Half Year Trading Update

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

Half Year Trading Update

Non-COVID sales growing quarter-on-quarter, significant progress in product development and non-organic growth strategy

Paris, France and Eastleigh, UK - 27 July 2023 - Novacyt (EURONEXT GROWTH: ALNOV; AIM: NCYT), an international specialist in clinical diagnostics, announces its unaudited trading update for the six months ended 30 June 2023.

Financial highlights

· Group revenue for H1 2023 expected to be £3.3m of which £0.5m relates to COVID-19 (H1 2022: £16.5m of which £13.0m relates to COVID-19).

· Revenue for non-COVID-19 portfolio of £2.8m representing 85% of total revenues (H1 2022: £3.5m). As previously signalled, H1 2022 is a high comparator particularly in instrumentation sales linked to COVID sales.

· Non-COVID revenue continues to build with Q2 showing 3% growth over Q1 and 10% growth over Q4 2022.

· Opex in H1 2023 is expected to be in the region of £7.1m, a reduction of c.13% vs H2 2022, reflecting restructuring plans implemented in Q4 2022.

· Cash position at 30 June 2023 was £81.7m (H2 2022: £87.0m) and the Group remains debt free.

Well positioned for diversified organic and non-organic growth

Instrument sales have increased by over 65% in Q2 2023 compared with Q1 2023, showing signs of market improvement following the saturation that was seen during the COVID-19 pandemic, and non-COVID sales have increased incrementally over the last three quarters. The Company remains focused on building on the strength of its core business to deliver long-term sustainable growth, by expanding its product portfolio, driving international Research Use Only (RUO) sales and pursuing strategic business development opportunities. In line with this strategy, the Company announced on 3 July 2023 that it had made a recommended cash offer for Yourgene Health plc, an international integrated technologies and services business, enabling the delivery of genomic medicine. This is a key strategic milestone for Novacyt, which, upon anticipated completion by end of Q3 2023, will add scale and diversification to accelerate revenue growth and build long term value for the enlarged Group.

Strong R&D progress

During the period, the Company completed the development of six new multiplex RUO assays in the target therapeutic areas of gastrointestinal, respiratory, meningitis and other high-growth disease areas to meet the growing global demand for multiplex products that can detect multiple diseases in a single test. Management expects these products to begin commercialisation in the second half of 2023.

On 29 June, the Company received its seventh UK Coronavirus Test Device Approval (CTDA) for its PathFlow® COVID-19 Rapid Antigen Self-Test.

Focus on UKCA marking for UK clinical market

Given the importance of the UK market for Novacyt's clinical diagnostics products, the Company will prioritise UK Conformity Assessed (UKCA) marking for a selection of its new multiplex tests. The UKCA mark is replacing the CE mark for all in vitro diagnostic (IVD) products sold in the UK. Under UKCA, IVD manufacturers can continue to self-certify their products, which typically takes six to nine months compared to 18 to 24 months to achieve a CE mark under the new European In Vitro Diagnostic Regulation (IVDR). The Company is planning to self-certify two of its new multiplex products for respiratory and insect-borne diseases during H2 2023, with a further four expected in 2024.

In parallel, Novacyt is also progressing IVDR registration for its winter respiratory panel, genesig™ Real-time PCR SARS-CoV-2 Winterplex, which is expected to be completed by the end of 2024.

James McCarthy, Acting Group CEO of Novacyt, commented: "We have remained focused on delivering our strategy during the first half and have made strong progress in expanding our internal product portfolio and diversifying our business away from COVID, as demonstrated by the Group's highly complementary proposed acquisition of Yourgene. The launch of six new multiplex tests for the RUO market has significantly broadened our IVD portfolio and gives us access to additional near term revenues. With the UKCA offering a more favourable regulatory pathway, we expect to start the self-certification process for two of these news tests during the second half of 2023 and expect them to be available for clinical use in the UK in H1 2024."

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

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About Novacyt Group

Novacyt is an international diagnostics business delivering a broad portfolio of in vitro and molecular diagnostic tests for a wide range of infectious diseases, enabling faster, more accurate, accessible testing to improve healthcare outcomes. The Company provides customers with a seamless sample-to-result workflow using its integrated and scalable instrumentation/solutions. The Company specialises in the design, manufacture, and supply of real-time PCR kits, reagents and a full range of laboratory and qPCR instrumentation for molecular biology research and clinical use. Novacyt offers one of the world's most varied and comprehensive range of qPCR assays, covering human, veterinary, biodefence, environmental, agriculture and food testing.

Novacyt is headquartered in Vélizy in France with offices in Stokesley and Eastleigh, UK, and is listed on the London Stock Exchange's AIM market ("NCYT") and on the Paris Stock Exchange Euronext Growth ("ALNOV").

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

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