emergency to diagnose, treat, or prevent serious or life-threatening diseases or conditions caused by a terrorist attack with a biological, chemical, or radiological/nuclear material, or a naturally occurring emerging disease when there are no adequate, approved, and available alternatives (**Emergency Use Approval**). On 4 February 2020, the US Department of Health and Human Services Secretary declared that circumstances exist justifying the authorisation of emergency use of in vitro diagnostics for detection and/or diagnosis of the virus that causes COVID-19. On 29 February 2020, the FDA issued an immediately in effect guidance with policy specific to development of in vitro diagnostic tests during this public health emergency, which was subsequently updated on 16 March 2020. There is no certainty that the FDA will continue to allow Emergency Use Authorisation either due to the development of adequate, approved and available alternatives or due to the COVID-19 pandemic no longer being considered sufficiently serious to justify emergency use of in vitro diagnostics. If the FDA withdraws the Emergency Use Approval, the ability of the Company to commercialise its COVID-19 diagnostic tests would be adversely affected in the US and other markets.

DEFINITIONS

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

"Act"	the Companies Act 2006, as amended
"Admission"	admission of the New Ordinary Shares (including such number of Broker Option Shares as may be subscribed for) to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers (as the context may require)
"AIM Rules for Companies"	the rules of AIM as set out in the publication entitled "AIM Rules for Companies" published by the London Stock Exchange from time to time
"AIM Rules for Nominated Advisers"	the rules of AIM as set out in the publication entitled "AIM Rules for Nominated Advisers" published by the London Stock Exchange from time to time
"Announcement"	this announcement
"Appendix"	the appendix to this Announcement setting out the terms and conditions of the Placing
"BGF"	BGF Investments LP (a limited partnership with registered number LP14928), acting by its manager BGF Investment Management Limited (company number 10608481)
"Board" or "Directors"	the board of directors of the Company

"Bookbuild"	the accelerated bookbuild process conducted in relation to the Placing which established the demand for the Placing Shares to be issued pursuant to the Placing at the Placing Price
"Bookrunners"	Peel Hunt and finnCap
"Broker Option"	the option granted by the Company to Peel Hunt and finnCap to procure the subscription of the Broker Option Shares, pursuant to the terms of the Placing Agreement
"Broker Option Shares"	up to 1,250,000 new Ordinary Shares to be subscribed for by existing and other investors at the Placing Price, to the extent the Broker Option is exercised under the terms of the Placing Agreement
"Business Day"	any day (excluding Saturdays and Sundays and public holidays in England and Wales) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading
"certificated" or "in certificated form"	an Ordinary Share or other security recorded on a company's share register as being held in certificated form (that is not in CREST)
"Circular"	this circular of the Company giving (amongst other things) details of the Placing and incorporating the Notice of General Meeting
"Company" or "genedrive"	genedrive plc, a public limited company incorporated in England and Wales under registered number 06108621
"CREST"	the relevant system (as defined in the Regulations) which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
"CREST Manual"	the compendium of documents entitled "CREST Manual" published by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules (including CREST Rule 8), the CREST CCSS Operating Manual and the CREST Glossary of Terms
"CREST member"	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations)
"CREST participant"	a person who is, in relation to CREST, a system-participant (as defined in the CREST regulations)
"CREST Regulations" or (SI 2001/3755) "Regulations"	the Uncertificated Securities Regulations 2001 (as amended from time to time)

"CREST sponsor"	a CREST participant admitted to CREST as a
CREST sponsor	
"CREST sponsored member"	a CREST member admitted to CREST as a sponsored member
"EIS"	Enterprise Investment Scheme
"Enlarged Share Capital"	the entire issued share capital of the Company immediately following Admission, assuming no other Ordinary Shares are issued between the date of this Announcement and Admission and assuming the 8,750,000 Placing Shares are issued but no subscriptions for new Ordinary Shares under the Broker Option
"EU"	the European Union
"Euroclear"	Euroclear UK & Ireland Limited, the Operator of CREST (as defined in CREST Regulations)
"Executive Directors"	means David Budd and Matthew Fowler
"Existing Ordinary Shares"	the 34,870,071 Ordinary Shares in issue on 4 May 2020, (the latest practicable date before issue of this Announcement) all of which are admitted to trading on AIM
"finnCap"	finnCap Ltd, the Company's joint bookrunner and joint broker
"Form of Proxy"	the form of proxy, which will accompany the Circular for use by Shareholders in relation to the General Meeting
"FSMA"	the Financial Services and Markets Act 2000
(as amended)	
"Fundraising"	the Placing and Broker Option
"General Meeting"	the proposed general meeting of the Shareholders of the Company to be convened and held to pass the Resolutions
"GHIF"	Global Health Investment Fund I LLC, a Delaware limited liability company, whose registered office is at 2711 Centerville Road, Suite 400 in the City of Willmington, Delaware 19808 USA, a private investment fund structured by JP Morgan Chase & Co and the Bill and Melinda Gates Foundation. The fund finances the development of drugs, vaccines, diagnostics and other interventions against diseases that disproportionately burden low and middle income countries
"GHIF Bond"	the US\$8million convertible bond entered into between GHIF and the Company pursuant to the GHIF Bond and Collaboration Agreement
"GHIF Bond and Collaboration Agreement"	the collaboration and convertible bond purchase agreement entered into between the Company and GHIF dated 21 July 2014, as amended and restated by

	amendment and restatement agreements dated 23 June 2016 and 15 November 2018
"Group" undertakings	the Company, its subsidiaries and subsidiary
"Intercreditor Deed"	the intercreditor deed entered into among the Company BGF and GHIF on 10 December 2018
"Loan Notes" issued to BGF in	the £2,500,000 convertible loan notes accordance with the Loan Note Instrument
"Loan Note Instrument"	the convertible loan note instrument dated 10 December 2018
"London Stock Exchange"	London Stock Exchange plc
"New Ordinary Shares"	together, the Placing Shares and the Broker Option Shares
"Notice of General Meeting"	the notice of General Meeting to be set out at the end of the Circular
"Ordinary Shares" of the Company	ordinary shares of £0.015 each in the capital
"PCR"	polymerase chain reaction is a method widely used in molecular biology to rapidly make millions of copies of a small DNA sample and amplify it to a large enough amount to study in detail
"Peel Hunt"	Peel Hunt LLP, a Limited Liability Partnership incorporated and registered in England with No. OC357088 whose registered office is Moor House, 120 London Wall, London EC2Y 5ET, the Company's nominated adviser, joint bookrunner and joint broker
"Placees"	eligible institutional investors procured by Peel Hunt and finnCap and subscribing for Placing Shares in the Placing
"Placing"	the conditional placing by Peel Hunt and finnCap (on behalf of the Company) of up to 8,750,000 Placing Shares pursuant to the Placing Agreement to raise £7 million before expenses
"Placing Agreement"	the conditional placing agreement dated 5 May 2020 relating to the Placing and Broker Option made between the Company, Peel Hunt and finnCap
"Placing Price"	means 80 pence per New Ordinary Share
"Placing Proceeds"	the gross proceeds of the issue of the Placing Shares pursuant to the Placing
"Placing Results Announcement"	means the RIS announcement of the results of the Placing
"Placing Shares"	the 8,750,000 new Ordinary Shares which are to be issued for cash to successful Placees under the Placing whose allotment and issue is conditional (amongst other things) on the passing of the Resolutions
"Registrars" or "Neville"	Neville Limited Registrars of Neville House, Steelpark Road, Halesowen, B62 8HD

"Regulatory Information Service"	a regulatory information service operated by the London
or "RIS"	Stock Exchange as defined in the AIM Rules for Companies
"Resolutions"	the resolutions to be proposed at the General Meeting
"Shareholders"	the holders of Ordinary Shares for the time being, each individually a "Shareholder"
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"uncertificated"	or recorded on the register of members of the Company
"uncertificated form"	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
"US" or "United States"	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
"VCT"	Venture Capital Trust
"WHO"	World Health Organization

All references in this Announcement to "£", "pence" or "p" are to the lawful currency of the United Kingdom and all references to "US\$" or "\$" are to the lawful currency of the United States.

All references to time in this Announcement are to London

APPENDIX TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "**ANNOUNCEMENT**") (WHICH IS FOR INFORMATION PURPOSES ONLY) ARE DIRECTED ONLY AT: (A) PERSONS IN THE UNITED KINGDOM OR A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (THE "**EEA**") WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING ARTICLE 2(E) OF REGULATION (EU) 2017/1129, AS AMENDED FROM TIME TO TIME (THE "**PROSPECTUS REGULATION**") ("**QUALIFIED INVESTORS**"); AND (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS WHO FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS); (II) PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC) OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY

COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR THE SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

The New Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the securities mentioned herein in the United States.

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 or into or from the United States, Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction in which such release publication or distribution would be unlawful.

Each Placee should consult with its own advisors as to legal, tax, business and related aspects of a purchase of New Ordinary Shares.

The distribution of this Announcement and/or the Placing and/or the issue of the New Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Bookrunners or any of their respective affiliates, agents directors, officers or employees that would permit an offer of the New Ordinary Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such New Ordinary Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Bookrunners to inform themselves about and to observe any such restrictions.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for any securities in the United States, Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the New Ordinary Shares is being made in any such jurisdiction.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South

Africa in relation to the New Ordinary Shares and the New Ordinary Shares have not been, nor will they be registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the New Ordinary Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the EEA.

Persons (including without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notice" section of this Announcement.

By participating in the Bookbuild and/or the Placing, each Placee will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring New Ordinary Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Appendix.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any New Ordinary Shares that are allocated to it for the purposes of its business;
2. in the case of a Relevant Person in a member state of the EEA or the United Kingdom (each, a "**Relevant Member State**") who acquires any New Ordinary Shares pursuant to the Placing:
 - (a) it is a Qualified Investor within the meaning of Article 2 (e) of the Prospectus Regulation; and
 - (b) in the case of any New Ordinary Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation:
 - (i) the New Ordinary Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of the Bookrunners have been given to the offer or resale;
 - (ii) where New Ordinary Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those New Ordinary Shares to it is not treated under the Prospectus Directive as having been made to such persons; and

3. it is acquiring the New Ordinary Shares for its own account or is acquiring the New Ordinary Shares for an account with respect to which it has authority to exercise, and is exercising, investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and
4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix;
5. except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any person on whose account it is acting, as referred to in paragraph 4 above) is located outside the United States and is acquiring the New Ordinary Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S under the US Securities Act ("**Regulation S**");
6. it has not offered, sold or delivered and will not offer to sell or deliver any of the New Ordinary Shares to persons within the United States, directly or indirectly; neither it, its affiliates, nor any persons acting on its behalf, have engaged or will engage in any directed selling efforts (as defined in Regulation S) with respect to the New Ordinary Shares; and it is not taking up the New Ordinary Shares for resale in or into the United States.

No prospectus

The New Ordinary Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the New Ordinary Shares and Placees' commitments will be made solely on the basis of their own assessment of the Company, the New Ordinary Shares and the Placing based on the information contained in this Announcement, the announcement of the pricing of the Placing (the "**Placing Results Announcement**") (together, the "**Placing Documents**") and any other information publicly announced through a regulatory information service ("**RIS**") by or on behalf of the Company on or prior to the date of this Announcement (the "**Publicly Available Information**") and subject to any further terms set forth in the contract note sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of the Placing Documents is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of the Bookrunners or the Company or any other person and none of the Bookrunners, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any responsibility or liability for any Placee's decision to participate in the Placing based on any other information, representation,

warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in this Announcement to be legal, tax or business advice. Each Placee should consult its own attorney, tax advisor, and business advisor for legal, tax and business advice regarding an investment in the New Ordinary Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Details of the Placing Agreement and the New Ordinary Shares

The Bookrunners are acting as joint bookrunners in connection with the Placing and have today entered into the Placing Agreement with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, the Bookrunners, as agents for and on behalf of the Company, have severally (and not jointly or jointly and severally) agreed to use their respective reasonable endeavours to procure places for up to 8,750,000 Ordinary Shares (the "**Placing Shares**").

The final number of Placing Shares will be set out in a share placing supplement agreed between the Bookrunners and the Company following the Bookbuild (the "**Placing Supplement**"). The price payable by placees will be 80 pence per Ordinary Share (the "**Placing Price**").

The Company will also grant an option to the Bookrunners which shall be exercisable jointly at their discretion (acting with the Company's consent) to procure subscribers for up to a further 1,250,000 Ordinary Shares at the Placing Price (the "**Broker Option**") (and any Ordinary Shares placed in connection with the exercise of the Broker Option being the "**Broker Option Shares**"), such shares being in addition to the Placing Shares. The placing of the Placing Shares and any Broker Option Shares (such shares together, the "**New Ordinary Shares**") is not underwritten by the Bookrunners.

The New Ordinary Shares will, when issued, be credited as fully paid up and will be issued subject to the Company's articles of association and rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on or in respect of the Ordinary Shares after the date of issue of the New Ordinary Shares, and will on issue be free of all claims, liens, charges, encumbrances and equities.

Application for admission to trading

Application will be made to the London Stock Exchange plc (the "**London Stock Exchange**") for the admission of the New Ordinary Shares (including the Broker Option Shares, if any) to trading on AIM ("**Admission**").

It is expected that Admission of the New Ordinary Shares will occur at or before 8.00 a.m. (London time) on 28 May 2020 (or such later time and/or date as the Bookrunners may agree with the Company) and that dealings in the New Ordinary Shares will commence at that time.

Bookbuild

The Bookrunners will today commence the accelerated bookbuilding process to determine demand for Placing Shares by Placees (the "**Bookbuild**"). This Announcement gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any New Ordinary Shares.

The Bookrunners shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their absolute discretion following consultation with the Company, determine. In particular, the Bookrunners may (subsequent to allocating Placing Shares pursuant to the Bookbuild), procure further placees for Broker Option Shares pursuant to the Broker Option.

Participation in, and principal terms of, the Placing

1. The Bookrunners are arranging the Placing severally, and not jointly, or jointly and severally, as bookrunners and placing agents of the Company. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by either of the Bookrunners. Each of the Bookrunners may itself agree to be a Placee in respect of all or some of the New Ordinary Shares or may nominate any member of its group to do so.
2. The number of Placing Shares will be agreed by the Bookrunners (in consultation with the Company) following completion of the Bookbuild. Subject to the execution of the Placing Supplement, the number of Placing Shares to be issued will be announced on an RIS following the completion of the Bookbuild via the Placing Results Announcement. The number of Broker Option Shares (if any) to be issued will also be announced following the exercise (or expiry) of the Broker Option.
3. Allocations of the New Ordinary Shares will be determined by the Bookrunners after consultation with the Company (the proposed allocations having been supplied by the Bookrunners to the Company in advance of such consultation). Subject to the execution of the Placing Supplement, allocations in respect of Placing Shares (and, if the Broker Option is exercised at that time, any Broker Option Shares) will be confirmed orally by the Bookrunners and a contract note will be despatched as soon as possible thereafter. A Bookrunner's oral confirmation to such Placee constitutes an irrevocable legally binding commitment upon such person (who will at that point become a Placee), in favour of the Bookrunners and the Company, to acquire the number of New Ordinary Shares allocated to it and to pay the Placing Price in respect of such shares on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association. Except with the relevant Bookrunner's consent, such commitment will not be capable of variation or revocation after the time at which it is submitted.
4. Each Placee's allocation and commitment will be evidenced by a contract note issued to such Placee by the relevant Bookrunner. The terms of this Appendix will be deemed incorporated in that contract note.

5. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all New Ordinary Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under "**Registration and Settlement**".
6. All obligations under the Bookbuild and/or the Placing (including with respect to any Broker Option Shares) will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under "**Conditions of the Placing**" and to the Placing not being terminated on the basis referred to below under "**Right to terminate under the Placing Agreement**".
7. By participating in the Placing, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
8. To the fullest extent permissible by law, neither the Bookrunners, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of the Bookrunners, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability (including to the extent permissible by law, any fiduciary duties) in respect of the Bookrunners' conduct of the Placing or of such alternative method of effecting the Placing as the Bookrunners and the Company may determine.
9. The New Ordinary Shares will be issued subject to the terms and conditions of this Announcement and each Placee's commitment to subscribe for New Ordinary Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Bookrunners' conduct of the Placing.
10. All times and dates in this Announcement may be subject to amendment. The Bookrunners shall notify the Placees and any person acting on behalf of the Placees of any changes.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The Bookrunners' obligations under the Placing Agreement are conditional on customary conditions including (amongst others) (the "**Conditions**"):

1. certain announcement obligations;
2. Admission occurring no later than 8.00 a.m. (London time) on 28 May 2020 (or such later time and/or date, not being later than 8.00 a.m. (London time) on

11 June 2020, as the Bookrunners may otherwise agree with the Company) (the "**Closing Date**");

3. none of the warranties contained in the Placing Agreement, in the opinion of the Bookrunners (acting jointly and in good faith), being untrue or inaccurate or misleading at the date of the Placing Agreement or becoming untrue or inaccurate or misleading at any time between such date and Admission by reference to the facts and circumstances from time to time subsisting
4. the Company having complied with all of its obligations under the Placing Agreement which fall to be performed or satisfied on or prior to Admission;
5. the execution and delivery of the Placing Supplement; and
6. in the good faith opinion of the Bookrunners (acting jointly and in good faith), there having been no material adverse change in, or any development involving a prospective material adverse change in, or affecting, the condition (financial, operational, legal or otherwise) or the earnings, management, business affairs, solvency, credit rating or prospects of the Company, or of the Group taken as a whole including (without limitation) such a material adverse change caused by (i) the emergence of a therapeutic solution to COVID-19; and/or (ii) any legal, regulatory or other change materially adversely affecting the ability to bring COVID-19 tests to market in such a way to prevent the Company achieving the sales forecasts whether or not arising in the ordinary course of business ("**Material Adverse Change**").

The Bookrunners (if they both agree) may, at their discretion and upon such terms as they think fit, waive compliance by the Company with the whole or any part of certain of the Company's obligations in relation to the Conditions or extend the time or date provided for fulfilment of certain such Conditions in respect of all or any part of the performance thereof. The conditions in the Placing Agreement relating to (amongst other things) Admission taking place may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

If: (i) any of the Conditions are not fulfilled or (where permitted) waived by the Bookrunners by the relevant time or date specified (or such later time or date as the Company and the Bookrunners may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below under "**Right to terminate under the Placing Agreement**", the Placing will not proceed and the Placees' rights and obligations hereunder in relation to the New Ordinary Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by it or on its behalf (or any person on whose behalf the Placee is acting) in respect thereof.

None of the Bookrunners, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any Condition to the Placing, nor for any decision they may make as to the

satisfaction of any Condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Bookrunners.

Right to terminate under the Placing Agreement

Each of the Bookrunners is entitled, at any time before Admission, to terminate its obligations under the Placing Agreement in accordance with its terms in certain circumstances, including (amongst other things):

1. where there has been a breach by the Company of any of its material obligations contained in the Placing Agreement;
2. it comes to the knowledge of either Bookrunner that any of the warranties contained in the Placing Agreement was untrue, inaccurate or misleading either when made and/or would be if such warranties were deemed to be repeated at any time before Admission by reference to the facts and circumstances then subsisting which is material in the context of the Placing;
3. if any of the Conditions have (i) become incapable of satisfaction or (ii) not been satisfied before the latest time provided in the Placing Agreement and have not been waived if capable of being waived by the Bookrunners;
4. in the good faith opinion of the Bookrunners (acting jointly and in good faith), there has been a Material Adverse Change; or
5. the occurrence of certain force majeure events.

Upon termination, such terminating Bookrunner shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions. If both Bookrunners terminate their obligations under the Placing Agreement, then the Placing Agreement shall cease and terminate and the Placing will not proceed.

By participating in the Placing, each Placee agrees that (i) the exercise by either of the Bookrunners of any right of termination or of any other discretion under the Placing Agreement shall be within the absolute discretion of such Bookrunner and that it need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise or failure to so exercise and (ii) its rights and obligations terminate only in the circumstances described above under "**Right to terminate under the Placing Agreement**" and "**Conditions of the Placing**", and its participation will not be capable of rescission or termination by it after oral confirmation by the Bookrunners of the allocation and commitments following the close of the Bookbuild (or otherwise, in respect of Broker Option Shares, following exercise of the Broker Option).

Lock-up Arrangements

The Company has undertaken to the Bookrunners that, between the date of the Placing Agreement and 12 months after Admission, it will not offer, issue, sell or otherwise dispose of (or announce an intention of doing so) any shares of the Company, or any securities convertible into or exchangeable or carrying rights to acquire other shares of the Company, whether settled in cash or otherwise, without prior consent from the Bookrunners. However, this undertaking shall not prevent or restrict the grant of options under, or the allotment and issue of shares pursuant to options under, any existing employee share schemes of the Company (in accordance with its normal practice).

By participating in the Placing, Placees agree that the exercise by any Bookrunner of any power to grant consent to the undertaking by the Company of a transaction which would otherwise be subject to the lock-up provisions under the Placing Agreement shall be within the absolute discretion of that Bookrunner and that it need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

Registration and Settlement

Settlement of transactions in the New Ordinary Shares (ISIN: GB00B1VKB244) following Admission will take place within the system administered by Euroclear UK & Ireland Limited ("**CREST**"), subject to certain exceptions. The Bookrunners reserve the right to require settlement for, and delivery of, the New Ordinary Shares (or any part thereof) to Placees by such other means that they may deem necessary if delivery or settlement is not possible or practicable within the CREST system or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Following the close of the Bookbuild (or otherwise, in respect of Broker Option Shares, following exercise of the Broker Option), each Placee to be allocated New Ordinary Shares in the Placing will be sent a contract note in accordance with the standing arrangements in place with the relevant Bookrunner stating the number of New Ordinary Shares allocated to them at the Placing Price, the aggregate amount owed by such Placee to the Bookrunner and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions in respect of the New Ordinary Shares that it has in place with the relevant Bookrunner.

The Company will deliver the New Ordinary Shares to a CREST account operated by the relevant Bookrunner as agent for the Company and the relevant Bookrunner will enter its delivery instruction into the CREST system. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant New Ordinary Shares to that Placee against payment.

It is expected that settlement in respect of the New Ordinary Shares will take place on 28 May 2020 on a delivery versus payment basis.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Bookrunners.

Each Placee is deemed to agree that, if it does not comply with these obligations, the relevant Bookrunner may sell any or all of the New Ordinary Shares allocated to that

Placee on such Placee's behalf and retain from the proceeds, for the Bookrunners' account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and will be required to bear any stamp duty or stamp duty reserve tax or other taxes or duties (together with any interest or penalties) imposed in any jurisdiction which may arise upon the sale of such New Ordinary Shares on such Placee's behalf.

If New Ordinary Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as New Ordinary Shares are issued in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such New Ordinary Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. If there are any circumstances in which any stamp duty or stamp duty reserve tax or other similar taxes or duties (including any interest and penalties relating thereto) is payable in respect of the allocation, allotment, issue, sale, transfer or delivery of the New Ordinary Shares (or, for the avoidance of doubt, if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer New Ordinary Shares), none of the Bookrunners nor the Company shall be responsible for payment thereof.

Representations, warranties, undertakings and acknowledgements

By participating in the Placing each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with the Bookrunners (in their capacity as bookrunners and placing agents of the Company in respect of the Placing) and the Company, in each case as a fundamental term of their application for New Ordinary Shares, the following:

General

1. it has read and understood this Announcement in its entirety and its subscription for New Ordinary Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with the Placing, the Company, the New Ordinary Shares or otherwise other than the information contained in the Placing Documents and the Publicly Available Information;
2. the Ordinary Shares are admitted to trading on AIM and that the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of AIM, which includes a description of the Company's business and the Company's financial information, including balance sheets and income statements, and that it is able to obtain or has access to such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded companies, without undue difficulty;

3. the person whom it specifies for registration as holder of the New Ordinary Shares will be (a) itself or (b) its nominee, as the case may be. None of the Bookrunners nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes or duties imposed in any jurisdiction (including interest and penalties relating thereto) ("**Indemnified Taxes**"). Each Placee and any person acting on behalf of such Placee agrees to indemnify the Company and the Bookrunners on an after-tax basis in respect of any Indemnified Taxes;
4. neither the Bookrunners nor any of their respective affiliates agents, directors, officers and employees accepts any responsibility for any acts or omissions of the Company or any of the directors of the Company or any other person (other than the relevant Bookrunner) in connection with the Placing;
5. time is of the essence as regards its obligations under this Announcement;
6. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to the Bookrunners;

No distribution of Announcement

7. it will not redistribute, forward, transfer, duplicate or otherwise transmit this Announcement or any part of it, or any other presentational or other material concerning the Placing (including electronic copies thereof) to any person and represents that it has not redistributed, forwarded, transferred, duplicated, or otherwise transmitted any such materials to any person;

No prospectus

8. no prospectus or other offering document is required under the Prospectus Directive, nor will one be prepared in connection with the Bookbuild, the Placing or the New Ordinary Shares and it has not received and will not receive a prospectus or other offering document in connection with the Bookbuild, the Placing or the New Ordinary Shares;

Purchases by Bookrunners for their own account

9. in connection with the Placing, the Bookrunners and any of their affiliates acting as an investor for its own account may subscribe for New Ordinary Shares in the Company and in that capacity may retain, purchase or sell for its own account such New Ordinary Shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Announcement to the New Ordinary Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to each of the Bookrunners or any of their affiliates acting in such capacity;

10. each of the Bookrunners and their affiliates may enter into financing arrangements and swaps with investors in connection with which each of the Bookrunners and any of their affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the New Ordinary Shares;
11. the Bookrunners do not intend to disclose the extent of any investment or transactions referred to in paragraphs 9 and 10 above otherwise than in accordance with any legal or regulatory obligation to do so;

No fiduciary duty or client of the Bookrunners

12. the Bookrunners do not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;
13. its participation in the Placing is on the basis that it is not and will not be a client of any of the Bookrunners in connection with its participation in the Placing and that the Bookrunners have no duties or responsibilities to it for providing the protections afforded to their respective clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of their respective rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

No responsibility of the Bookrunners for information

14. the content of the Placing Documents and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and neither Bookrunner nor their respective affiliates agents, directors, officers or employees nor any person acting on behalf of any of them is responsible for or has or shall have any responsibility or liability for any information, representation or statement contained in, or omission from, the Placing Documents, the Publicly Available Information or otherwise nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in the Placing Documents, the Publicly Available Information or otherwise, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by such person;

Reliance on information regarding the Placing

15.
 - (a) the only information on which it is entitled to rely on and on which such Placee has relied in committing itself to subscribe for New Ordinary Shares is contained in the Placing Documents, or any Publicly Available Information (save that in the case of Publicly Available Information, a Placee's right to rely on that information is

limited to the right that such Placee would have as a matter of law in the absence of this paragraph 15(a)), such information being all that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the New Ordinary Shares;

- (b) it has neither received nor relied on any other information given, or representations, warranties or statements, express or implied, made, by any of the Bookrunners or the Company nor any of their respective affiliates, agents, directors, officers or employees acting on behalf of any of them (including in any management presentation delivered in respect of the Bookbuild) with respect to the Company, the Placing or the New Ordinary Shares or the accuracy, completeness or adequacy of any information contained in the Placing Documents, or the Publicly Available Information or otherwise;
- (c) none of the Bookrunners, nor the Company, nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, nor will provide, it with any material or information regarding the New Ordinary Shares or the Company or any other person other than the information in the Placing Documents or the Publicly Available Information; nor has it requested any of the Bookrunners, the Company, any of their respective affiliates or any person acting on behalf of any of them to provide it with any such material or information; and
- (d) none of the Bookrunners or the Company will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

Conducted own investigation and due diligence

- 16. it may not rely, and has not relied, on any investigation that the Bookrunners, any of their affiliates or any person acting on their behalf, may have conducted with respect to the New Ordinary Shares, the terms of the Placing or the Company, and none of such persons has made any representation, express or implied, with respect to the Company, the Placing, the New Ordinary Shares or the accuracy, completeness or adequacy of the information in the Placing Documents, the Publicly Available Information or any other information;
- 17. in making any decision to subscribe for New Ordinary Shares it:
 - (a) has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing for the New Ordinary Shares;
 - (b) will not look to the Bookrunners for all or part of any such loss it may suffer;

- (c) is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of an investment in the New Ordinary Shares;
- (d) is able to sustain a complete loss of an investment in the New Ordinary Shares;
- (e) has no need for liquidity with respect to its investment in the New Ordinary Shares;
- (f) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the New Ordinary Shares; and
- (g) has conducted its own due diligence, examination, investigation and assessment of the Company, the New Ordinary Shares and the terms of the Placing and has satisfied itself that the information resulting from such investigation is still current and relied on that investigation for the purposes of its decision to participate in the Placing;

Capacity and authority

- 18. it is subscribing for the New Ordinary Shares for its own account or for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the acknowledgements, representations and agreements contained in this Announcement;
- 19. it is acting as principal only in respect of the Placing or, if it is acting for any other person, it is:
 - (a) duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person; and
 - (b) and will remain liable to the Company and/or the Bookrunners for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);
- 20. it and any person acting on its behalf is entitled to subscribe for the New Ordinary Shares under the laws and regulations of all relevant jurisdictions that apply to it and that it has fully observed such laws and regulations, has capacity and authority and is entitled to enter into and perform its obligations as a subscriber of New Ordinary Shares and will honour such obligations, and has obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations and that it has not taken any action or omitted to take any action which will or may result in the Bookrunners, the Company or any of their respective directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;

21. where it is subscribing for New Ordinary Shares for one or more managed accounts, it is authorised in writing by each managed account to subscribe for the New Ordinary Shares for each managed account;
22. it irrevocably appoints any duly authorised officer of each Bookrunner as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the New Ordinary Shares for which it agrees to subscribe for upon the terms of this Announcement;

Excluded territories

23. the New Ordinary Shares have not been and will not be registered or otherwise qualified and that a prospectus will not be cleared in respect of any of the New Ordinary Shares under the securities laws or legislation of the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa, or any state, province, territory or jurisdiction thereof;
24. the New Ordinary Shares may not be offered, sold, or delivered or transferred, directly or indirectly, in or into the above jurisdictions or any jurisdiction (subject to certain exceptions) in which it would be unlawful to do so and no action has been or will be taken by any of the Company, the Bookrunners or any person acting on behalf of the Company or the Bookrunners that would, or is intended to, permit a public offer of the New Ordinary Shares in the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa or any country or jurisdiction, or any state, province, territory or jurisdiction thereof, where any such action for that purpose is required;
25. unless otherwise specifically agreed with the Bookrunners, it is not and at the time the New Ordinary Shares are subscribed for, neither it nor the beneficial owner of the New Ordinary Shares will be, a resident of, nor have an address in, Australia, New Zealand, Japan, the Republic of South Africa or any province or territory of Canada;
26. it may be asked to disclose in writing or orally to the Bookrunners:
 - (a) if he or she is an individual, his or her nationality; or
 - (b) if he or she is a discretionary fund manager, the jurisdiction in which the funds are managed or owned;

Compliance with US securities laws

27. it, and any prospective beneficial owner for whose account or benefit it is purchasing the New Ordinary Shares, is (i) located outside the United States and is acquiring the New Ordinary Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S; (ii) has not been offered to purchase or subscribe for New Ordinary Shares by means of any "directed selling efforts" as defined in Regulation S;

28. it understands that the New Ordinary Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the US Securities Act, or pursuant to an exemption from the registration requirements of the US Securities Act and in accordance with applicable state securities laws;
29. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;

Compliance with selling restrictions and the Prospectus Regulation

30. if in a member state of the EEA or the United Kingdom, unless otherwise specifically agreed with the Bookrunners in writing, it is a Qualified Investor;
31. it has not offered or sold and will not offer or sell any New Ordinary Shares to persons in the EEA or the United Kingdom except to Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA or the United Kingdom within the meaning of the Prospectus Regulation;
32. if a financial intermediary, as that term is used in Article 5(1) of the Prospectus Regulation, the New Ordinary Shares subscribed for by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA or the United Kingdom other than Qualified Investors, or in circumstances in which the prior consent of the Bookrunners has been given to each proposed offer or resale;

Compliance with FSMA, the UK financial promotion regime and MAR

33. if in the United Kingdom, that it is a person (i) having professional experience in matters relating to investments who falls within the definition of "investment professionals" in Article 19(5) of the Order or (ii) who falls within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc") of the Order, or (iii) to whom it may otherwise lawfully be communicated;
34. it has not offered or sold and will not offer or sell any New Ordinary Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**");

35. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the New Ordinary Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that the Placing Documents have not and will not have been approved by either Bookrunner in its capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as a financial promotion by an authorised person;
36. it has complied and will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the New Ordinary Shares (including all applicable provisions in FSMA and Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("**MAR**")) in respect of anything done in, from or otherwise involving, the United Kingdom);

Compliance with laws

37. if it is a pension fund or investment company, its subscription for New Ordinary Shares is in full compliance with applicable laws and regulations;
38. it has complied with its obligations under the Criminal Justice Act 1993 and Articles 8, 10 and 12 of MAR and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and the Money Laundering Sourcebook of the FCA and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
39. in order to ensure compliance with the Regulations, each Bookrunner (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to the relevant Bookrunner or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the New Ordinary Shares may be retained at the relevant Bookrunner's absolute discretion or, where appropriate, delivery of the New Ordinary Shares to it in uncertificated form may be delayed at the relevant Bookrunner's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identify the relevant Bookrunner (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either the relevant Bookrunner and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will,

if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;

Depository receipts and clearance services

40. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of New Ordinary Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the New Ordinary Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer New Ordinary Shares into a clearance service;

Undertaking to make payment

41. it (and any person acting on its behalf) has the funds available to pay for the New Ordinary Shares for which it has agreed to subscribe and acknowledges and agrees that it will make payment in respect of the New Ordinary Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant New Ordinary Shares may be placed with other subscribers or sold as the Bookrunners may in their sole discretion determine and without liability to such Placee, who will remain liable for any amount by which the net proceeds of such sale falls short of the product of the relevant Placing Price and the number of New Ordinary Shares allocated to it and will be required to bear any stamp duty, stamp duty reserve tax or other taxes or duties (together with any interest, fines or penalties) imposed in any jurisdiction which may arise upon the sale of such Placee's New Ordinary Shares;

Money held on account

42. any money held in an account with the relevant Bookrunners on behalf of the Placee and/or any person acting on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from the relevant Bookrunner's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee;

Allocation

43. its allocation (if any) of New Ordinary Shares will represent a maximum number of New Ordinary Shares which it will be entitled, and required, to subscribe for, and that the Bookrunners or the Company may call upon it to subscribe for a lower number of New Ordinary Shares (if any), but in no event in aggregate more than the aforementioned maximum;

No recommendation

44. none of the Bookrunners, nor any of their respective affiliates, nor any person acting on behalf of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing;

Inside information

45. if it has received any 'inside information' (for the purposes of MAR and section 56 of the Criminal Justice Act 1993) in relation to the Company and its securities in advance of the Placing, it confirms that it has received such information within the market soundings regime provided for in article 11 of MAR and associated delegated regulations and it has not:
- (a) used that inside information to acquire or dispose of securities of the Company or financial instruments related thereto or cancel or amend an order concerning the Company's securities or any such financial instruments;
 - (b) used that inside information to encourage, require, recommend or induce another person to deal in the securities of the Company or financial instruments related thereto or to cancel or amend an order concerning the Company's securities or such financial instruments; or
 - (c) disclosed such information to any person, prior to the information being made publicly available;

Rights and remedies

46. the rights and remedies of the Company and the Bookrunners under the terms and conditions in this Announcement are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others; and

Governing law and jurisdiction

47. these terms and conditions of the Placing and any agreements entered into by it pursuant to the terms and conditions of the Placing, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract (including any dispute regarding the existence, validity or termination of such contract or relating to any non-contractual or other obligation arising out of or in connection with such contract), except that enforcement proceedings in respect of the obligation to make payment for the New Ordinary Shares (together with any interest chargeable thereon) may be taken by either the Company or the Bookrunners in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

The foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings are given for the benefit of the Company as well as each of the Bookrunners and are irrevocable. The Bookrunners, the Company and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings. Each prospective Placee, and any person acting on behalf of such Placee, irrevocably authorises the Company and the Bookrunners to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein.

Indemnity

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify on an after tax basis and hold the Company, the Bookrunners and their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Announcement or incurred by the Bookrunners, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placees' obligations as set out in this Announcement, and further agrees that the provisions of this Announcement shall survive after completion of the Placing.

Taxation

The agreement to allot and issue New Ordinary Shares to Placees (and/or to persons for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the New Ordinary Shares in question. Such agreement also assumes that the New Ordinary Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the New Ordinary Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other dealing in the New Ordinary Shares, stamp duty or stamp duty reserve tax or other similar taxes or duties may be payable, for which neither the Company nor the Bookrunners will be responsible and the Placees shall indemnify the Company and the Bookrunners on an after-tax basis for any stamp duty or stamp duty reserve tax or other similar taxes or duties (together with interest, fines and penalties) in any jurisdiction paid by the Company or the Bookrunners in respect of any such arrangements or dealings. If this is the case, each Placee should seek its own advice and notify the Bookrunners accordingly. Placees are advised to consult with their own advisers regarding the tax aspects of the subscription for New Ordinary Shares.

The Company and the Bookrunners are not liable to bear any taxes that arise on a sale of New Ordinary Shares subsequent to their acquisition by Placees, including any taxes arising otherwise than under the laws of the United Kingdom. Each prospective Placee should, therefore, take its own advice as to whether any such tax liability arises and notify the Bookrunners and the Company accordingly. Furthermore, each prospective

Placee agrees to indemnify on an after-tax basis and hold each of the Bookrunners and/or the Company and their respective affiliates harmless from any and all interest, fines or penalties in relation to stamp duty, stamp duty reserve tax and all other similar duties or taxes in any jurisdiction to the extent that such interest, fines or penalties arise from the unreasonable default or delay of that Placee or its agent.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable, whether inside or outside the UK, by them or any other person on the subscription, acquisition, transfer or sale by them of any New Ordinary Shares or the agreement by them to subscribe for, acquire, transfer or sell any New Ordinary Shares.

No statement in the Placing Documents is intended to be a profit forecast or estimate, and no statement in the Placing Documents should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The New Ordinary Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than AIM, a market operated by the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, the Placing Documents.

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