

ESPI Current Report

Number: 29/2024
 Date of preparation: December 14, 2024
 Company: Genomtec SA based in Wrocław

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| Title | Changes in the organizational structure of the Company related to adaptation to the requirements of the M&A process and the strategic directions of development of Genomtec. |
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Legal basis: Art. 17 sec. 1 MAR - confidential information.

Report Content: With reference to, among others, Current Report No. 4/2023 and 22/2022 regarding the commenced process of reviewing strategic options, the Management Board of Genomtec S.A. (the "Company", "Issuer", "Genomtec") hereby announces that on December 11, 2024, in connection with the ongoing process of reviewing strategic options, it made decisions regarding the adjustment and change of the organizational structure of Genomtec S.A. related to the strategic directions of development of Genomtec S.A. in the scope of (1) the M&A process, (2) the OncoSNAAT project and (3) potential cooperation with companies from the food safety diagnostics industry.

(1) Continuation of the M&A process.

The Management Board of the Company, as part of the review of strategic options and the M&A process, has today decided to initiate the necessary actions aimed at separating an organized part of the enterprise comprising assets related to the Genomtec ID project and contributing it to the subsidiary Genomtec ID Sp. z o. o. (100% subsidiary of Genomtec SA). Actions in this area will be preceded by obtaining the appropriate permits from PARP / NCBR and obtaining a positive tax interpretation. This will be followed by convening the General Meeting of the Company.

In the opinion of the Management Board, such a structured asset creates a greater chance of successfully conducting an M&A transaction than in the case of, for example, a scenario based on a potential buyer taking over 100% of the Issuer's shares in the form of a tender offer, because such a process, due to external factors beyond the Issuer's control, such as the Company's shareholding structure or legal conditions on the side of the potential buyer, could not end successfully in the short term. Meanwhile, the transfer of Genomtec ID to a separate special purpose vehicle provides greater guarantees of closing the transaction faster and without legal complications, which some potential buyers may fear.

(2) OncoSNAAT Project

Another significant change resulting from today's decisions of the Management Board concerns the OncoSNAAT project. Recent months have shown that the market is not only interested in Genomtec ID, but also in the OncoSNAAT project. In the Management Board's opinion, there is a possibility of a potential sale of two technologies to two different entities. This will require the involvement of a larger team and the creation of an appropriate work environment, but on the other hand, in the Management Board's opinion, it will potentially increase the value of the Company exponentially. In the case of OncoSNAAT, it is necessary to accelerate the work in



order to be able to offer the technology to the industry partner as soon as possible. The talks conducted related to market recognition have shown what potential partners expect, and Genomtec's intention is to fit into the indicated needs and thus increase the value of the transaction through a possible separate sale of the OncoSNAAT project. Therefore, today the Company has decided to sign an agreement with an international advisor who will be responsible for the sale of this project, in order to offer it to the market as soon as possible.

(3) Potential cooperation with companies from the food safety diagnostics industry.

The third area related to today's decisions of the Company concerns potential cooperation with companies in the food safety diagnostics industry. The Company systematically receives inquiries from companies interested in food testing technology regarding their know-how and solutions in this area, which are interested in diagnosing pathogens that occur in food. The growing number of cases of foodborne illnesses and the growing consumer awareness of food safety are key factors driving the growth of this market. The food safety testing industry is forecast to grow from \$18.09 billion in 2023 to \$21.31 billion by 2030 (CAGR 7.10% in 2022-2030).

Genomtec technology is a platform technology that enables the detection of almost any pathogen. Therefore, the Company's Management Board is convinced that the current technology can perfectly fit into the expectations of the food market (food safety diagnostics). In view of the above, the Company has made a directional decision, according to which in the coming weeks, on the one hand, R&D work will be started to confirm the assumptions made (feasibility study), and on the other hand, an in-depth market analysis will be carried out in this area. In the event that the defined assumptions regarding market needs are confirmed, the Company does not rule out the sale of the developed technology (based on isothermal amplification of nucleic acids) to the segment related to food testing.

Ultimately, as a result of the implementation of the strategic directions of the Company's development described above, a Capital Group is to be established, in which Genomtec SA will be the 100% owner of Genomtec ID Sp. z oo and GMT CDx Sp. z oo. Then, these technologies can be sold separately. Apart from entities interested in purchasing the entire diagnostic area, each of the special purpose vehicles has an independent group of potential buyers with whom talks are being held regarding a possible M&A transaction. The Management Board's intention is to sell 100% of the shares in the (newly established) Genomtec ID Sp. z oo and pay the entire amount (after deducting public and legal fees and advisors' commissions) to investors (in the form of a dividend or redemption of shares). The Management Board intends to implement the same strategy in the case of OncoSAAT, after the Company has obtained the appropriate technological readiness.

In addition, the Management Board of Genomtec informs that if the assumptions regarding the market needs for the application of isothermal lab-on-chip technologies in the food safety diagnostics industry are confirmed, the Company does not rule out that the portfolio of companies in the group will be expanded by a third company, a 100% subsidiary of Genomtec, whose technology will be available for offer to entities operating in this industry.

The Management Board would like to emphasize that currently all efforts of the Company are focused on finalizing the M&A process and sale of the Genomtec ID platform. Both the OncoSNATT project and the potential application of the technology dedicated to the market (food safety diagnostic) open up new potential development

opportunities for the Company, which were not previously considered in the context of the strategic options review process.

The Management Board reserves that the above-mentioned strategic directions of development of the Company may change or be modified due to legal analyses and final negotiations with potential buyers as part of the ongoing M&A process, therefore the process of reviewing strategic options initiated by the Company as at the date of publication of this report remains ongoing.

Signatures of persons representing the Company:

Michał Wachowski - Member of the Management Board