

Genomtec implements changes in organizational structure to accelerate M&A process

Genomtec SA, a leading molecular diagnostics company based in Wrocław (WSE ticker: GMT), has established two special purpose vehicles, GMT ID SA and GMT Genomics SA, in which it holds 100% of the shares. They will receive tangible and intangible assets related to the Genomtec ID platform and the OncoSNAAT project, respectively. Each special purpose vehicle, dedicated to a separate technology segment, can be offered separately to potential buyers, enabling more flexible M&A processes.

"We have implemented the changes to the company's organizational structure announced in December, including adaptation to the requirements of the M&A process. The organizational changes mean that each of the special purpose vehicles will be able to be offered to different buyers. This is very important for the strategic positioning of projects in areas with the greatest growth potential, and at the same time allows us to effectively respond to the expectations of M&A partners. Our goal is to maximize shareholder value, i.e. to sell 100% of the shares in GMT ID SA and pay out profits to investors in the form of a dividend or share redemption. We intend to implement the same strategy in the case of the special purpose vehicle GMT Genomics SA, to which we are contributing the oncology project OncoSNAAT." – comments Miron Tokarski, co-founder, shareholder and CEO of Genomtec SA

The growing interest in the OncoSNAAT project from potential partners, especially from Asia, opens up the possibility of its sale as a separate asset. The conducted talks related to market reconnaissance have shown what potential partners expect, therefore, in order to meet the indicated needs and thus increase the value of the transaction, the best solution will be a separate sale of the OncoSNAAT project. In order to accelerate the work on the transaction, Genomtec has concluded an agreement with the international consulting company Lynx Financial, active on Asian markets, which supports the company in the process of selling the oncology project OncoSNAAT and commercialization of innovative diagnostic solutions.

The separation of the special purpose vehicles was preceded by obtaining a preliminary decision from PARP as a grantor in one of the company's projects. Genomtec also received a positive tax interpretation, which states that the contribution, as a capital contribution to the special purpose vehicles, of tangible and intangible assets related to the Genomtec ID project and the OncoSNAAT project, will be tax neutral for the company. Genomtec is still waiting for the NCBR decision regarding the separation of the special purpose vehicles. The process of contributing assets to the special purpose vehicles will be subject to approval by shareholders at the convened General Meeting of the company.

About Genomtec:

Genomtec is a MedTech company specializing in developing advanced technologies in the field of genetic diagnostics. The company's flagship project is the Genomtec ID mobile diagnostic system. The system allows for fast and precise molecular analysis outside the laboratory environment without the need to engage qualified laboratory personnel. The solution uses microfluidic technology and proprietary, patented, isothermal SNAAT® technology. Genomtec technology is protected by 12 patents, including in Europe, the USA and Japan, and the Company has 35 patent applications pending.

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

The company's headquarters is located in Wrocław. Genomtec also has a branch in Great Britain, where part of the international research and engineering team is located.

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

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