

18 March 2019

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH PUBLICATION, RELEASE OR DISTRIBUTION WOULD BE UNLAWFUL.

This announcement is not an admission document or a prospectus and does not constitute or form part of an offer to sell or issue or a solicitation of an offer to subscribe for or buy any securities nor should it be relied upon in connection with any contract or commitment whatsoever. Investors should not purchase or subscribe for any transferable securities referred to in this announcement except in compliance with applicable securities laws on the basis of the information in the admission document (the "Admission Document") to be published by Diaceutics PLC ("Diaceutics", the "Company") in connection with the placing of ordinary shares by the Company and the proposed admission of its issued and to be issued ordinary shares to trading on AIM, a market operated by London Stock Exchange PLC. Before any purchase of shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Admission Document when published.

Copies of the Admission Document will, from Admission, be available to view on the Company's website www.diaceutics.com and at the Company's registered office Titanic Suites, Enterprise House, 55-59 Adelaide Street, Belfast, Antrim BT2 8FE."

Diaceutics PLC
("Diaceutics", the "Company" or "Group")

Announcement of intention to float on the AIM market of the London Stock Exchange
Belfast based data analytics company seeks £53m AIM IPO
Diaceutics to become fourth Northern Irish company listed on the London Stock Exchange

Diaceutics PLC, a data analytics and implementation services company which services the global pharmaceutical industry, is pleased to announce its intention to apply for admission of its issued and to be issued Ordinary Shares to trading on the AIM market of the London Stock Exchange ("Admission") and is expected to have a market capitalisation on Admission of approximately £53m.

The Company has conditionally raised £17m by way of a placing of 22,368,427 new ordinary shares at a price of 76p per share through its nominated adviser and broker, Cenkos Securities PLC; in addition, 4,934,205 existing ordinary shares have been placed on behalf of existing shareholders. It is expected that Admission will become effective at 8am on or around 21 March 2019 and shares will trade under the AIM symbol 'DXRX'.

About Diaceutics

Diaceutics has established a suite of data-driven products and implementation services powered by the data held in its proprietary database. Its products and services are focused on optimising its clients' strategies for the development and launch of precision medicines and specifically, the diagnostic testing required to guide selection of such medicines. The Company currently provides services to 20 of the 30 largest global pharmaceutical companies.

Since its inception in 2005, Diaceutics has focused on the diagnostic testing market, collating large amounts of laboratory, patient (on an anonymised and aggregated basis), claims and payor data which it uses to deliver diagnostic testing strategies to its clients. The Group has amassed a set of data from over 2,500 laboratories including 3.5m longitudinal patient records, insurance claims data for 50m patients and 58m testing event data points from 35

countries. As part of this data collection, it has accumulated a proprietary database of laboratory capabilities across the industry.

About Precision Medicines

Precision medicines (or therapies) are a class of drug tailored to individual patient groups dependent on molecular or genetic factors of the individual. Today, they are used for treatment in oncology as well as other disease areas such as multiple sclerosis and rheumatoid arthritis. The increasing use of precision medicines results from the fact that some drugs have demonstrated significant positive clinical results in some patients but have been shown to be less effective or less safe across the entire patient population.

Given the specific nature of precision therapeutics, the successful roll-out of these medicines by a pharmaceutical company is increasingly reliant on having effective and wide-spread testing available for doctors and patients from launch.

Diaceutics' products and services

Diaceutics' products and services are predominantly focused on precision testing being tests carried out in laboratories which are used alongside a precision medicine to identify which patients will benefit most from that drug. From the pharmaceutical company's perspective, it is essential that from launch, it has optimised the practical process for testing of potential patients by labs to ensure the highest levels of drug sales from the outset. Failure to have effective testing can significantly reduce the adoption of the relevant drug. Despite the increasing importance of effective diagnostic testing, the testing market itself is currently highly fragmented and the pharmaceutical industry has varied insight into it. The Directors believe that the addressable market for their specific services today is approximately US\$0.5 billion. With expected market growth in the number of test dependent therapies alongside increased investment by pharma to remove testing hurdles to seamless treatment, Diaceutics forecast the overall market will increase to US\$2.5 billion by 2023.

The Group's services are split into the following four discrete, sequential modules:

- **Landscape** – *initial views on the testing environment for pharmaceutical companies that often have little insight into the actual data required to make decisions in advance of a launch.*
- **Planning** – *advising on steps to ensure rapid and effective test adoption, including advice on how tests should be developed, who they should be developed with and how should they be optimally communicated to physicians and patients.*
- **Implementation** – *identifying and solving issues with leading laboratories relating to the adoption and efficacy of testing.*
- **Tracking** – *ongoing post launch analysis to understand how testing is promoting or restricting access to precision therapy.*

The Directors believe that these services benefit pharma clients with improved return on investment, reduced time to peak market penetration and greater revenue potential in relation to their precision therapeutic development programmes. The Group's products also improve testing outcomes for patients, enabling better access to the right drug at the right time. During 2018, the Group, which is headquartered in Belfast, Northern Ireland and has offices in Dundalk, Co. Louth, New Jersey in the US and in Singapore, had an average of 65 full time employees in 17 different countries. The Group has achieved compound annual revenue growth in sales of over 50 per cent in the past two years.

The placing & use of funds

The net proceeds from the placing, receivable by the Company, is expected to be approximately £15.2 million and will be used for the following:

- £5.5 million for the acquisition of additional data sets to enhance its current coverage as well as adding new disease data, and implementing a partnership to develop AI analysis;
- £3 million to develop NEXUS, the Group's proposed SaaS platform; and
- £2.5 million to develop international markets either organically or through acquisition, and for working capital;
- £3 million to pay down the existing debt facilities and an outstanding Director loan; and
- £1.2 million to strengthen the Company's balance sheet which is expected to support future proposals submitted to pharma clients.

Peter Keeling, CEO, Diaceutics, said: *"Diaceutics was founded out of a desire to get more patients access to improved healthcare. We are giving patients a higher likelihood of getting better by supporting access to the right test to determine the right treatment at the right time. This announcement today will help us in our mission to continue this great work."*

Philip White, CFO of Diaceutics, commented: *"We would like to thank our existing shareholders and our new institutional investors for providing us with the support to take the business to the next stage of its development through our admission to AIM. We're looking forward to the exciting times ahead and the additional funding as a result of the placings will help us with our growth strategy. We will continue to update shareholders as we progress."*

Enquiries:

Walbrook PR
Anna Dunphy
Paul McManus

Tel: +44 (0)20 7933 8780 or diaceutics@walbrookpr.com
Mob: +44 (0)7876 741 001
Mob: +44 (0)7980 541 893

Cenkos Securities Ltd (Nominated adviser and broker)
Callum Davidson / Giles Balleny
Michael Johnson (Sales)

+44 (0) 20 3861 6630

Additional information

Products and Services - Case study

A key example of Diaceutics' ability to implement real change involved a pharma client that was seeking to launch a new lung cancer test in 5 European markets. The data in Diaceutics' proprietary database indicated that less than 5 per cent. of laboratories could run the test at therapy launch. Over an 18-month time-frame Diaceutics' lab team approached 150 EU labs and trained them to run this new test. This enabled the client's therapy to generate an additional US\$200m of revenue above its initial forecast, over the 18-month period from launch. Today the test has 80 per cent. adoption and is used as a benchmark of what can be achieved in half the typical test roll out period.