Novacyt Full Year 2017 Results

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NOVACYT FULL YEAR 2017 RESULTS

Record revenue growth of 35%

Significantly narrowed losses

Positive outlook for 2018

Paris, France and Camberley, UK - 26 April 2018 - Novacyt (EURONEXT GROWTH: ALNOV; AIM: NCYT), an international specialist in clinical diagnostics, today announces its unaudited financial results for the year ended 31 December 2017.

In 2017, Novacyt delivered material financial and operational progress as it focused on integrating the transformational acquisition of Primerdesign made in May 2016. As a result, Novacyt delivered record sales growth of 35%, representing an improvement in gross margin from 55% to 60% and a narrowing of the EBITDA loss to €0.8m (2016 €2.3m) for the full year.

Financial highlights

· Group sales increased by 35% on 2016 (43% at CER) to €15.0m (£13.1m) compared with €11.1m (£9.1m) in 2016

o Sales momentum continued in H2 2017, up 29% (34% at CER) year-on-year to €7.9m

· Group gross margin increased to 60% in 2017 from 55% in 2016 driven by product mix and sales volume

· EBITDA loss narrowed to €0.8m (£0.7m) compared with €2.3m (£1.9m) in 2016

o H2 EBITDA loss of €0.3m (£0.3m), demonstrates an improvement from a €0.5m loss in H1 and supports the Group's continued trajectory towards profitability

· Successfully completed a dual-listing on the Alternative Investment Market (AIM) of the London Stock Exchange in November 2017, raising €9.7m (£8.8m) before expenses of €1.8m (£1.7m)

· Novacyt ended the year with €4.3m (£3.8m) in cash following the payment of a deferred Primerdesign milestone, removal of the convertible debt facility with Yorkville and further deleveraging of the balance sheet following the AIM listing

€'000	2017	2016	2015
	Consol	Consol	Consol
Revenue	14,954	11,076	8,892
Gross profit	8,923	6,080	4,275
Gross margin %	60%	55%	48%
EBITDA *	(778)	(2,295)	(2,928)
Recurring operating loss **	(1,890)	(3,074)	(3,235)
Operating loss	(4,071)	(4,461)	(13,185)
Total net loss	(5,442)	(5,710)	(13,908)

* EBITDA is the recurring operating loss adjusted for amortisation, depreciation and long-term employee incentive plan (LTIP)

** Recurring operating loss is stated before €2.2m of exceptional charges as follows :

· AIM listing project costs of €1.8m charged to the income statement

· Restructuring charges comprising €0.2m site relocation costs and €0.2m of Group employee restructuring costs

Divisional revenues

· NOVAprep® sales increased 36% to €2.2m (£1.9m), driven by 132% sales growth in Asia Pacific, which continues to be the division's fastest growing region

· Primerdesign sales increased to €6.1m (£5.3m), compared with pro forma sales of €5.1m (£4.2m) in 2016, representing 27% growth on a pro forma CER basis

o Revenue growth was partly driven by new sales in China, which was the fastest growing region, and increased from €4,900 (£4,000) to €0.97m (£0.85m)

· Lab21 revenues were €6.7m (£5.8m), up 16% on 2016 at CER, reflecting the division's continued expansion into

new territories and the addition of new products

Operational highlights

· In November 2017, Novacyt successfully completed a pioneering dual-listing on AIM, adding to the Company's existing Euronext Growth Paris listing

· Increased focus on B2B activities, resulting in significant contract wins in China for both NOVAprep® and Primerdesign products

· Post-period, in March 2018, Primerdesign entered into a clinical assay development contract with GenePOC Inc., which specialises in the development and manufacture of molecular diagnostic devices for the detection of infectious diseases closer to the patient, extending our B2B activities into Canada

· Continued to invest in senior commercial hires with the key appointments of Phil Sefton, Ruth Powell and Paul Eros as Managing Directors of its three business divisions

· Novacyt recruited a total of 35 additional employees during the year across the business, in particular adding commercial and manufacturing capacity to help facilitate accelerated revenue growth

· Completed the build and relocation to a new 15,000 square feet manufacturing site in Camberley, UK on target in September 2017 to support the planned growth of the Group

Graham Mullis, Group CEO of Novacyt, commented:

"We are delighted to report record organic sales growth across the Group in 2017 in a year where we also successfully completed a pioneering dual-listing on AIM. The Group made significant progress, with a strong focus on commercial infrastructure expansion, manufacturing efficiency and development pipeline. We have seen the full benefit of the acquisition of Primerdesign, which is now fully integrated, as well as delivering strong organic sales growth from NOVAprep® and Lab21. We also launched our first CE-Mark approved molecular assay for the detection of Zika and we plan to update shareholders on further product launches during 2018.

"The Group is therefore well positioned in each of its core markets and the management team is focused on delivering the three strategic pillars of organic, acquisition and R&D-led growth.

"During 2018, the Group will continue to build on the organic sales progress made in 2017 and is evaluating the potential for further acquisitions. Ultimately, we are aiming to move into EBITDA profitable trading during the year in order to become cash flow positive at the operating level."

Notice that the Company's Annual General Meeting will be held on 11th June 2018 at 2:00pm CET at the offices of Stance Advocats office, 37/39 Avenue Friedland, 75008 Paris. The information included in this announcement is extracted from the Annual Report. Defined terms used in the announcement refer to terms as defined in the Annual Report unless the context otherwise requires. This announcement should be read in conjunction with, and is not a substitute for, the full Annual Report. The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain

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About Novacyt Group

The Novacyt Group is a rapidly growing, international diagnostics group 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

CHIEF EXECUTIVE OFFICER'S REVIEW

UK IPO to further accelerate the growth trajectory

The financial year ended 31 December 2017 has been an exciting and transformational year for Novacyt and marks an important milestone year on our journey to become a profitable and leading clinical diagnostics company. During the period, the Company continued to make considerable progress in terms of its growth strategy and successfully dual listed on the London Stock Exchange's Alternative Investment Market ("AIM") in November 2017, where we raised €9.7m (£8.8m) (before expenses) with the support of new UK institutional investors and both new and current French institutional investors.

Admission to AIM represents a significant achievement and corporate milestone for the Company, and I am grateful for the dedicated support of my fellow directors and executive management in making this possible. The Admission also marked the first company with a dual-listing on Euronext Growth Paris and AIM, which it is anticipated will enable Novacyt to raise its international profile further and to accelerate our ambitious growth plans across key markets.

As previously stated at the time of Admission, the Company intends to use the money raised to accelerate its organic growth strategy, predominately including:

· investment in additional manufacturing capacity;

· expansion of the Group's commercial infrastructure; and

· investment in R&D to obtain CE-IVD approval for selected Primerdesign's research-use-only (RUO) assays.

In November 2017, the Company announced that it had made a payment of €0.4m (£0.4m) in full and final repayment of the pending convertible bonds under a facility agreement entered into with Yorkville in July 2015, further details of which may be found in the financial statements. The Company has no intention to use the Yorkville facility in the future.

The successful fundraising of €3.0m (£2.6m) earlier in the year (full details of which may be found in the Financial Review) also enabled the commencement of construction of our new state-of-the-art manufacturing facility in Camberley, UK, which was completed in late 2017. In addition, it allowed the Company to increase the international reach of NOVAprep® and also to expand the regulatory approvals on NOVAprep®.

Our strategy for achieving sustainable growth is based on three strategic pillars:

1. Organic growth

During the year, the Company delivered record sales growth of 35% across the entire business, with a specific focus on organic growth following the acquisition of Primerdesign in May 2016 and its subsequent integration into the Group.

As part of the strategic rationale to acquire Primerdesign, Novacyt identified future growth synergies within the business, which have been delivered during the period, in particular within the Asia Pacific region. Utilising Novacyt's existing sales channels, the Group has been able to increase the installed base of instruments in Asia Pacific of both NOVAprep® and Primerdesign's genesig® q16. Each installed genesig® q16 instrument works exclusively with Primerdesign's menu of approximately 550 genesig® reagents and, therefore, will also generate recurring revenues from genesig® reagents sales in the future. In 2017, the Group shipped a record number of its instruments to China in both molecular and cytology products and whilst our sales base is relatively small in the region we remain encouraged by the pipeline that continues to build.

This investment in Asia Pacific has led to an increase in sales of NOVAprep® by 132% to €0.8m (£0.7m) compared to €0.3m (£0.3m) in 2016, representing the Group's fastest growing region. The appointment of our sales channel partner, MDL Asia, in 2016, coupled with our additional investment in China has driven this growth. There is significant opportunity for further growth in the region, with the emergence of many cancer screening markets including China, Indonesia, Vietnam and Thailand, representing a total estimated market of approximately two billion people.

NOVAprep®'s continued strong sales and growing sales pipeline have resulted in the Company's decision to accelerate investment into further commercial infrastructure, particularly in China, and in the supply chain, including increasing stock levels of instruments. We look forward to building on our partnerships and remain focused on continuing to expand our geographical reach by targeting our investments across the Asia Pacific region in line with our strategy.

2. R&D

Novacyt intends to exploit its core strength of developing and successfully commercialising new products, particularly in the clinical molecular diagnostics market. Specifically, it intends to develop some of Primerdesign's RUO molecular diagnostic assays into clinical products. Significant progress was made during 2017 with the launch of our first clinical, CE-IVD approved product - Zika assay. Ultimately, the Group expects to identify up to 40

products from Primerdesign's current catalogue of approximately 550 non-clinical assays to develop for the clinical market during the next five years. We expect to launch five new CE Mark assays in 2018 focused on providing diagnostic tests used in patients post transplantation.

We are also developing the genesig® q24, our next generation qPCR instrument, which is expected to be initially launched in the RUO and Life Science Research markets during H2 2018. Based around independent PCR "cores", with each core capable of being controlled independently, the q24 instrument is designed to process 24 samples within 30 minutes. This ultra-rapid processing and increased capacity allows Primerdesign assays to be developed and optimised to provide results in a fraction of the time currently required by other qPCR instruments and will provide greater speed and flexibility than the q16 instrument.

The Group will subsequently seek to launch a regulated CE-IVD version of the q24 instrument expected in 2019. This, combined with purpose designed CE-IVD assays, will provide Primerdesign with another unique instrument platform to add to the q16 to meet the growing needs and demands of the molecular diagnostics market place. Additional patent protection is currently being pursued in the development of this equipment platform which we expect to report on in due course.

Within the PCR market, the demand for ready-to-use reagent mixtures, called master mixes, is rapidly increasing and already a multi-million USD market. We have therefore recently developed our custom and off-the-shelf products in this specific PCR market segment. In Q2 2018, we expect to launch the world's first pick-and-mix master mix product which we have branded MYPlex™. The proprietary MYPlex™ master mixes allow customers to choose their own multiplex assays from a larger selection of targets to run on an open qPCR platform. This pick-and-mix product is the first of its kind in the diagnostics molecular market today. As well as providing unique opportunities for Primerdesign to develop a leadership position in this market, the development of a unique portfolio of PCR master mixes also provides further opportunities for licensing and business-to-business (B2B) partnerships.

3. Acquisitions

Novacyt operates in a large and fragmented diagnostics market with a significant number of small businesses successfully operating in their local, niche markets and territories. To accelerate growth and profitability, the Group intends to build on its existing and successful track record of sourcing and undertaking value enhancing acquisitions.

In particular, Novacyt is seeking acquisition targets that are already revenue generating, profitable and offer geographic expansion of its sales and distribution channels with a focus on infectious disease or oncology diagnostics. A number of acquisition targets are already under evaluation in Europe and Asia, which might provide the opportunity for the Group to increase its direct sales presence to drive greater penetration of key markets with its proven products

We believe that attractive buying multiples are possible in the current M&A market which, in combination with the Group's demonstrated ability to integrate assets successfully, is expected to be significantly accretive to sales growth, gross margins and, critically, earnings.

Key Performance Indicators ("KPIs")

The Group uses a range of measures to monitor performance. The Directors remain committed to Novacyt's growth strategy and, in 2017, continued to deliver against its three strategic pillars of organic, acquisition and R&D-led growth.

The Group continues to focus on its medium-term financial target KPIs of:

· Strong double-digit organic revenue growth per annum;

· maintenance of a high gross margin, above 60 per cent.; and

· becoming profitable and free cash flow generative.

People

The Group recruited a total of 35 additional employees across the business during the year, in particular adding commercial and manufacturing capacity to help facilitate accelerated revenue growth. There was also continued investment in senior commercial hires, with the key appointments of Phil Sefton, Ruth Powell and Paul Eros as Managing Directors of the three business divisions, providing the foundations and the leadership to drive performance further.

I would like to personally thank all our employees for their dedication and commitment in driving our business forward.

Current trading and outlook

The Group made significant progress during the year, with a strong focus on commercial infrastructure expansion, manufacturing efficiency and development pipeline.

This momentum has continued into 2018, in January 2018, with Primerdesign entering into a clinical assay development contract with GenePOC Inc., a Canada-based company and member of the Swiss based biopharmaceutical Debiopharm Group™, which specialises in the development and manufacture of molecular diagnostic devices for the detection of infectious diseases closer to the patient. Under the terms of the services agreement, Primerdesign will develop a triplex molecular diagnostic assay to identify influenza A, influenza B and respiratory syncytial virus A and B (RSV A and B), which will subsequently be run on GenePOC's revogene™ instrument. GenePOC will also seek regulatory clearance for the triplex assay in the US through the US Food and Drug Administration (FDA) and CE-IVD marking in Europe under the In Vitro Diagnostic Directive.

We have an active pipeline of potential new B2B partners and I look forward to updating the markets with further progress in this area of our business. Novacyt is also planning to increase its direct sales, particularly in the UK, Europe and Scandinavia, with a target of four additional sales reps to be recruited during 2018.

During the first half of 2018, we have taken the strategic decision to focus NOVAprep® resources on the further optimisation of the platform in order to provide an enhanced product offering. As a result of the ongoing development, we do not anticipate the same level of sales growth to be achieved in the first half as previous periods. This does not affect our KPIs, in particular our plans for continued strong double-digit revenue growth for the Group as a whole.

During 2018, the Group intends to continue to build on the organic sales progress made in 2017 and will continue to evaluate the potential for further acquisitions. Currently the business is in line with its forecast for 2018 and, ultimately, we are aiming to move into EBITDA profitable trading during the year in order to become cash generative at the operating level.

Graham Mullis

Chief Executive Officer

Novacyt S.A.

FINANCIAL REVIEW

Overview

During the year, Novacyt showed significant and continued revenue growth and gross margin improvements, while maintaining the momentum and trajectory towards near-term profitability at the EBITDA level. It has been an important year in which the Group achieved a dual-listing on AIM to prepare for the future capital requirements of M&A and also delivered revenue growth of 35% and a €1.5m improvement in EBITDA to a loss of €0.8m. We have set ourselves an objective of delivering high sales growth, continuing to improve the gross margin and to achieve near-term EBITDA profitability. We have successfully balanced the investment required to achieve this growth, while managing costs to a level where EBITDA continues to improve every year since 2015. We have also consistently delivered on these objectives each half-year since 2015.

Financial performance

Revenue growth was underpinned by improvements in each of the three operating divisions, all of which achieved growth of at least 16% compared to 2016 on a constant exchange rate (CER) basis:

· Primerdesign FY17: €6.1m (£5.3m), FY16 proforma: €5.1m (£4.2m), +27% at CER

· NOVAprep® FY17: €2.2m (£1.9m), FY16: €1.6m (£1.3m), +36%

· Lab21 Group FY17: €6.7m (£5.8m), FY16: €6.2m (£5.0m), +16%

In the first full year since the acquisition of Primerdesign, sales of molecular products increased by 27% (CER) due to the growth in sales of genesig® q16 instruments and tests, driven by the €0.9m sale to a new customer in China in the fourth quarter. As sales have increased, the impact of high margin genesig® testing kits has ensured the divisional gross margin remains above 80%.

NOVAprep sales grew by 36% to €2.2m in 2017 from €1.6m in 2016. The key driver for the growth is the increase in sales to the Asia Pacific region. NOVAprep saw the largest revenue growth of the three business units in 2017 on a proforma basis. The 2017 gross margin is 46%, which is a slight decline from 49% in the prior year driven by higher instrument sales. Improving the margin in this business unit is a key management focus in 2018.

Lab21 Group sales grew by 16% (CER) for the full year and saw year-on-year double digit sales growth in both the first and second halves at CER compared with 2016 due to strong core product growth. The double digit revenue growth was achieved without impacting the gross margin, which increased to 45% in 2017 compared to 42% in 2016.

Group operating costs have increased year-on-year to support the continued growth of the business. Significant infrastructure investment has occurred during 2017, with a key investment being made in our new Head Office site in Camberley. A number of new staff have been hired across the Group in 2017 to ensure the business is structured in such a way as to build on the established growth trajectory.

The Group's underlying EBITDA loss has improved by €1.5m to €0.8m (2016: €2.3m loss) and continues a trend of a gradual reduction in losses as the Company works towards its objective of EBITDA profitability in 2018. The Company has now delivered four consecutive half-year EBITDA improvements since the end of 2015 and aims to continue this trend in 2018.

Group P&L Summary	Consol	Consol	Consol	Consol	Consol
€'000	H2 17	H1 17	H2 16	H1 16	H2 15
EBITDA *	(309)	(469)	(684)	(1,611)	(1,623)

* EBITDA is the recurring operating loss adjusted for amortisation, depreciation and long term employee incentive plan (LTIP).

The recurring operating loss has fallen during 2017 to €1.9m from €3.1m. The improvement was not as pronounced as that of EBITDA due to the full year effect of amortisation of intangible fixed assets generated on the acquisition of Primerdesign, namely Customer Relationships and Trademarks. During the year, amortisation of such intangibles amounted to €482k (2016: €301k). Total depreciation charges of €396k (2016: €307k) and amortisation charges of €698k (2016: €472k) were broadly in line with the previous year excluding the impact of Primerdesign. During the year, an LTIP was put in place for senior management and resulted in a cost of €18k for the two months it was in operation.

The operating loss in 2017 was €4.1m down from €4.5m in 2016 and is stated after non-recurring charges amounting to €2.2m. The 2017 charges comprise €1.8m of AIM listing project costs and €0.4m of restructuring charges consisting of €0.2m Lab21 Group site relocation costs and €0.2m of Group employee restructuring costs.

The total net loss in 2017 is €5.4m, reduced from €5.7m in 2016, and is stated after €1.2m of gross borrowing costs (2016: €1.0m - includes €0.4m non-cash IFRS charges e.g. in respect of amortising loan set up costs over the loan term) and other financial expenses of €0.2m (2016: €0.2m). The 2017 other financial expenses comprises items such as exchange gains/losses, change in fair value of the Primerdesign warrants and the Primerdesign contingent consideration.

Loss per share significantly improved during 2017 to -€0.24 (2016: -€0.47) due to increased revenue and reduced net loss.

Financial position

Goodwill remained unchanged at €16.5m as management believe that no impairment was necessary following a year of strong revenue growth in both Primerdesign and Lab21 Products.

Trade and other receivables have increased significantly year-on-year by in excess of 60% or €1.4m. The key driver for this increase is the large Primerdesign sale to China in late 2017 for €0.9m. Removing this single sale, the increase is broadly in line with revenue growth.

Inventory has increased by €0.3m (20%) year-on-year in order to meet the greater sales demand of the growing business.

Borrowings have fallen from €6.3m to €3.9m during the year despite taking on a new three year €1.5m convertible bond. This has helped the company move from a net debt position of €3.4m at the end of 2016 to a net cash position of €0.5m at the balance sheet date. Total borrowings in 2017 include two main items: Kreos bonds totalling €2.6m (two bonds originally valued at €3.5m and €3.0m amortising monthly until July 2018 and May 2019, respectively) and the new Vatel convertible bond of €1.2m, amortising monthly until March 2020.

The first Primerdesign earn out milestone for £1.5m was achieved and paid in 2017 and this has resulted in the balance reducing from €2.6m to €1.1m in 2017. The final earn out milestone of £1.0m (disclosed under Contingent Considerations in the financial statements) is expected to be paid out in 2018.

Cash increased by €1.5m to €4.3m during 2017. Net cash used in operating activities increased from €2.6m to €4.6m due to the costs associated with dual listing on AIM and restructuring costs that outweighed the cash savings made from the €1.5m EBITDA improvement.

Net cash outflow from investing activities fell sharply to €2.8m in 2017 from €7.4m in 2016. However, after adjusting for the impact of €6.7m of acquisition costs in 2016 and the €1.7m earn out payment in 2017, there was an increase in the outflows associated with investing activities due to an additional €0.5m spent on leasehold improvements as part of the move to new and upgraded headquarters in Camberley during 2017.

There were two significant share capital increases in 2017: a €3.0m raise in June and a €9.7m (€7.9m net of fees) raise in November as a result of listing on AIM. Year-on-year cash inflows from financing activities have reduced between 2016 and 2017 by €2.2m as Novacyt moves towards being cash self-sustaining. Novacyt took out a €1.5m three year convertible bond in the first half of 2017. Repayments of principal for all debt have increased in 2017 by €2.4m to €3.3m, consisting of repayments on two Kreos loans totalling €2.6m, Vatel repayments totalling €0.3m and OCABSA repayments totalling €0.3m. The 2016 repayments predominantly relate to Kreos bonds. Interest repayments have increased year-on-year by €0.9m driven by the new 2017 Vatel bond and additional Kreos repayments compared to 2016 (due to the second Kreos loan being issued in May 2016).

In November 2017 the Company successfully listed on AIM, raising €9.7m cash before expenses (€7.9m net of expenses) and ended the year with €4.3m of cash. This reduction in cash was driven largely by the £1.5m (€1.8m) payment for the first Primerdesign earn out milestone in November 2017, €1.8m of AIM listing project costs, €0.9m of debt servicing, a repayment of €0.4m in November 2017 in full and final repayment of the pending convertible bonds under a facility agreement entered into with YA Global Master SPV Ltd in July 2015, and the remainder was used for working capital requirements

Audited financial statements will be released on 30 April 2018. The Auditor has confirmed that their audit procedures are substantially completed and no material changes to the figures contained in this press release are anticipated.

Anthony Dyer

Chief Financial Officer

Novacyt S.A.

Consolidated statement of comprehensive income

Figures in €'000	Year ended	Year ended
	31 December 2017	31 December 2016
Revenue	14,954	11,076

Cost of sales	-6,030	-4,996
Gross profit	8,923	6,080
Sales, marketing and distribution expenses	-3,249	-3,170
Research and development expenses	-819	-794
General and administrative expenses	-7,114	-5,616
Government subsidies	368	427
Operating loss before exceptional items	-1,890	-3,074
Costs related to acquisitions	-	-508
Other operating income	16	20
Other operating expenses	-2,197	-900
Operating loss after exceptional items	-4,071	-4,461
Financial income	452	736
Financial expense	-1,825	-1,983
Loss before tax	-5,444	-5,708
Tax income/(expense)	2	-2
Loss after tax attributable to owners of the company	-5,442	-5,710

Loss per share (€)	-0.24	-0.47
Diluted loss per share	-0.24	-0.47

Statement of financial position

Figures in €'000	Year ended	Year ended
	31 December 2017	31 December 2016
Goodwill	16,466	16,466
Other intanible assets	4,840	5,333
Property, plant and equipment	1,573	1,096
Non-current financial assets	238	138
Other long-term assets	-	48
Non-current assets	23,116	23,082
Inventories and work-in-progress	1,942	1,614
Trade and other receivables	3,804	2,356
Tax receivables	271	211
Prepayments	537	313
Short-term investments	10	10
Cash & Cash equivalents	4,345	2,856
Current assets	10,908	7,360

Total assets		34,024	30,442
Bank overdrafts and current portion of long-term borrowings		2,778	3,499
Contingent consideration (current portion)		1,126	1,647
Short-term provisions		50	66
Trade and other liabilities		3,692	3,504
Tax liabilities		-	77
Other current liabilities		137	24
Total current liabilities		7,783	8,817
Net current assets/(liabilities)		3,125	-1,457
Borrowings and convertible bond notes		1,115	2,756
Contingent consideration (non-current portion)		-	946
Retirement benefit obligations		14	14
Long-term provisions		158	89
Deferred tax liabilities		41	53
Total non-current liabilities		1,327	3,857
Total liabilities		9,111	12,674
Net assets		24,914	17,768
Share capital		2,511	1,161

Share premium account	58,281	47,120
Own shares	-176	-165
Other reserves	-2,815	-2,826
Equity reserve	422	345
Retained losses	-33,309	-27,867
Total equity	24,914	17,768

Statement of changes in equity

				Other group reserves						
Amounts in '000 €	Share capital	Share premium	Own shares	Equity reserves	Acquisition of the shares of Primerdesign	Translation reserve	Other comprehensive income on retirement benefits	Total	Retained loss	Total equity
Balance at 1 January 2016	479	32,382	-98	-	-	-69	-12	-81	-22,157	10,525
Actuarial gains on retirement benefits	-	-	-	-	-	-	-1	-1	-	-1
Translation differences	-	-	-	-	-	204	-	204	-	204
Loss for the period	-	-	-	-	-	-	-	-	-5,710	-5,710
Total comprehensive income / loss for the period	-	-	-	-	-	204	-1	203	-5,710	-5,507

Issue of share capital	439	14,738	-	-	-	-	-	-	-	15,177
Own shares acquired/sold in the period	-	-	-67	-	-	-	-	-	-	-67
Other changes	243	-	-	345	-2,948	-	-	-2,948	-	-2,360
Balance at 31 December 2016	1,161	47,120	-165	345	-2,948	135	-13	-2,826	-27,867	17,768
Actuarial gains on retirement benefits	-	-	-	-	-	-	2	2	-	2
Translation differences	-	-	-	-	-	8	-	8	-	8
Loss for the period	-	-	-	-	-	-	-	-	-5,442	-5,442
Total comprehensive income / loss for the period	-	-	-	-	-	8	2	10	-5,442	-5,432
Issue of share capital	1,218	9,685	-	-	-	-	-	-	-	10,903
Own shares acquired/sold in the period	-	-	-11	-	-	-	-	-	-	-11
Other changes	132	1,476	-	77	-	-	-	-	-	1,685
Balance at 31 December 2017 (unaudited)	2,511	58,281	-176	422	-2,948	143	-11	-2,816	-33,309	24,914

Statement of cash flows

Figures in €'000	Year ended	Year ended
	31 December 2017	31 December 2016
Net cash used in operating activities	-4,646	-2,559
Investing activities		
Purchases of patents and trademarks	-64	-212
Purchases of property, plant and equipment	-914	-336
Purchases of trading investments	-101	-75
Acquisition of subsidiary net of cash acquired	-1,747	-6,741
Net cash generated from investing activities	-2,826	-7,364
Repayment of borrowings	-3,296	-915
Proceeds on issue of borrowings and bond notes	2,722	4,887
Proceeds on issue of shares	11,080	7,856
Purchase of own shares	-11	-
Paid interest expenses	-1,506	-633
Net cash generated from financing activities	8,989	11,195
Net current assets/(liabilities)	1,517	1,271
Cash and cash equivalents at beginning of year	2,856	1,681
Effect of foreign exchange rate changes	-27	-96
Cash and cash equivalents at end of year	4,345	2,856

Anthony Dyer

Chief Financial Officer

Novacyt S.A.

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