

NOVACYT REVENUES HALF YEAR 2017

Consolidated sales growth +53% CER
Group continues positive outlook for 2017

Paris, France and Cambridge, UK – 20th July 2017 – Novacyt (ALTERNEXT: ALNOV), an international specialist in clinical diagnostics, today announces its unaudited revenues for the six months ended 30 June 2017 (the “Period”).

Through strong sales growth across the Group, Novacyt has continued to make good progress towards its goal of becoming a profitable and cash generative global clinical diagnostics company. During the Period, the Company completed a gross €3.0m fundraise to invest in further growth opportunities and manufacturing infrastructure, increased the international reach of NOVAprep®, most notably in Asia Pacific, and expanded the regulatory approvals of NOVAprep®, whilst delivering double-digit consolidated sales growth.

Financial highlights

- Consolidated Group sales, including the effect of the Primerdesign acquisition, increased 42% to €7.0m compared with €5.0 in H1 2016
- At constant exchange rates (CER), Group sales increased 53% compared to H1 2016
- On a *pro-forma* basis, Group sales increased 13% at CER compared to H1 2016 and Group sales increased 16% on a *pro-forma* basis compared to H2 2016
- Primerdesign shareholders achieved its 20% additional sales target earn-out, by generating £4.4m of cumulative sales as per the SPA, and as a result will receive during H2 2017 its first £1.5m earn-out payment
- Novacyt had €2.6m in cash and cash equivalents at the Period end

Operational highlights

- NOVAprep® sales increased 29% to €1.1m compared to H1 2016 (+45% versus H2 2016), driven by a strong performance in Asia Pacific where sales advanced 236% compared to H1 2016
- Primerdesign sales increased 3% (CER) to €2.6m compared to H1 2016, and 13% CER compared to H2 2016, driven by recent investment in commercial structure
- Lab21 sales of €3.3m increased 17% (CER) versus H1 2016 (+9% CER versus H2 2016), driven by the launch of multiple new products and entry into new territories
- Successfully registered NOVAprep® HQ+ Orange vial as a US Food and Drug Administration (FDA) Class I device for cytology or molecular use in the US market
- Received China Food and Drug Administration (CFDA) approval for the NOVAprep® system for non-gynaecological cancer testing in China, adding to earlier approval for cervical cancer
- Distribution agreement for UK market signed with MDxHealth for SelectMDx Liquid Biopsy Prostate Cancer Test
- The new 15,000 square feet manufacturing site in Camberley is progressing well and on target for completion by the beginning of Q4 2017. The new manufacturing site is expected to provide capacity that could support the doubling of sales of Lab21 as well as provide expansion space for NOVAprep®

Financing

- In June 2017, the Company raised gross €3.0m, net €2.8m to invest in further growth opportunities and manufacturing infrastructure
- Following the end of the Period, Novacyt has raised an additional €1.0m by the drawing of the twelfth, thirteenth, fourteenth and fifteenth tranches of OCABSA. The framework of the contract was put in place on July 30, 2015 with YA Global Master SPV Ltd. The draw down relates to the issue of 100 bonds convertible into shares ("OCA") with a nominal value of €10,000 each representing a €1,000,000 bond issue

Primerdesign's First Clinically Approved Assay

Following the end of the Period, the Company achieved its first IVD CE Mark approval, in Zika, allowing for the assay to be used in clinical testing. The assay is expected to be launched into the clinical market shortly. This approval, which is anticipated to be the first in a succession of new clinical assays, demonstrates the Company's ability to develop CE-IVD assays, with the transition of assays from research-use-only to the clinical market a primary strategic focus for Primerdesign going forwards.

Graham Mullis, Group CEO of Novacyt, commented:

"I am pleased with the strong double-digit sales growth delivered in the first half of 2017. We have yet again maintained momentum across the business as we continue to invest in our three core strategic pillars. We aim to continue this momentum in NOVAprep® sales in Asia Pacific and in South America, where we plan to launch in 19 new territories. In Primerdesign, we are excited by the pipeline of new B2B contracts, which could be executed during the second half of the year. I am delighted to report that our first IVD CE Mark assay, in Zika, has been approved and will be launched shortly, validating the growth synergies identified at the time of the acquisition. At Lab21, the tendering market is continuing to show signs of improvement and this, along with the strong growth we have reported in the core Lab21 business, positions us well for continued sales growth in the second half of the year."

Outlook

The Group made significant progress in the Period on which to further build in H2. With a strong focus on commercial infrastructure expansion, manufacturing efficiency and development pipeline, Novacyt is targeting continued sales growth in H2 2017 through:

- NOVAprep® – Product registrations throughout 19 countries in South America and further investment in Asia Pacific
- Primerdesign – Conversion of business-to-business opportunities
- Lab21 – The launch of new products into multiple territories, including Brazil and America and recovery of key tenders

Novacyt will release the Group's H1 2017 financial results following the disclosure of the unaudited half year results, which is anticipated to be no later than 26th October 2017.

- End -

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 molecular platform, genesig® Novacyt is able to provide an extensive range of oncology and infectious disease diagnostic products across an extensive international distributor network. 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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