

NOVACYT

Public limited company under French law
13 avenue Morane Saulnier
78140 Vélizy-Villacoublay

'Rapport de Gestion'
Management report on the financial statements
for the year ended 31 December 2020

NOVACYT

Public limited company under French law (*société anonyme*) with capital of 4,708,416.54 euros
 Registered office: 13 avenue Morane Saulnier – 78140 Velizy-Villacoublay
 Versailles Trade and Companies Register 491 062 527

(hereinafter “the Company” or “Novacyt”)

MANAGEMENT REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

To the shareholders,

We hereby present to you the management report on the activities of Novacyt (hereinafter referred to as “**the Company**”) and its subsidiaries during the financial year beginning on 1 January 2020 and ending on 31 December 2020 in accordance with the provisions of the French Commercial Code.

1. REVIEW OF THE ANNUAL AND GROUP CONSOLIDATED ACCOUNTS

The annual accounts and consolidated accounts for the year ended 31 December 2020, which we submit to your approval, have been prepared in accordance with the rules of presentation and valuation methods provided for in the current regulations.

1.1 Annual Social Accounts

- **Operating Income:**

For the year ended 31 December 2020:

- Net turnover amounted to €22,094,742
- Total operating revenues amounted to €22,210,889
- Operating expenses for the year amounted to €24,114,103
- The operating result therefore is a loss of -€1,903,214
- Salaries and wages amounted to €76,459
- The amount of social security charges amounted to €18,500

- **Financial result:**

The financial result for the year 2020 is -€421,171.

- **Exceptional result:**

The exceptional result for the 2020 financial year is -€237,177.

- **Net accounting income:**

The year ended 31 December 2020, therefore, resulted in a net accounting loss of -€2,561,562.

- **Total balance sheet:**

At 31 December 2020, the Company's balance sheet total amounted to €24,612,699.

- **Proposed appropriation of the result:**

We propose you to approve the annual accounts (balance sheet, income statement and schedule) as presented to you and to allocate the net accounting loss for the year amounting to -€2,561,562, as follows:

- the debtor "Retained Earning" account, for an amount of € 2,561,562.

Therefore, the balance of the "Retained Earnings" account, will be debtor for an amount of €50,257,848.

1.2 Annual Group Consolidated Accounts

- **Consolidated Operating Income:**

For the year ended 31 December 2020:

- Net consolidated turnover amounted to £277,204,000
- Total consolidated operating revenues amounted to £277,204,000
- Consolidated operating expenses for the year amounted to £109,763,000
- The consolidated operating result therefore is a Profit of £167,441,000

- **Financial consolidated result:**

Net financial income and expense for the year 2020 is - £2,270,000.

- **Net consolidated accounting income:**

The year ended 31 December 2020, therefore, was a consolidated net accounting profit of £132,423,000.

- **Total consolidated balance sheet:**

At 31 December 2020, the company's consolidated balance sheet assets total amounted to £234,276,000.

- **Approval of consolidated results:**

We suggest that you approve the consolidated financial statements (balance sheet, income statement and schedule) as presented to you.

2. ACTIVITY OF THE COMPANY AND ITS SUBSIDIARIES AND BUSINESS TRENDS DURING THE YEAR ENDED 31 DECEMBER 2020

2.1 Overview of Novacyt's activity

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.

The following companies make up the Novacyt Group:

Biotec Laboratories Ltd
 IT-IS International Ltd
 Lab21 Healthcare Ltd
 Microgen Bioproducts Ltd

Novacyt SA
 Novacyt Asia Ltd
 Novacyt China Ltd
 Novacyt UK Holdings Ltd
 Primerdesign Ltd

2.2 Situation and activity / Analysis of business trends

- Group consolidated revenue increased by over 2,300% to £277.2m in 2020 compared with £11.5m in 2019.
 - Primerdesign grew more than 4,800% year-on-year to £272.8m in 2020 compared with £5.5m in 2019.
 - All key territories saw year-on-year growth, with the UK market seeing sales increase by over £217m, to £219.4m, largely driven by contracts won in support of the UK testing response to the COVID-19 pandemic. Sales to Europe (excluding the UK) were up over 1,000%, or £29m, to £32.0m driven by increased distributor sales of our range of COVID-19 tests. American sales were up 340% year-on-year to £10.3m.
- Group gross margin continued to improve increasing to 76.3% in 2020 from 64.0% in 2019.
- The Group delivered a gross profit of £211.5m in 2020 compared with £7.3m in 2019
 - This continues the trend of increasing the gross margin percentage every year since 2014.
 - The improvement is due to Primerdesign's share of Group revenue increasing from 48% in 2019 to 98% in 2020.
 - Primerdesign's gross margin decreased to 76.5% in 2020 compared with 85% in 2019, as a result of increasing the product warranty provision by £19.8m.
- Group EBITDA increased to £176.1m in 2020 compared with £0.2m in 2019.
 - EBITDA margin increased to 64% in 2020 compared with 2% in 2019.
 - This continues the trend of positive EBITDA for the Group.
- Operating profit of £167.4m in 2020 compared to a loss of £1.6m in 2019, driven by the growth in sales in the Primerdesign business.
- Profit after tax of £132.4m in 2020 compared to a loss of £5.7m in 2019.
- Cash at year-end of £91.8m compared with £1.5m in 2019, driven by the strong 2020 performance.
- The Group exits 2020 debt free after all debt was repaid during the first half of 2020.
- IT-IS International Limited, a profitable diagnostic instrument development and manufacturing company, was acquired on 15th October 2020. The net consideration for the acquisition after earnouts is £8.7m.

2.3 Results, progress achieved and difficulties encountered

2020 was a year of transformation and growth as the company helped support the worldwide COVID-19 pandemic response with its gold standard qPCR diagnostic tests.

Highlights

Divisional revenues

- Primerdesign sales increased to £272.8m, up 4,833% in 2020.
 - UK and Ireland NHS accounts represented £191.2m (70%) of total sales, reflecting the Company's response and contribution to the UK government testing strategy.
 - Core distributor and reseller business across UK and international markets represented £49.5m (18%) of total sales, with sales to over 85 countries.
 - Private Sector testing market represented £32.1m (12%) of total sales.
- Lab21 Products revenue of £5.2m (before intercompany eliminations), is down 14% from 2019.
 - The core business was impacted by customers diverting their testing laboratories and procedures from veterinary and food testing to COVID-19 testing, to support the global pandemic efforts.

- The Asia Pacific region within Microgen Bioproducts grew 6% year-on-year.
- IT-IS International delivered post acquisition revenues of £6.9m (before intercompany eliminations).

Operational highlights

- Rapid development and launch of 10 new products to support laboratories and clinicians testing for COVID-19
 - Developed one of the first molecular tests for COVID-19, receiving CE Mark accreditation and Emergency Use Authorisation from regulatory authorities around the world
 - Launch of a number of innovative PCR products, including Exsig™, PROMate™, COVID-HT and Winterplex™, to improve workflow efficiency and address testing needs in both central and near-patient settings
- Significant organisational scale-up, including a manufacturing capacity increase of over 100x, an increase in supply chain capacity, and a significant investment in commercial infrastructure to support growth
- Strategic collaboration with AstraZeneca, GSK and University of Cambridge to support COVID-19 testing in the UK
- Secured significant contracts with national governments, including the UK DHSC, and national non-government organisations for the supply of COVID-19 products
- Acquisition and successful integration of IT-IS International Ltd in line with strategy, securing key IP and expanding core capabilities and product offering
- Development of VersaLab™ to improve near-patient PCR testing in the emerging private sector testing market
- Expertise in bioinformatics surveillance used to assess ongoing accuracy of COVID-19 tests and monitor new viral sequences of SARS-CoV-2

2.4 Foreseeable change in the Company's position and future prospects

The Company expects to see significant new growth from the launch of new products during the second half including an expansion of its lateral flow antigen testing portfolio.

In the UK, we are continuing to expand our installed base at NHS hospitals with approximately 40 sites now running q16 or q32 instruments with the new PROMate™ test. Demand for COVID-19 testing through these hospitals is low at present based on low infection / testing rates but we believe this installed base will be a key long-term asset moving forwards and an opportunity for Novacyt to expand its test menu for additional diseases.

With the strengthened cash position of the Company, the business will continue to invest in innovation, organic expansion, and external business development, in line with its updated growth strategy. The Company also continues to evaluate M&A opportunities and will consider additional bolt-on acquisitions to add strategic assets and expand its geographical footprint.

2.5 Business activity in the year ended 31 December 2020

Amounts in '000 £	Primerdesign	Lab21 Products	IT-IS International	Total
Geographical area				
United Kingdom	218,552	591	246	219,389
Europe (excluding UK)	30,917	1,058	56	32,031
Africa	2,896	151	6	3,053
Asia-Pacific	5,305	920	453	6,678

America	9,655	340	316	10,311
Middle East	5,492	250	-	5,742
Total revenue	272,817	3,310	1,077	277,204

2.6 Research and development activity

2020 was a year of agile and innovative product development. One of the Company's key strengths is to innovatively address market needs with our products. We were quick to respond to COVID-19, producing one of the first tests for the virus in January 2020, and we maintained this pace throughout the year, launching new assays and workflow solutions to build a comprehensive COVID-19 product portfolio.

The continued development and expansion of our COVID-19 portfolio is a testament to our ability to match the rapid evolution of SARS-CoV-2 with real-time bioinformatics surveillance and accelerated product development. This is demonstrated post-period end by the rapid development and launch of our PCR genotyping portfolio, known as SNPsig®, to detect variants, initially focused on SARS-CoV-2 variants.

To date, Novacyt has launched over 10 new COVID-19 related products since the beginning of 2020 and has moved from one to three major molecular diagnostic product platforms. All three product platforms, detailed below, have proven to be successful and open different potential markets.

- genesig™ PCR tests for small to medium central laboratories
- PROMate™ PCR tests for near-patient testing
- High throughput genesig™ PCR tests for large laboratories

Our broad technology base covers both protein and molecular platforms and a range of testing settings: near-patient, hospital laboratory and high-throughput (HT). Therefore, we can develop a range of PCR, ELISA and lateral flow antibody and antigen tests for near-patient, central laboratory, HT settings that can run on many laboratory systems as well as our own q16/32 rapid-PCR systems. Our internal R&D is complemented by an expert business development function, which has developed a global network of innovate partners and has successfully in-licensed antibody, antigen and work-flow solutions to expand our product offering.

Across the COVID-19 market, testing requirements are increasing in complexity. There is a regulatory requirement for multigene assays (two and three gene assays) to exclude the (S and N) genes that are most prone to mutations and for suppliers to provide detailed bioinformatic surveillance. We are well positioned with an expert bioinformatics team and will continue to invest in this area as we develop our plans for our focus in product expansion post COVID-19.

Investment in IP

During the period, the Group developed a new patent strategy to protect our novel content, with the filing of patents now being a routine part of the Company's product development process, and forming a key part of protecting future value within the business. We have filed over 20 patents to protect our proprietary assays, the q16/32 PCR systems and workflow innovations. This culture and practice of developing novel and cutting-edge diagnostic technology underpins the Company's continued growth and agility. As such, the R&D team has more than doubled in size and now includes a leading bioinformatics team and the Company's clinical trial function that undertakes clinical trials in the UK, Europe, US and Latin America.

This clinical expertise is a key requirement of the new IVD-R regulation being introduced in May 2022 and as such the Company has built an industry leading team, which completed over a dozen product validations in 2020, including the successful TVG validation of PROMate™, the best in class direct to PCR COVID-19 assay and the recent launch of VariPLEX, the first CE-IVD registered COVID-19 variant detection assay. The Company's clinical expertise also includes over a dozen physicians, clinical and laboratory scientists that provide real-time scientific advice. This, coupled to our leading bioinformatics and surveillance functionality, enable the Group to remain at the forefront of new diagnostic innovation.

2.7 Polluting or dangerous activities

None

2.8 Main risks and uncertainties facing the Company and management of financial risks

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they adopt the going concern basis of accounting in preparing the financial statements.

The going concern model covers the period up to and including June 2022. In making this assessment, the Directors have considered the following elements:

- The working capital requirements of the business;
- A positive cash balance at 31 December 2020 of £91,765,000;
- Payment of the second tranche of the Long-Term Incentive Plan (“LTIP”) that commenced in November 2017 and concluded in November 2020;
- Payment of the first earn-out milestone related to the IT-IS International acquisition; and
- Management’s confidence in settling the outstanding commercial dispute.

In the event the current dispute is fully settled in favour of the counterparty, the forecast prepared by the Group shows that it is able to cover its cash needs during the financial year 2021 and until June 2022 without the raising of any banking or other financing facility.

As at 31 December 2020 the Group is debt free and its main financial liabilities are trade and other payables.

Trade and other receivables, cash and cash equivalents held by the Group are generated by operating activities.

• Currency risk

The Group has significant operations in the United Kingdom, where its main subsidiaries are located. The Group is mainly exposed to the Euro and US Dollar currencies as the company now reports in Great British Pounds, which is its main functional currency.

• Credit risk

Credit risk is the risk of financial loss, following the failure by a third party to honour its commitment to repay a debt. The Group is exposed to credit risk due to its operating activities (mainly through trade receivables) and through deposits with banks.

The Group’s exposure to credit risk is represented by the risk of counterparty default: maximum exposure is equal to the carrying amount of these instruments.

The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to rate its major customers’ risk levels. The Group’s exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group uses debt collection agencies and government backed schemes to collect difficult aged debts as a last resort.

• Liquidity risk

Since its creation, the Group has financed its growth by successive capital increases, loans, grants and public aid for innovation, and the reimbursement of research tax credit receivables.

To overcome limits in its capacity to self-finance its growth, the Group has been required to seek other sources of funding, notably through capital increases.

The Group may fail to obtain additional capital when it needs it, or such capital may not be available on acceptable financial terms for the Group.

The occurrence of one or more of these risks could have an effect on the Group's business, financial position, earnings, growth and prospects.

2.9 Significant events occurring between the reporting date and the date of this report

After the year end, the Group received notification of a contract dispute related to revenue totalling £129,124,000 in respect of performance obligations satisfied during the financial year to 31 December 2020. £23,957,000 of invoices in respect of products delivered during the year is outstanding at the date of signing the financial statements and recovery of the invoice is dependent on the outcome of the dispute.

After the year end, a further £49,034,000 of product delivered and invoiced in 2021 is unpaid and part of the commercial discussions that are ongoing.

The Group has taken independent legal advice and a provision has been made in the financial statements in respect of management's best estimate in respect of this claim.

Management and the Board of Directors have discussed the legal advice presented to them and have formed a judgment that, in accordance with the contractual terms, it should be possible to replace the products in dispute and a product warranty provision has been made accordingly.

If a claim under the limited assurance warranty is successful then management's best estimate of the settlement cost is up to a maximum of £19,753,000, the timing of any outflow is dependent on settlement of the dispute. If no settlement is achieved and legal action is required, the timing of any possible outflow will be extended.

It is possible, but not probable, that the refund claim under the limited assurance warranty will be successful. The timing of any cash outflow is dependent upon the success of a claim and the terms negotiated for repayment.

If the settlement of the claim is materially different from management's determination of replacing the products, the financial statements with regards to revenue and the provision for product warranty could be significantly impacted.

2.10 Existing branches

Novacyt SA has a branch in the UK called Novacyt SA UK.

3. REPORT ON CORPORATE GOVERNANCE

3.1 List of offices

Pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code, we list below all the offices and functions exercised in any company by each of the Company's corporate officers during the financial year.

NAME	POSITION	STARTING DATE OF TERM / DATE OF THE LAST RENEWAL	EXPIRY DATE OF TERM
Chief Executive Officer			
Graham MULLIS	Chief Executive Officer	29 September 2020	2023 General Meeting

BOARD OF DIRECTORS			
James WAKEFIELD	Chairman and member of the Board of Directors	29 September 2020	2023 General Meeting
Graham MULLIS	Member of the Board of Directors	29 September 2020	2023 General Meeting
Jean-Pierre CRINELLI	Member of the Board of Directors	11 June 2018	2021 General Meeting
Andrew HEATH	Member of the Board of Directors	11 June 2018	2021 General Meeting
Anthony DYER	Member of the Board of Directors	29 September 2020	2023 General Meeting
Juliet THOMPSON	Member of the Board of Directors	29 September 2020	2023 General Meeting
Ed SNAPE	Member of the Board of Directors	29 September 2020	2023 General Meeting

The offices and duties held and performed by corporate officers in other companies during the 2020 financial year were as follows:

- James Wakefield is also:
 - o Director of Sparsholt Services Ltd; resigned 29.09.2020
 - o Director of Westbridge Fund Managers Ltd;
 - o Director of Promedics Orthopaedics Ltd; resigned 05.03.2020
 - o Director of Yorkmarsh Ltd; resigned 05.03.2020
 - o Director of Westbridge SME Fund GP Ltd;
 - o Director of Westbridge SME Fund FPLP GP Ltd;
 - o Director of Westbridge GP1 Ltd;
 - o Director of Westbridge GP2 Ltd;
 - o Director of Enterprise Fund (General Partner Wales) Ltd;
 - o Director of DB Systems Holdings Ltd;
 - o Director of AJM Healthcare Group Ltd;
 - o Director of Westbridge (AJM) Nominees Ltd;
 - o Director of Ravel 123 Ltd

- Graham Mullis is also:
 - o LLP designated member of Optivue LLP; company dissolved in November 2020
 - o Director of MC8 Consultants Ltd;
 - o Director of Lab 21 Healthcare;
 - o Director of Microgen Bioproducts;
 - o Director of Biotec Laboratories;
 - o Director of Primer Design Ltd;
 - o Director of Novacyt Asia Ltd;
 - o Director of Novacyt China Ltd;
 - o Director of Novacyt UK Holdings Ltd;
 - o Director of IT-IS International Ltd

- Jean-Pierre Crinelli is also:
 - o Chairman of Pathinvest

- Andrew Heath is also:
 - o Director of Oxford Biomedica Plc;
 - o Chairman of TauC3 Biologics Ltd

- Ed Snape:

- None.
- Juliet Thompson is also:
 - Director of Vectura Group Plc;
 - Trustee of Leadership through Sport and Business;
 - Trustee of Opus Trust
- Anthony Dyer is also:
 - Director of Primerdesign Ltd; resigned 05.01.2021
 - Director of Biotec Laboratories Ltd; resigned 05.01.2021
 - Director of Lab21 Healthcare Ltd; resigned 05.01.2021
 - Director of Microgen Bioproducts Ltd; resigned 05.01.2021
 - Director of Novacyt Asia Ltd;
 - Director of Novacyt UK Holdings Ltd; resigned 05.01.2021
 - Director of IT-IS International Ltd; resigned 05.01.2021

During this general meeting, the following mandates expire:

- **Jean-Pierre CRINELLI** (Member of the Board of Directors)
- **Andrew HEATH** (Member of the Board of Directors)

We suggest that you renew all of these mandates for a period of three (3) years, ending at the end of the general meeting which will be called to approve the accounts for the year ended 31 December 2023.

3.2 Agreements concluded between a significant officer or shareholder and a subsidiary

Pursuant to the provisions of paragraph 2 of Article L. 225-37-4, of the French Commercial Code, we confirm that no agreements were entered into, directly or by an intermediary, between the Chief Executive Officer, one of the executive directors, one of the directors or one of the shareholders owning a fraction of the voting rights greater than 10% and a subsidiary of which the Company holds, directly or indirectly, more than half of the capital, during the year ended December 2020.

3.3 Report on delegations of authority concerning capital increases and changes in share capital during the year ended 31 December 2020

3.3.1 Report on delegations of authority concerning capital increases

In accordance with the provisions of Article L. 225-100 of the French Commercial Code, we list below the current delegations of authority or powers granted by the General Meeting to the Board of Directors pursuant to the provisions of Articles L. 225-129-1 and L. 225-129-2 of the said Code:

DATE OF GENERAL MEETING	NATURE OF DELEGATION	DURATION OF DELEGATION	DATE AND TERMS OF USE BY THE BOARD OF DIRECTORS
Extraordinary General Meeting of 29 September 2020	Authorisation for the company to buy back its own shares	18 months	None
Extraordinary General Meeting of 29 September 2020	Allotment of free shares (existing shares or shares to be issued)	38 months	None

DATE OF GENERAL MEETING	NATURE OF DELEGATION	DURATION OF DELEGATION	DATE AND TERMS OF USE BY THE BOARD OF DIRECTORS
Extraordinary General Meeting of 29 September 2020	Granting of stock options or stock purchase options	38 months	None
Extraordinary General Meeting of 29 September 2020	Capital increase with cancellation of preferential subscription rights in favour of specific persons	18 months	None
Extraordinary General Meeting of 29 September 2020	Capital increase in remuneration for contributions in kind up to a maximum of 10% of the share capital.	26 months	None
Extraordinary General Meeting of 29 September 2020	Capital increase with cancellation of preferential subscription rights by public offering	18 months	None
Extraordinary General Meeting of 29 September 2020	Capital increase with maintenance of preferential subscription rights	26 months	None

3.3.2 Change in capital during the year ended 31 December 2020

The share capital of the Company changed during 2020.

As of 31 December 2020, the share capital amounted to €4,708,416.54 and consisted of 70,626,248 shares with a par value of 1/15th of a euro each.

4. EMPLOYEE SHAREHOLDINGS

In accordance with the provisions of Article L. 225-102 of the French Commercial Code, we inform you that no savings plan has been established for the Company's employees.

As of 31 December 2020, employees held 0.01% of the Company's capital.

5. SUBSIDIARIES AND INVESTMENTS

5.1 Acquisition of significant holdings in companies having their head office in France or takeovers of such companies

In accordance with Article L. 233-6 of the French Commercial Code, we inform you that the Company did not acquire any new shareholdings in a company whose registered office is in the French Republic during the 2020 financial year.

5.2 Alienation of shares taken to regularise cross shareholdings

None

5.3 Breakdown of share capital and treasury shares

Breakdown of share capital

In accordance with the provisions of Article L. 233-13 of the French Commercial Code and taking into account the information received in application of Articles L. 233-7 and L. 233-12 of the said Code, we hereby disclose the identity of shareholders holding, directly or indirectly, more than one-twentieth, one-tenth, three-twentieths, one-fifth, one-quarter, one-third, one-half, two-thirds, eighteen-twentieths or nineteen-twentieths of voting rights at the General Meetings of the Company as of 31 December 2020:

This is based on the CMCIC register as at 31 December 2020.

NAME	NUMBER OF SHARES	% OF CAPITAL	% OF VOTING RIGHTS
N/A	-	-	-

There were no shareholders that held at least one-twentieth of voting rights as of 31 December 2020.

Information on treasury shares:

In accordance with the provisions of paragraph 2 of Article L. 225-211 of the French Commercial Code, we hereby disclose share purchases:

- Intended to be attributed to employees as part of employee incentive plans: none;
- A liquidity agreement has been concluded with Invest Securities to facilitate the trading of our securities on Euronext Growth and to promote the liquidity of the Company's securities.

In 2020, the Company carried out the following transactions on its own shares:

- Number of shares held on 1 January 2020: 61,016;
- Purchases made during the financial year under the liquidity contract: 310,773;
- Average price of purchases: 2.9767 euros;
- Sales made during the financial year under the liquidity contract: 368,717;
- Average price of sales: 2.7881 euros;
- Number of shares held as of 31 December 2020: 3,072.

6. Information about payment terms of suppliers and customers

In application of Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, we hereby provide you with the mandatory information on the payment terms of our suppliers (in thousands of euros):

The figures below include VAT.

Information on payment terms	Not due	X < 30 days	X < 60 days	X > 60 days	Total
Trade payables as of 31 December 2020	64	0	0	0	64
Trade payables as of 31 December 2019	175	36	48	435	684

In application of Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, we hereby provide you with the mandatory information on the payment terms of our customers (in thousands of euros):

The figures below include VAT.

Information on payment terms	Not due	X < 30 days	X < 60 days	X > 60 days	Total
Trade receivable as of 31 December 2020	0	0	0	0	0
Trade receivable as of 31 December 2019	4	2	0	0	6

7. Amount of dividends paid during the last three years

The Company has not paid any dividends in the last three years.

8. Transactions by senior managers on their shares

Pursuant to the provisions of Articles 223-22 A and 223-26 of the AMF General Regulation, we hereby disclose transactions carried out by senior managers and their relatives on the Company's shares during the financial year:

Name	Number of shares bought in 2020	Price per share
Graham Mullis	9,493	£3.10 per share
Graham Mullis	60,875	£8.17 per share
James Wakefield	20,000	£3.04 per share
Jean-Pierre Crinelli	8,000	€1.274 per share
Jean-Pierre Crinelli	5,899	€3.3781 per share
Jean-Pierre Crinelli	1,541	€9.70 per share
James McCarthy	10,000	£8.953 per share
Andrew Heath	3,161	£3.05 per share
Ed Snape	1,080	£7.15 per share
Anouska Penny-Gibson (wife of Steve Gibson)	697	£8.538 per share

9. Table of results over the past five years

The table below sets out the results of the last five financial years required pursuant to paragraph 2 of Article R. 225-102 of the French Commercial Code.

COMPANY: NOVACYT SA	YEAR ENDED: 31 December 2020				
NATURE OF INDICATIONS	2016	2017	2018	2019	2020
<i>End-of-year capital</i>					
. Share capital.....	1,161,134	2,510,956	2,510,956	3,872,984	4,708,417
. Number of ordinary shares in circulation.....	17,417,013	37,664,341	37,664,342	58,094,754	70,626,248

. Number of (non-voting) preference shares in circulation.....					
. Maximum number of future shares to be created.....					
. by conversion of bonds.....					
. by exercise of warrants.....					
<i>Operations and results of the year</i>					
. Revenue excluding VAT.....	1,466,480	1,896,430	1,422,706	1,755,342	22,094,742
. Income before tax, employee profit sharing and depreciation, amortisation and provisions.....	<4,541,034>	<4,528,852>	<4,333,568>	<23,743,116>	<2,704,355>
. Research tax.....	<208,365>	<123,486>	<91,134>	<0>	<0>
. Employee profit-sharing due for the year.....					
. Income after tax, employee profit sharing and depreciation, amortisation and provisions.....	<9,772,595>	<6,166,131>	<5,906,469>	<7,045,325>	<2,561,562>
. Result distributed for the year.....					
<i>Earnings per share</i>					
. Income after tax and employee profit sharing, but before depreciation, amortisation and provisions.....	<0.25>	<0.12>	<0.12>	<0.41>	<0.04>
. Income after tax, employee profit sharing and depreciation, amortisation and provisions.....	<0.56>	<0.27>	<0.16>	<0.12>	<0.04>
. Dividend paid on each share.....					
<i>Employees</i>					
. Average number of employees during the year.....	9	6	4	4	1
. Amount of payroll for the year.....	654,166	490,159	427,188	353,764	76,459
. Amount of employee benefits paid in the year (social security, social services).....	276,130	185,546	159,314	138,506	18,500

9.1 Consolidated results

TABLE OF CONSOLIDATED RESULTS FOR THE LAST 2 YEARS		
Amounts in £ thousand	Year ended 31 December 2020	Year ended 31 December 2019
Revenue	277,204	11,468
Recurring operating profit/(loss)	174,843	-1,088
Total net profit/(loss)	132,423	-5,749
Net profit/(loss) attributable to shareholders of the parent company	132,713	-5,943
Share capital	4,053	3,311
Equity attributable to owners of the company	150,710	12,462
Borrowings	0	-7,109
Net assets	150,710	12,462

Total assets	234,276	26,527
Dividends	0	0
Earnings per share (in units)	1.94	-0.13

10. Loans due in less than 2 years granted by the Company to micro, small or mid-sized enterprises with which it has economic links justifying it

In accordance with paragraph 3b, line 2 of Article L. 511-3 of the French Commercial Code, we list below the loans made by the Company and due in less than 2 years to micro, small or mid-sized enterprises with which it has economic links justifying it:

None.

11. Special report on stock options and free shares

To the shareholders,

This report is presented to you:

- Pursuant to the provisions of Article L. 225-184 of the French Commercial Code concerning transactions relating to stock options, and
- Pursuant to the provisions of Article L. 225-197-4 of the French Commercial Code concerning transactions relating to the granting of free shares.

The Board of Directors did not implement any stock option plans and did not grant any free shares during the year ended 31 December 2020.

12. Office of the auditors

Statutory auditors:

DELOITTE & ASSOCIÉS
 Represented by Benoit Pimont
 185 C Avenue Charles de Gaulle – 92200 Neuilly-sur-Seine

Renewed at the General Meeting of 11 June 2018 for a period of 6 years, i.e. until the Extraordinary General Meeting called in 2024 to approve the financial statements for the year ended 31 December 2023.

Alternate auditors:

BEAS
 195 Avenue Charles de Gaulle – 92200 Neuilly-sur-Seine

Renewed at the General Meeting of 11 June 2018 for a period of 6 years, i.e. until the Extraordinary General Meeting called in 2024 to approve the financial statements for the year ended 31 December 2023.

Confirmation of the end of the mandates of the former auditors:

For the purposes of formalities with the registry of the Commercial Court of Versailles and updating the Kbis extract of the Company, we confirm that the mandates of André & Associés and ABAC Actalis have ended at the end of the combined general meeting of 11 June 2018 and were not renewed.

Please note that for the second consecutive year in 2021, Novacyt may exceed two of the legal thresholds, triggering the obligation to appoint a second statutory auditor. In this context, the appointment of a second statutory auditor will be proposed to the General Assembly this year to anticipate the preparation and review of the 2021 annual accounts.

13. Agreements concluded between a senior officer or a significant shareholder and the Company or one of its subsidiaries

In accordance with Article L. 225-38 of the French Commercial Code, we list below the regulated agreements entered into by the Company during the year ended 31 December 2020:

None

14. Miscellaneous information

In accordance with the provisions of Articles 39-4 and 223 quater of the French General Tax Code, the expenses that are not deductible from the taxable result amount to €6,351.33 for the financial year ended on 31 December 2020.

Pursuant to the provisions of Article L. 232-6 of the French Commercial Code, we inform you changes have been made to the presentation of the annual financial statements or the valuation methods used in relation to the previous year.

The presentational currency of the Group Consolidated Statutory Accounts has changed from Euros (€) to Great British Pounds, (£) in 2020. Included within the 2020 consolidated results is a restatement of the 2019 consolidated results from Euros into Great British Pounds to allow a comparison with the 2020 Group financial results.

The Board of Directors