



For immediate release
16 June 2014

Novacyt and Lab21 Announce stock for stock Completion

*Combined group has global presence in oncology and infectious disease
diagnostics and services*

Paris, France and Cambridge, UK – 16 June 2014 – Novacyt (NYSE-ALTERNEXT: ALNOV), a leading diagnostics manufacturer that develops and markets innovative solutions in liquid-based cytology for the detection of cancer, including cervical cancer and other non-gynaecological cancers, and Lab21, the Cambridge, UK-based global specialist in personalised medicine and clinical diagnostics, have completed their stock for stock transaction announced on 27 May, 2014.

The transaction was approved by the Novacyt shareholders at an extraordinary general meeting (EGM) on 13, June 2014. Lab21 is now a 100% subsidiary of Novacyt.

Both companies received significant shareholder support to the transaction and raised a combined €1.5m from existing shareholders to provide initial working capital to the business. The immediate focus will be to integrate the two businesses at an operational and commercial level and prepare the business for growth. The new Company is already looking to develop key distribution partnerships with industry leading companies and is focused on launching Novaprep® in a number of key countries, including China.

The Company will also strengthen its Board structure and has commenced a search to hire an industry and public market experienced chairman as the Company develops its plans for growth and considers its options to raise further development capital.

Graham Mullis, CEO of the combined company, said: "We are delighted the transaction has completed swiftly and with such solid support from both sets of shareholders. We look forward to integrating the two businesses and accelerating our commercialisation programme which will be heavily focused on the Novaprep® platform. A new commercial strategy focused on the Novaprep® technology involving investment in marketing, a

direct sales channel as well as an expanded international distributor network will be launched towards the end of this year.”

The combined group will create an emerging diagnostics products leader with a portfolio of cancer and infectious diseases diagnostic products. It will benefit from significant complementary strengths with Novacyt’s R&D capacities and the commercial infrastructure, manufacturing and extensive network of collaboration partnerships of Lab 21. This will initially result in operations based in France, UK, China and Australia and distribution covering over 100 countries, across Europe, the Americas, and Asia-Pacific, including China.

Immediate revenues will come through the sale of the proprietary screening platform developed by Novacyt, NovaPrep® and the existing Lab21 oncology and infectious disease business. Future revenues will come through the increased distribution of NovaPrep® and a number of new products developed by the combined group.

Within the combined business, significant operational synergies are expected involving manufacturing, distribution and R&D. Lab21 will manufacture some of the consumables for NovaPrep® bringing a major revenue source for the Novacyt technology in-house, control of its supply chain and therefore driving significant gross margin improvements.

Under the terms of the transaction 2,523,058 Novacyt shares will be issued to Lab21 shareholders at an exchange ratio of 0.925 Novacyt share for one Lab 21 share, as remuneration of the Lab 21 shares contribution in kind. 54% of Novacyt fully diluted share capital will be held by Novacyt’s shareholders and 46% by the Lab21 shareholders.

Michel Dyens & Co, an investment banking firm based in New York and Paris acted as exclusive financial adviser to Novacyt.

Linklaters LLP acted as legal advisor to Novacyt and Pitmans LLP as legal advisor to Lab21.

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About Novacyt

Novacyt, floated in 2012 on the Paris NYSE-Alternext exchange, is active in discovering, developing and marketing advanced and innovative solutions for liquid-based-cytology dedicated to cancer with a successful approval for cervical cancer screening and the opportunity to deploy its expertise in the field of molecular diagnostics. Within less than 5 years of focused R&D, Novacyt which was granted an innovation award by the French agency OSEO has been able to commercialize a flexible and fully automated and secure cytology instrument: the high-performance NovaPrep® Processor System. Novacyt has established a presence in France and internationally via a network of ca. 20 distributors. For more information please refer to the website: www.novacyt.com

About Lab21

Lab21 is a global leader in personalised healthcare. It provides diagnostic products and services, and supports medical diagnostics and drug discovery. Lab21 customers include international healthcare providers, pharmaceutical and diagnostic companies. The Products Division of Lab21 manufactures immunodiagnostic kits and reagents that are distributed internationally and is focused on infectious diseases for the clinical markets. The Clinical Laboratory Division supports healthcare providers with technically advanced testing services which enable personalised, optimised treatment of Oncology, HIV and Viral Hepatitis patients. Lab21's corporate offices and Clinical Laboratories are based in Cambridge, UK and its manufacturing facilities in Camberley, UK and Bridport, UK. Website: www.lab21.com