



HTG Molecular Diagnostics Secures Debt Facility with MidCap Financial

March 27, 2018

TUCSON, Ariz., March 27, 2018 (GLOBE NEWSWIRE) -- [HTG Molecular Diagnostics](#), Inc. (Nasdaq:HTGM) (HTG), a provider of instruments, reagents and services for molecular profiling applications today announced that it has entered into a senior debt facility with MidCap Financial (MidCap), a healthcare technology firm, to replace its existing senior credit facility and provide additional working capital for the Company.

The up to \$30.0 million credit facility consists of a \$7.0 million term loan to be funded at closing, with the ability to access another \$13.0 million in an additional tranche through September 2019 subject to certain conditions. The duration of the term loan is five years, with interest only payments for the first two years. The senior facility also includes an initial \$2.0 million revolving line of credit, secured by accounts receivable and inventory. The revolving line of credit is expandable to up to \$10.0 million under certain conditions over a five-year period.

"We are extremely pleased to have the support of such a well-respected life science specialty finance firm like MidCap," said TJ Johnson, President and CEO of HTG. "As HTG continues to build its portfolio with BioPharma and advance its diagnostic menu strategy, our relationship with MidCap, coupled with our strong balance sheet, allows us to focus on value building initiatives. This agreement provides flexible, non-dilutive financial capacity as we look to accelerate our strategies." "The initial funding of the term loan is expected to provide us with approximately \$2.0 million of additional cash resources that would be available for use in 2018 and early 2019," said Shaun McMeans, HTG's CFO.

About HTG:

HTG is focused on next generation sequencing (NGS) based molecular profiling. The company's proprietary HTG EdgeSeq technology automates complex, highly multiplexed molecular profiling from solid and liquid samples, even when limited in amount. HTG's customers use its technology to identify biomarkers important for precision medicine, to understand the clinical relevance of these discoveries, and ultimately to identify treatment options. Our mission is to empower precision medicine at the local level.

About Midcap Financial

MidCap Financial is a middle market-focused, specialty finance firm that provides senior debt solutions to companies across all industries. MidCap is headquartered in Bethesda, MD, with offices in Chicago and Los Angeles, and provides a broad array of products intended to finance growth and manage working capital. For more information, visit www.midcapfinancial.com.

MidCap Financial refers to MidCap FinCo Designated Activity Company, a private limited company domiciled in Ireland, and its subsidiaries, including MidCap Financial Services, LLC. MidCap Financial Services, LLC employs all personnel and provides sourcing, due diligence and portfolio management services to MidCap FinCo Designated Activity Company pursuant to a services agreement. MidCap Financial is managed by Apollo Capital Management, L.P., a subsidiary of Apollo Global Management (NYSE:APO), pursuant to an investment management agreement.

Safe Harbor Statement

Statements contained in this press release regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the financial capacity available under our new senior debt facility and the resulting additional cash resources, our efforts to build our portfolio with BioPharma and our efforts to advance our diagnostic menu and other strategies. Words such as "believes," "anticipates," "plans," "expects," "intends," "will," "goal," "potential" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements necessarily contain these identifying words. These forward-looking statements are based upon management's current expectations, are subject to known and unknown risks, and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties, including, without limitation, the risk that the anticipated financial capacity under the new senior debt facility may not be available when expected, or at all; the risk that our portfolio with BioPharma may not continue to grow; risks associated with our ability to successfully execute on our various strategies and to commercialize our products; the risk that our products and services may not be adopted by biopharmaceutical companies or other customers as anticipated, or at all; our ability to manufacture our products to meet demand; the level and availability of first party payor reimbursement for our products; our ability to effectively manage our anticipated growth; our ability to protect our intellectual property rights and proprietary technologies; our ability to operate our business without infringing the intellectual property rights and proprietary technology of first parties; competition in our industry; our ability to attract and retain qualified personnel; and product liability claims. These and other factors are described in greater detail in our filings with the Securities and Exchange Commission, including without limitation our Annual Report on Form 10-K for the year ended December 31, 2017. All forward-looking statements contained in this press release speak only as of the date on which they were made, and we undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

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