



Strong First-half Revenues

Completes €3.5m in Bond Refinancing and Launches a €1.7m private placement

Paris, France and Cambridge, UK – 20nd July, 2015 – Novacyt (ALTERNEXT: ALNOV), an international specialist in cancer and infectious disease diagnostics is pleased to report strong first-half sales performance across the Group, the completion of €3.5m in bond refinancing and the launch of a €1.7m private placement of new shares to support the planned growth in the second half of 2015 and into 2016.

The first half of 2015 has seen the Company deliver a solid sales and operational performance for the combined Novacyt and Lab21 business in its first full year since merging in 2014. The Company announced its major distribution partnership deal for the Greater China region with Leica Biosystems, the launch of Abbott's HPV service to NOVAPrep® customers and it has delivered significant sales growth across the Group.

The Company has also completed a major refinancing of its debt by completing a new bond financing with Kreos Capital IV (UK) Ltd for €3.5m and has launched a €1.7m private placement.

The key revenue highlights for the first-half of 2015 are summarized below.

Revenue Highlights

- Consolidated Group sales for H1 2015 were €4.7m vs €0.5m for the same period in 2014*
- *Pro forma* sales of the Group for H1 2015 were €4.7m vs €3.8m in 2014, representing 26% growth which exceeded management's expectations
- Lab21 product H1 2015 revenues were €4.1m and grew 27% compared to H1 2014
- NOVAPrep® H1 2015 revenues of €0.6m grew 18% compared to H1 2014
- Launch preparations for NOVAPrep® in China with Leica Biosystems commenced with significant new sales expected in H2 2015

**First-half consolidated sales of Novacyt SA in 2014 exclude Lab21 sales (the acquisition of Lab21 was completed on June 13, 2014)*

Operational Highlights

- Sales growth of Lab21 products in H1 exceeded management expectations following a strong second half of 2014 with one of Lab21's business units delivering 29% growth compared to 2014
- Pre-launch preparations working with Leica Biosystems in China are progressing well with the NOVAPrep® platform being presented at 5 regional congresses during the past 6 weeks
- Novacyt has hired significant new commercial resource during the first-half with eight new experienced and senior personnel joining the business
- New upgraded software for the NOVAPrep® instrumentation has been successfully launched in France and will be rolled-out internationally in H2 2015



- The NOVAprep® vial and medium has been successfully validated with the Abbott real-time molecular HPV assay and the subsequent HPV service was launched in France to its NOVAprep® customers at the end of H1
- Standardisation of financial and business systems across the Group commenced as part of the ongoing integration of the business
- Strengthened the Board with two new independent non-executive directors experienced in capital markets in healthcare: Dr Andrew Heath and Mr Alan Howard

Debt and Equity Financing

The Company is pleased to announce the completion of a significant refinancing with €3.5m of new debt provided by Kreos Capital, Europe's largest and leading provider of growth debt to high-growth companies. Kreos Capital has completed nearly 400 transactions with €1.4 billion in 14 different countries.

The Kreos financing of €3.5m in bonds was released in one tranche with a maturity of three years at 12.5% interest and will be used to immediately pay down the existing debt facility with Clydesdale Bank of €1.5m. This leaves the Company with approximately €2.0m for working capital.

The Company has launched a €1.7m private placement of new shares and expects to complete the listing of the new shares on Wednesday, July 22nd. The Company expects to issue a separate press release announcing the final terms of the deal once the book closes later today.

New funds raised through the debt financing and the equity financing will enable Novacyt to:

- continue to expand sales of the NOVAprep® platform - particularly internationally - and support the introduction of a reagent rental policy for placements of the NOVAprep® instruments
- develop the NOVAprep® platform with further automation and expanded use into new market sectors such as non-gynecological cancers
- develop the product portfolio and continue to support strong and profitable sales growth of the Lab21 products

Graham Mullis, Group CEO of Novacyt, commented:

"The business continues to deliver strong sales growth in 2015, and at the same time is making significant investments in infrastructure to accelerate growth. Our strategic focus is to accelerate market share of NOVAprep® in cervical cancer screening markets and the NOVAprep® team is now twice the size compared to the beginning of the year. With this additional commercial infrastructure, new customers such as Leica Biosystems, new marketing tools, new systems and a new after-sales support team means we are optimistic for our NOVAprep® sales during the second half of 2015.

Lab21 products continue to perform strongly and our haematology and serology products in particular delivered first half growth of 29% compared with the previous year. We expect the sales and operational progress to continue in H2 fuelled by the successful financing also announced today."

Current trading and outlook

Novacyt remains focused on commercial growth, particularly with its NOVAprep® platform technology and expects to deliver accelerated sales growth during the second half of the year. This



sales growth will be underpinned by the planned launch in China with Leica Biosystems, further penetration of the French market and international market expansion.

Lab21 product sales have exceeded management expectations during the first-half of 2015 and the sales pipeline for new orders lead management to forecast continued growth in the second half of the year.

With a strong operational platform, increased infrastructure, a stronger cash position and a strengthened Board, the Company will be reviewing other corporate initiatives to deliver shareholder value and will discuss its plans with shareholders towards the end of the year.

Novacyt will release further details on the Group's 2015 performance with the preliminary half-year statement announced on the 28th October 2015.

- Ends -



About Novacyt Group

The Novacyt Group is a leader in the field of cellular diagnostics with a growing portfolio of cancer and infectious disease products and services. Through its proprietary technology platform NOVAprep® and a strong international network Novacyt is able to provide an extensive range of oncology and infectious disease diagnostic products. The Group has diversified sales from diagnostic reagents used in oncology, microbiology, haematology and serology markets, and its global customers and partners include major corporates.

For more information please refer to the website: www.novacyt.com

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