

**Stock Data**

Share Price:	28.40p
Target Price	94.70p
Market Cap:	£61.10m
Shares in issue:	215.16m
52 week high/low:	70.0p/19.0p

**Company Profile**

Sector:	Healthcare
Ticker:	DVRG
Exchange:	AIM

**Activities**

DeepVerge plc ('DeepVerge', 'DVRG', 'the Group'), (formerly Integumen plc) is an environmental and life science group of companies that develops and applies AI and IoT technology to analytical instruments for the analysis and identification of bacteria, viruses and toxins.

[www.deepverge.com](http://www.deepverge.com)

**Share price chart since 17 May 2017**



Source: [ProQuote](https://www.proquote.com), [LSE](https://www.lse.com)

Past performance is not an indication of future performance.

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TPI acts as sole broker to DeepVerge plc.

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# DeepVerge plc

In a potential landmark announcement, the Irish Government has today become the first to fully publicly endorse DeepVerge's COVID-19 Microtox® PD technology. This follows extensive due diligence and numerous site visits as part of a detailed verification process. Recognising that a number of the original non-disclosure agreements ('NDAs') that DeepVerge entered with international government agencies (including the UK and European/Asian countries) are now also starting to fall away, other similar endorsements might be expected to follow shortly. As part of today's news, the Government of Ireland is formally supporting the Group's Centre of Excellence in Cork with grant funding with a view to accelerating the process toward mass production, while an expansion of the original project through collaborations with industrial partners extends its scope well beyond SARS-CoV-2 to include numerous other current and prospective life-threatening pathogens. Recognising that regulatory enforcement is likely to require domestic water authorities to replace current manual sampling processes with one capable of delivering instantaneous results combined with predictive analysis from the billions of litres being generated daily, prospective international demand (plus ongoing maintenance) for networked installations of Microtox® PD equipment could become very large indeed.

## Grant funding from the Government of Ireland

Through the Government of Ireland's state investment agency, Enterprise Ireland, DeepVerge has been awarded a grant of €0.75 million (£0.63m) subject to contract, as part funding of a €1.8m project at the Group's Centre of Excellence in Cork to accelerate design, assembly and mass production of a range of infectious disease and pathogen detection instruments. This process of scientific development/discovery will enable the Group to create new optimised solutions across a range of networked instruments of different sizes/specification to ideally satisfy all customer requirements, as opposed to more elementary retrofitting of existing designs. This is expected to position Microtox® PD as the solution of choice for governments seeking a permanent anonymised mass surveillance of their domestic wastewater, capable of real-time identification and defence against global pandemic conditions. Reflecting the enthusiasm behind DeepVerge's initiative, today's news comes shortly after a different government order of almost €0.5m for extensive testing of its newly enhanced monitoring equipment while it continues to gear-up to meet demand for its existing optifluidic technology in established Modern Water equipment.

## Significant industrial collaborations

As part of its R&D expansion, DeepVerge has also announced that its diagnostic division in York, UK, has formed a deeper collaborative relationship with the Aptamer Group (also based in York) for the development of a range of Optimers able to bind other viruses beyond SARS-CoV-2 that include, but are not limited to, PMMoV, Influenza A and B, as well as Polio (in wastewater) and E. coli (in drinking water). As part of this, Modern Water will also demonstrate Forever Chemical (polyfluoroalkyl substances ('PFASs'), that never break down and remain permanently in the human body) detection and identification in real-time with integrated Microsaic Systems plc miniaturised mass-spectrometry units.

These are being installed in York and Cork, while also being added to existing field trials with DeepVerge's partners and customers in the US, UK, China and India to illustrate the technology's capability to monitor and detect pollutants doing untold damage to human and environmental health. This forms part of the Group's efforts to reduce both the size

and lower the cost of early warning monitoring equipment as part of the Digital Health Revolution. Forever Chemicals are becoming increasingly subject to the new wave of worldwide regulation with the US and EU already putting steps in place to limit damage from these man-made chemicals.

### **Recognising the scale of the opportunities now being presented**

Today's news follows hot on the heels of last week's €480,000 order from an unnamed government for DeepVerge's newly enhanced monitoring equipment as part of an extended performance trial announcement. Shortly before that, there was £2.2m of Microtox® PD shipments to the UK, India and China in order to meet customer and partner obligations for delivery in this financial year. With works now underway to ensure the product's final design remains offers wholly unmatched, with potential for ongoing upgrades and heightened performance capabilities, while also preparing for its mass production in order to satisfy delivery schedules from governments that are expected to demand rapid installation by their utilities across domestic water/wastewater systems, 2022 is expected to witness the start of a step-change in both revenues and demand for Modern Water equipment. In tandem with this, Group receipts are booming as processing capacity for Skin Trust Club's home test kits continues to expand in response to surging demand, while Microtox BT UK government tests and joint venture negotiations with China Resources remain ongoing. Recognising the scale of the opportunities being presented and in expectation of a number of further significant news releases between now and the year end, however, on 3 August 2021 TPI updated its forecasts and financial model for DeepVerge, resulting in an increased price target of 94.7p for the shares (up from 84.8p that was previously).

(Please note that TPI's valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone. Also please note that past performance is not a reliable indicator of future results.)

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