Half-Year Trading Update

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

Half-Year Trading Update

Sales growth of more than 900%, debt-free and

significantly cashflow positive

Demand for COVID-19 test expected to continue into 2021

Paris, France and Camberley, UK - 13 July 2020 - Novacyt (EURONEXT GROWTH: ALNOV; AIM: NCYT), an international specialist in clinical diagnostics, announces an unaudited trading update for the six months ended 30 June 2020.

Trading update

Unaudited revenue for the first half of 2020 increased over 900% to €72.4 million (£63.3 million), compared to revenue of €7.2 million (£6.3 million) for the first half of 2019, with 91% of revenue accounted for in the second quarter. For the half year, the Group estimates EBITDA profitability over €45 million (£41 million). This follows the successful launch of one of the world's first molecular tests for COVID-19, which the Company rapidly developed and launched in January 2020.

The Company's cash position as at 30 June 2020 was €20 million (£18 million) (cash as at 31 December 2019 of €1.8 million (£1.6 million)). This strong cash position is after significant investment to meet continued demand for the COVID-19 test expected in the second half of the year. It is also reported after paying down all outstanding debt, making Novacyt debt free for the first time in the Company's history.

Demand for the Company's COVID-19 test remains strong, with June sales of €25.4 million (£22.5 million) showing

the sixth consecutive month of growth. Certain contracts for the supply of the test have also been extended into the second half of the year and in some cases into 2021. With the daily global incidence of SARS-CoV-2 infections continuing to rise, Novacyt expects significant ongoing demand for COVID-19 testing well into 2021. It is a sad fact that as of 11 July 2020, the number of global cases is more than 12.7 million, an increase of 69% compared to 11 June 2020.

In the US, the Company has signed a major distribution agreement for its COVID-19 test with a new global strategic partner. The US is delivering significant sales growth for Novacyt and this new agreement enables the Company to accelerate penetration of its COVID-19 test in this important market. This distribution agreement will focus initially on the US, with the potential to expand into further markets.

The Company remains well positioned to address the global need for COVID-19 testing, with its test being sold worldwide. It also has sufficient manufacturing capacity, raw materials and finished goods to meet the expected demand, having orchestrated a significant scale-up of operations during the half year. The Company continues to scale the business internally and has hired 45 people during the first half of the year, with plans to make further investment to strengthen the organisation in the second half of the year.

Development of the Company's COVID-19 test established Novacyt as a pioneer and a leader in COVID-19 diagnostics. Novacyt remains committed to building on this world-class innovative position for COVID-19 testing, and more broadly for respiratory disease testing, and is investing to address unmet needs in the market. Novacyt has already launched three new innovative products, COVID-HT, Exsig™ Direct and Exsig™ Mag, to support laboratories testing for COVID-19. These products are expected to drive incremental revenue and the Company received initial orders in June 2020 following their launch. Novacyt expects to provide an update on its investment in R&D to support continued growth, including a number of new products and innovations to be launched in the near future.

Outlook

Given the visibility of orders, extended contracts and the launch of new COVID-19 related products, the Company anticipates revenue for the second half of the year to be greater than the first half of the year and margins to be at least at a similar level. As a result, there is expected to be greater cash generation in the second half of the year and the Company is reviewing its capital allocation policy to enhance and accelerate long-term value creation through its three-pillar strategy of organic, R&D and acquisitive growth.

Graham Mullis, Group CEO of Novacyt, commented:

"The first half of 2020 has been transformational for Novacyt. The Company has rapidly established itself as one of the market leaders in COVID-19 PCR testing, with a significantly increased customer base, a recognised reputation for the performance of its products and established multiple significant strategic partnerships. This solid foundation, combined with a strong financial performance, will enable us to greatly enhance and accelerate our strategy for delivering long-term value to shareholders. I look forward to providing an update on these plans as we move into this exciting next phase of growth for the Company."

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 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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