

Genomtec Announces Changes in the Company's Organizational Structure Related to the M&A Process

The management board of Genomtec S.A., a leading molecular diagnostics company headquartered in Wrocław (Ticker GPW: GMT), has made decisions concerning adjustments to the organizational structure in response to the expectations of potential partners in the M&A process, the development of the OncoSNAAT project, and the food safety diagnostics sector.

One of the key actions involves the separation of the organized business unit responsible for the Genomtec ID project into a subsidiary, Genomtec ID Sp. z o.o. According to the management board, this approach enhances the chances of expediting the M&A transaction and allows for flexible adaptation to the expectations of potential buyers. It provides greater assurance for completing the transaction faster and without legal complications for potential acquirers.

Growing interest in the OncoSNAAT project from potential partners has opened the possibility of selling it as a separate asset. Market analysis discussions have revealed the expectations of potential partners, prompting the consideration of selling the OncoSNAAT project separately to increase its value. To expedite the transaction, the company plans to expand the team working on the project and engage an international advisor to support the preparation and sale process.

As a result of these activities, Genomtec S.A. plans to establish a capital group that will include subsidiaries: Genomtec ID Sp. z o.o. and OncoSNAAT Sp. z o.o. Each subsidiary will focus on a specific technology segment and potential buyers, enabling more flexible M&A negotiations.

“These decisions are crucial for Genomtec's continued development and allow us to effectively meet the expectations of potential partners in the M&A process. Our goal is to maximize shareholder value through dynamic project development and strategic positioning in areas with the greatest growth potential. Organizational changes mean that each of the special-purpose companies can be offered to different buyers. As we declared over a year ago, our intention is to sell 100% of the shares in Genomtec ID Sp. z o.o. and distribute the entire proceeds (after deducting necessary fees) to investors as dividends or through share buybacks. We intend to follow the same strategy for OncoSNAAT Sp. z o.o. once it achieves the appropriate technological readiness,” said Miron Tokarski, co-founder, shareholder, and President of the Management Board of Genomtec S.A.

Additionally, the capital group may expand to include a third subsidiary, as Genomtec considers developing its offering in the food safety diagnostics segment in response to increasing inquiries from the industry. The company's platform technology could be applied to pathogen detection in food, aligning with the global trend of growing demand for such solutions. The management board believes that Genomtec's current technology is well-suited to meet the expectations of the food safety diagnostic market. In the coming weeks, the company will initiate R&D efforts to confirm these assumptions (feasibility study) and conduct an in-depth market analysis. If the market need for isothermal lab-on-chip technology in food safety diagnostics is confirmed, Genomtec will establish a third wholly-owned subsidiary to market its technology to players in this sector.

The management board of Genomtec S.A. reserves the right to adjust these actions based on the results of legal analyses and negotiations with partners. The strategic options review process is ongoing.

About Genomtec:

Genomtec is a MedTech company specializing in developing advanced technologies in genetic diagnostics. The company's flagship project is the mobile diagnostic system Genomtec ID, enabling rapid and precise molecular analysis outside laboratory settings without requiring specialized laboratory personnel. The solution uses microfluidic technology and proprietary, patented SNAAT® isothermal technology. Genomtec's technology is protected by 11 patents in Europe, the USA, and Japan, with 35 patent applications currently under review.

The company holds EU CE-IVD certification for its Genomtec ID RP5-PLEX diagnostic panel, which simultaneously detects the most common respiratory tract infections.

Headquartered in Wrocław, Genomtec also has a branch in the United Kingdom, where part of its international research and engineering team is based.

More information is available on the company's website: www.genomtec.com