Half-Year Trading Update

RNS Number : 1056H
Novacyt S.A.
30 July 2019

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("Novacyt", the "Company" or the "Group")

Half-Year Trading Update

Group revenues up 12% to €7.2m

Paris, France and Camberley, UK - 30 July 2019 - Novacyt (EURONEXT GROWTH: ALNOV; AIM: NCYT), an international specialist in clinical diagnostics, announces an unaudited half year revenue update for the six months ended 30 June 2019.

Unaudited revenues for the first half of 2019 were €7.2m compared to the restated revenues for 2018 of €6.4m, with strong growth from Primerdesign, the Group's molecular diagnostics business. Continuing Group revenue excluding NOVAprep®, increased by 12% (11% CER) with peak sales of €1.4m for the month of June at a Group level.

NOVAprep® revenues are excluded, reflecting the strategic decision to sell the division, as announced on 11 December 2018, which remains an ongoing process. Group revenue includes the revenues of the Clinical Lab for the first half of the year which has subsequently been sold, as announced on 18 July 2019.

Organic sales growth at Primerdesign

Primerdesign revenues increased by 7% to €3.3m compared to H1 2018 as a result of a 22% growth in B2B sales and continued growth of 10% in international markets. Direct sales in the UK were down by 6% due to the short-term impact of reorganising the sales management structure with sales growth anticipated to resume towards the end of the year. Sales in the Middle East and US markets were the fastest growing regions for molecular products at 114% and 33% compared to H1 2018.

Acquisitive sales growth at Lab21

Lab21 revenue of €4.0m represents growth of 17% (16% CER) driven by the acquisition of the infectious disease assets from Omega Diagnostics which completed in June 2018. The second quarter of 2019 saw sales restricted by a lack of working capital, as reported on 30 April 2019, which mainly impacted the Lab21 business unit. Despite this, the new sales team increased UK sales of Microgen branded products by 29% compared to the first half of 2018. The order book remains strong for the second half of the year and continued growth is expected depending on how quickly the supply chain can be restored.

New Products

The molecular R&D pipeline of CE-Mark assays focused in transplant diagnostics continues to make good progress and the two new CE-Mark products EBV and BKV will launch in the second half of the year as planned. The global transplant diagnostics market size was valued at USD 579 million in 2018 and is forecast to expand at a CAGR of 7.6% over the next 5 years1. Increasing organ transplants are a major factor driving demand for diagnostics use before clinical procedures.

This complements the rapid diagnostic BKV assay already launched by Novacyt under the PathFlow® brand last June.

[1] https://www.grandviewresearch.com/industry-analysis/transplant-diagnostic-market

During the second half of 2019, Novacyt plans to add other key products to the rapid diagnostic PathFlow® range including Clostridium difficile, Helicobacter pylori, Norovirus, Flu A/B and Rotavirus/adenovirus. Further PathFlow® products will also be announced later in the year which will complement the Novacyt portfolio of rapid clinical diagnostics for infectious diseases.

Restructure Update

As reported on 18 July 2019, the Company successfully sold its Clinical Lab operations based in Cambridge, UK in an all cash deal worth £400,000. Whilst the financial benefit of the sale was relatively modest, it will enable the Group to focus on driving growth and profitability from its core reagent manufacturing business.

The Company continues to look for a buyer(s) of its NOVAprep® business unit and has interest from China, the world's fastest growing Liquid Based Cytology market used in cervical cancer screening. As the sale process continues, the Company is taking further steps to reduce the costs and cash burn of the unit. There can be no certainty in a successful sale of the NOVAprep® business and, in the event a sale does not occur, the operation will be closed by the year end.

The Company is also considering how to maximize value from its remaining non-core asset of animal health products which represents 5% of Group revenues. The options could include a sale of the business as Novacyt is focused on human and food diagnostics and does not intend to invest in another sales channel such as animal

health diagnostics.

Outlook

The performance of the Primerdesign and Lab21 businesses remains strong entering the second half of the year. Both companies have significant sales pipelines and expect sales to be higher than H1. The Company expects to show increased adjusted EBITDA profitability for the full year compared to 2018.

Graham Mullis, Group CEO of Novacyt, commented:

"The first half of 2019 has seen good operational performance with solid growth from Primerdesign and Lab21 products. I am pleased with the successful sale of the Clinical Lab, as it allows us to further streamline and focus our operations. Whilst we acknowledge shareholders will be unhappy with the short-term share price performance, the Board remains excited and committed to growing and developing our core diagnostic reagent business where we see many opportunities. During the first half of 2019, despite the working capital challenges, the Company produced a record sales growth period and repaid over €1m of its principal debt balance. Novacyt remains committed to its core strengths of in vitro diagnostics product development, commercialisation and contract manufacturing, and will continue to focus on driving value across the Group."

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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About Novacyt Group

The Novacyt Group is an international diagnostics business generating an increasing portfolio of in vitro and molecular diagnostic tests. Its core strengths lie in diagnostics product development, commercialisation, contract design and manufacturing. The Company's lead business units comprise of Primerdesign and Lab21 Products, supplying an extensive range of high quality assays and reagents worldwide. The Group directly serves oncology, microbiology, haematology and serology markets as do its global partners, which include major corporates.

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

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