NOVACYT

Limited company with registered capital of 4,839,205.87 euros
Registered office: 131 Boulevard Carnot – 78110 Le Vésinet
491 062 527 Versailles Trade and Companies Register

(hereinafter the "**Company**" or "**Novacyt**")

ACTIVITY OF THE COMPANY AND ITS SUBSIDIARIES AND BUSINESS TRENDS DURING THE YEAR ENDED 31 DECEMBER 2025

COMBINED GENERAL MEETING DATED 30 JUNE 2026

1. ACTIVITY OF THE COMPANY AND ITS SUBSIDIARIES AND BUSINESS TRENDS DURING THE YEAR ENDED 31 DECEMBER 2025

1.1 Overview of Novacyt's activity

Novacyt is an international molecular diagnostics company providing a broad portfolio of integrated technologies and services, primarily focused on the delivery of genomic medicine. The Company develops, manufactures, and commercialises a range of molecular assays and instrumentation to deliver workflows and services that enable seamless end-to-end solutions from sample to result across multiple sectors including human health, animal health and environmental. Its registered office is located at 131 Boulevard Carnot – 78110 Le Vésinet.

The following companies make up the Novacyt Group as at 31 December 2025:

- IT-IS International Ltd (Discontinued)
- Lab21 Healthcare Ltd (Discontinued)
- Novacyt US Inc
- Novacyt SA
- Novacyt UK Holdings Ltd
- Primer Design Ltd
- Yourgene Health Ltd
- Yourgene Health UK Ltd
- Yourgene Genomic Services Ltd
- Yourgene Health SASU
- Yourgene Health Inc
- Yourgene Health GmbH
- Yourgene Health Canada Inc
- Yourgene Health (Singapore) Pte. Ltd

1.2 Situation and activity / Analysis of business trends

- Group statutory revenue for FY 2025 was £20.0m (FY 2024: £19.6m), slightly above market expectations of £19.8m
- Underlying Group revenue grew by c.4% (5% on a constant currency basis), excluding the impact of the Taiwan service laboratory divestment
  - **Clinical** segment up 3%, delivering sales of £13.8m, (FY 2024: £13.5m), driven by the acquisition of a new strategic customer in the APAC region, with NIPT technologies up over 10% year-on-year
  - **Instrumentation** segment delivered more than 25% growth in sales to £2.5m, (FY 2024: £2.0m) predominantly driven by the launch of the LightBench® Discover instrument

- **RUO** segment declined year-on-year by c. 10% to £3.7m (FY 2024: £4.2m), as a result of reduced sales of the Primer Design catalogue of products
- **APAC** region delivered the highest year-on-year growth of c. 12% achieving sales of £5.8m, driven by the continued strong demand for the Company's Reproductive Health range of products, followed by the Americas region delivering growth of c. 8%

- Group gross profit totalled £12.6m (63% margin) in FY 2025, consistent with FY 2024's underlying gross profit of £12.3m (63% margin)*
- Group EBITDA loss in FY 2025 totalled £7.8m before exceptional items (FY 2024: £9.1m loss) exceeding market expectations
- Loss after tax decreased to £22.9m in FY 2025 (FY 2024: £41.8m loss)
- Cash position at 31 December 2025 was £19.1m (FY 2024: £30.5m)

The Board understands market expectations, based on Singer Capital Markets' October 2025 initiation note, for the year ended 31 December 2025 to be revenue of £19.8m, an EBITDA loss of £8.5m and a closing cash balance of £18.8m.

** The 163% margin reported in FY24 was due to the reversal of the £19.8m product warranty provision following the settlement with the DHSC*

1.3 Results, progress achieved and difficulties encountered

Overview

The Group's 2025 business plan was focussed around three key objectives: the strategic investment in R&D for new product launches, streamlining the Group from an operational and cost perspective and finally, delivering market expectations. I'm delighted to report that Novacyt has delivered on all three core objectives, achieved top-line growth above market expectations and created a strong foundation for future growth.

Operational highlights

- Received IVDR accreditation for Yourgene® QST*R Base assay
- Successful launch of LightBench® Discover, high-precision 3-in-1 instrument for genomic research labs conducting long-read sequencing
- In October 2025, the Company launched its new strategy update, setting out KPIs for the Group to deliver against

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

The Group expects its losses to reduce going forward.

1.5 Business activity in the year ended 31 December 2025

Amounts in £'000	Yourgene Health	Primer Design	Total
Geographical area			
United Kingdom	3,415	773	4,188
France	1,900	154	2,055
Europe (excluding UK and France)	3,194	802	3,996
America	2,044	858	2,901
Asia-Pacific	4,684	1073	5,757
Middle East	500	145	645
Africa	232	253	486
Total revenue	**15,970**	**4,059**	**20,028**

Research and development activity

Portfolio update

1) Clinical

The Clinical business, predominantly Yourgene Health branded, is focused across three key strategic pillars: Reproductive Health, Precision Medicine and Infectious Diseases, which each represent large and growing addressable markets.

Once again, we have made good progress in the period increasing our clinical product portfolio by receiving accreditation under the new EU requirements of the *In Vitro* Diagnostic Regulation ("IVDR") for the Yourgene® QST*R *Base* assay, in February 2025. Yourgene® QST*R *Base* is a highly multiplexed, single tube assay containing 22 markers for rapid diagnosis of the common autosomal and sex chromosome aneuploidies during pregnancy. This is the third IVDR accreditation (following DPYD and Cystic Fibrosis) for Novacyt which further demonstrates the high quality and accuracy of the Group's products, and the team's ability to navigate the stringent new regulatory environment for *in vitro* diagnostic tests.

Reproductive Health

In 2025, our NIPT technologies delivered double digit growth, following a successful run of winning new contracts. This resulted in Novacyt successfully winning a competitive tender process, post year end, to secure the contract with St George's University Hospitals NHS Foundation Trust for the provision of NIPT using Yourgene's flagship IONA® Nx NIPT Workflow (CE-IVD). The service provides NIPT to approximately one third of the NHS (National Health Service) maternity services population in England and is also offered privately at St George's hospital. The contract is for an initial two-year period from December 2025, with an option to extend for a further two years, representing a continuation of existing business to the Company.

Post period end, in February 2026, Yourgene Health won a 4 year tender for a hospital to run the first national NIPT service in Iceland. The hospital lab has had IONA® Nx NIPT Workflow installed and is now up and running an NIPT service for expectant parents in Iceland. The tender expected 3,500 samples per annum and the value of the tender is approximately £2.0m over 4 years, if volumes are met.

In September 2025, the Thai government announced a national policy for NIPT reimbursement to replace the current biochemical quad testing model. This has led to an increase in the number of Yourgene laboratory customers being installed with an NIPT workflow and a growth in samples per annum. Regulated IVD components of the Yourgene NIPT workflow solution for the Thai market have been granted import licenses from Thailand Food and Drug Administration (TFDA).

Precision Medicine

In October 2025, the U.S. Food and Drug Administration (FDA) released a safety announcement to highlight the importance of dihydropyrimidine dehydrogenase (DPD) deficiency discussions with patients prior to capecitabine or 5-FU treatment, a form of chemotherapy treatment. This was followed in February 2026, by a safety labelling update for capecitabine and fluorouracil (5-FU) from the FDA on the risks associated with DPD deficiency.

As a result, the R&D team are busy working on the final steps of the new DPYD assay which will include the updated tier 1 and tier 2 mutations which are recommended by the Association for Molecular Pathology ("AMP") and the National Comprehensive Cancer Network ("NCCN") guidelines. The Yourgene® *Insight* DPYD assay is due for launch in Q2, initially as a Research Use Only assay, soon to be followed an IVDR approved test for the European market. The new kit has been developed closely with various key opinion leaders to ensure that it meets customer needs and is has been beta tested with key customer accounts with international reach.

Genomic Services

The NIPT service expanded its offering in February 2025 of the IONA Care +service, providing expectant parents with a broader clinical menu including clinically relevant microdeletions.

2) Instrumentation

In July 2025, the Group launched LightBench® Discover, a high-precision 3-in-1 instrument for genomic labs conducting long-read sequencing with a PacBio workflow. This product launch was a key driver behind the increase in Group revenue across the period. The product provides cost efficiencies, enhances quality control, simplifies workflows and delivers high-accuracy analytics which all meet the needs of our customers. In the five months since launch, the Company has placed 10 units across North America, UK, Europe, Turkey and Indonesia with a growing pipeline for further uptake in 2026.

3) Research Use Only

Despite Primer Design continuing to provide high quality research assays to the life sciences industry worldwide, the RUO segment declined by circa 10% to £3.7m (FY 2024: £4.2m), as a result of reduced sales of the Primer Design catalogue of products. As part of the Go To Market strategy, Primer Design launched an online shop and distributor partner hub as part of its website offering, to improve the customer and distributor ease of ordering. Uptake has been strong and the focus for 2026 is on expanding new business opportunities to grow the sector. The commercial team at Primer Design has been strengthened with key appointments to add expertise and new skillset to the EMEA commercial team.

In addition, Primer Design has launched several new products across the three sectors of vet and animal health, food & agriculture and human health, based on customer requirements and market demand.

1.6 Polluting or dangerous activities

None

1.7 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 after having taken into account the available information they have for the future, and especially the cash forecast prepared for the next 12 months.

In preparing this cash forecast, the Directors have considered the following assumptions:

- A positive cash balance at 31 December 2025 of £19,149,000;
- The business plan for the next 12 months;
- The working capital requirements of the business;
- The acquisition of Southern Cross Diagnostics in March 2026;
- The Preferential Subscription Rights issue in March 2026;
- No further additional external funding has been forecast

As such the forecast prepared by the Group shows that it is able to cover its cash needs during the financial year 2026 up until April 2027.

As at 31 December 2025, the Group's 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, the reimbursement of research tax credit receivables and has recently self-financed due to its profitability.