

NOVACYT
GROUP

**H1 2024 Investor
Presentation**

26 September 2024

Presenters



Lyn Rees, Chief Executive Officer

- CEO of Novacyt Group since 1 May 2024
- 6 years as CEO of Yourgene Health
- Drove the acquisition of Elucigene Diagnostics and Coastal Genomics and the fundraising to underpin
- Prior to joining Yourgene, was Group CEO at British Biocell International (now BBI Group) for over 9 years.
- Completed 7 acquisitions during his tenure at BBI Group

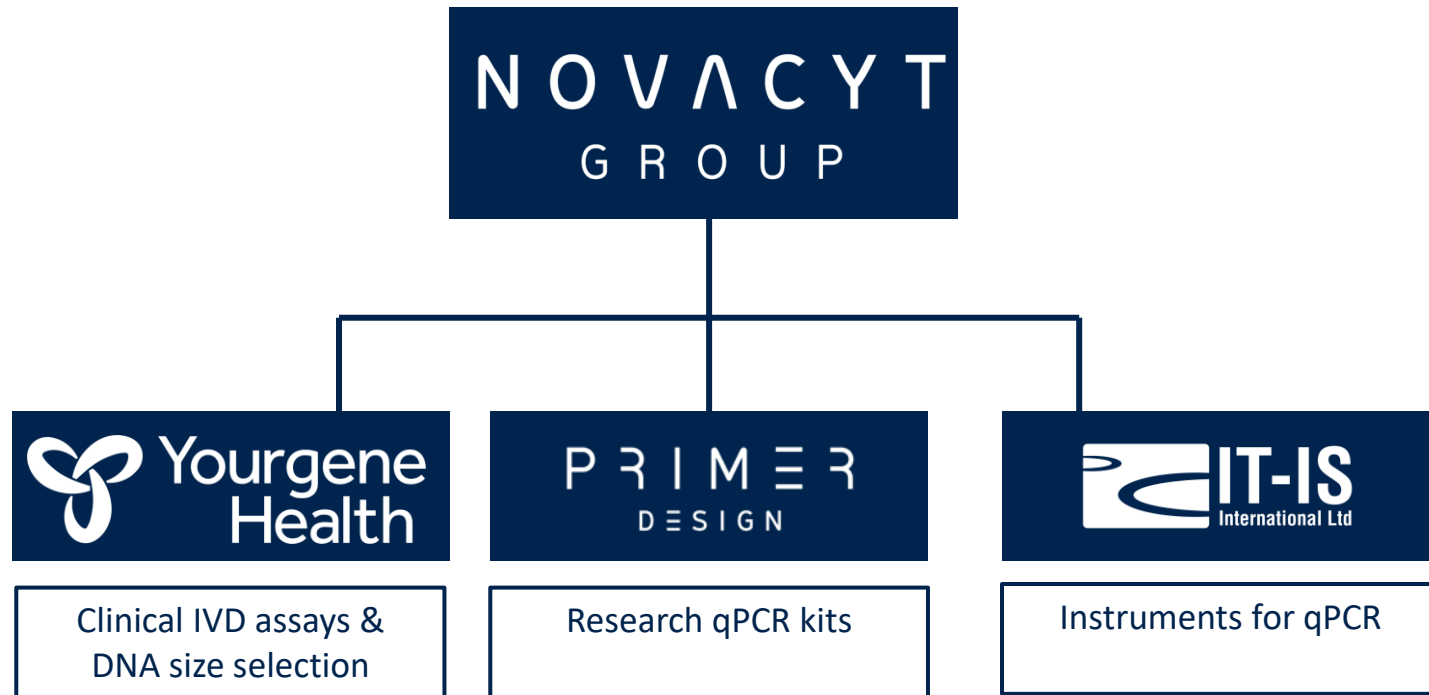


Steve Gibson, Chief Financial Officer

- Joined Novacyt in 2017
- Group Finance Director since February 2020, CFO since January 2024
- Over 10 years in financial management at a globally recognised blue-chip, technology company
- Broad commercial and international experience, including IPO
- CIMA qualified over 15 years

What we do

International molecular diagnostics company with a growing portfolio of clinical assays, instrumentation and research tools. With deep focus and expertise across reproductive health, precision medicine and infectious disease.



Human Health: Reproductive Health – Precision Medicine – Infectious Disease

Non-human applications: Veterinary & Animal health - Food, Water & Agriculture - Plant Genomics

Novacyt Group

Established global footprint



Locations:

- UK - Manchester – Southampton – Stokesley
- Miami, USA
- Singapore
- Canada
- Commercial presence in over 65 countries



Headquartered in Vélizy in France

Listed on the:

- London Stock Exchange's AIM market ("NCYT")
- Paris Stock Exchange Euronext Growth ("ALNOV")



- Novacyt Group employs 240 globally

Business Segments

Clinical

IVD products, workflows
and services

Reproductive Health:

- NIPT
- Cystic Fibrosis
- Other rapid aneuploidy tests

Precision Medicine

- DPYD genotyping assay

Infectious Diseases:

- Winterplex, multiplex PCR panel

Instrumentation

DNA size selection and
rapid PCR

Ranger® Technology

- Next generation size selection for cell-free DNA
- Automated DNA sample preparation
- Target enrichment

MyGo

- Real-time quantitative PCR (qPCR) instruments

Research Use Only

High-performance qPCR assays
and workflows

- Human health
- Agriculture, food & water
- Animal health/veterinary
- Environmental

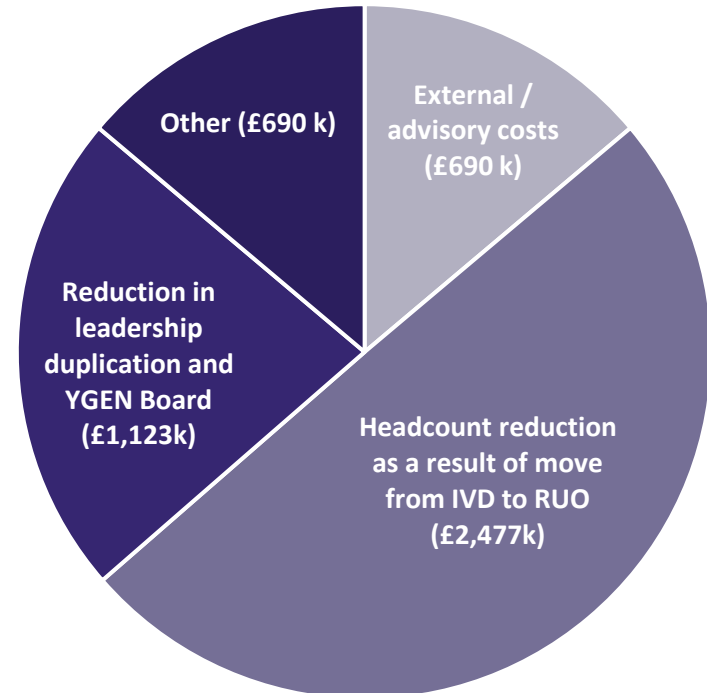
Pharmaceutical research services

- Whole genome sequencing (WGS)
- Whole exome sequencing (WES)

Integration update

Implemented actions that will deliver c.£5.0 million of annualised cost savings

- Refocused Primer Design business on the RUO market
- Eliminated a number of duplicate corporate functions
- Integrated all key operational departments
- Rationalisation of products & services focusing on areas with highest growth potential
- Rationalised, high quality distribution network
- Continue to look at further opportunities to right size the cost base of the Group



Strong cash position to accelerate the growth of our product portfolio and invest in exciting new product opportunities

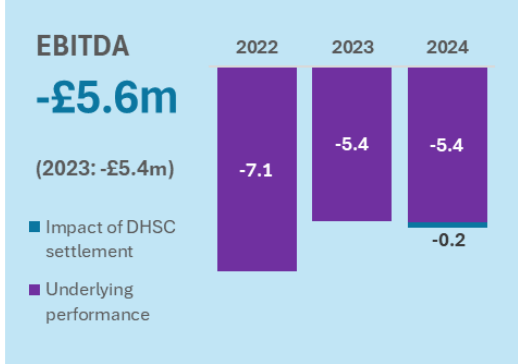
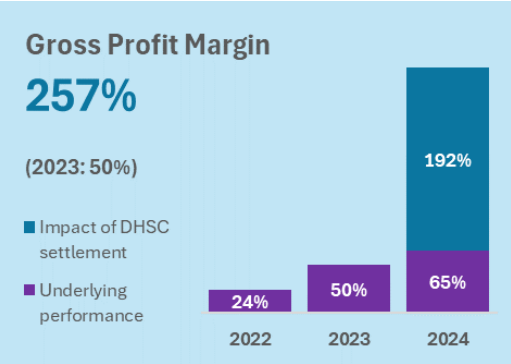
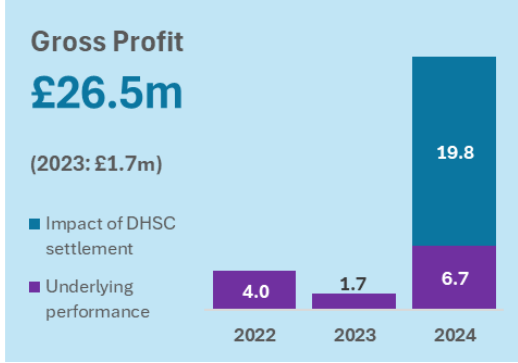
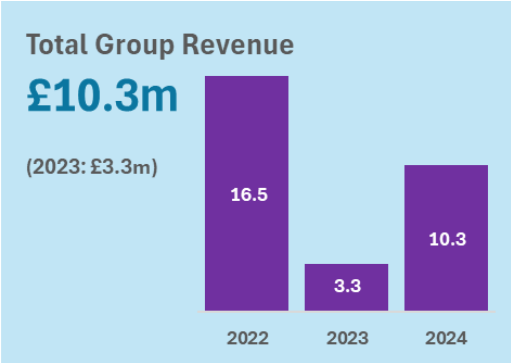
H1 2024 Financial Results



Financial Highlights

Highlights:

- Successfully resolved DHSC dispute
- Revenue of £10.3m - strong growth in Reproductive Health (34%) and NIPT (5%)
- Underlying gross profit increases to £6.7m
- Underlying gross profit margin up to 65% from 50%
- EBITDA loss flat YoY at £5.6m



Revenue by Segment

H1 2024

H1 2023



£7.8m
76%

N/A

PRIMER
DESIGN

£2.2m
21%

£2.8m
83%

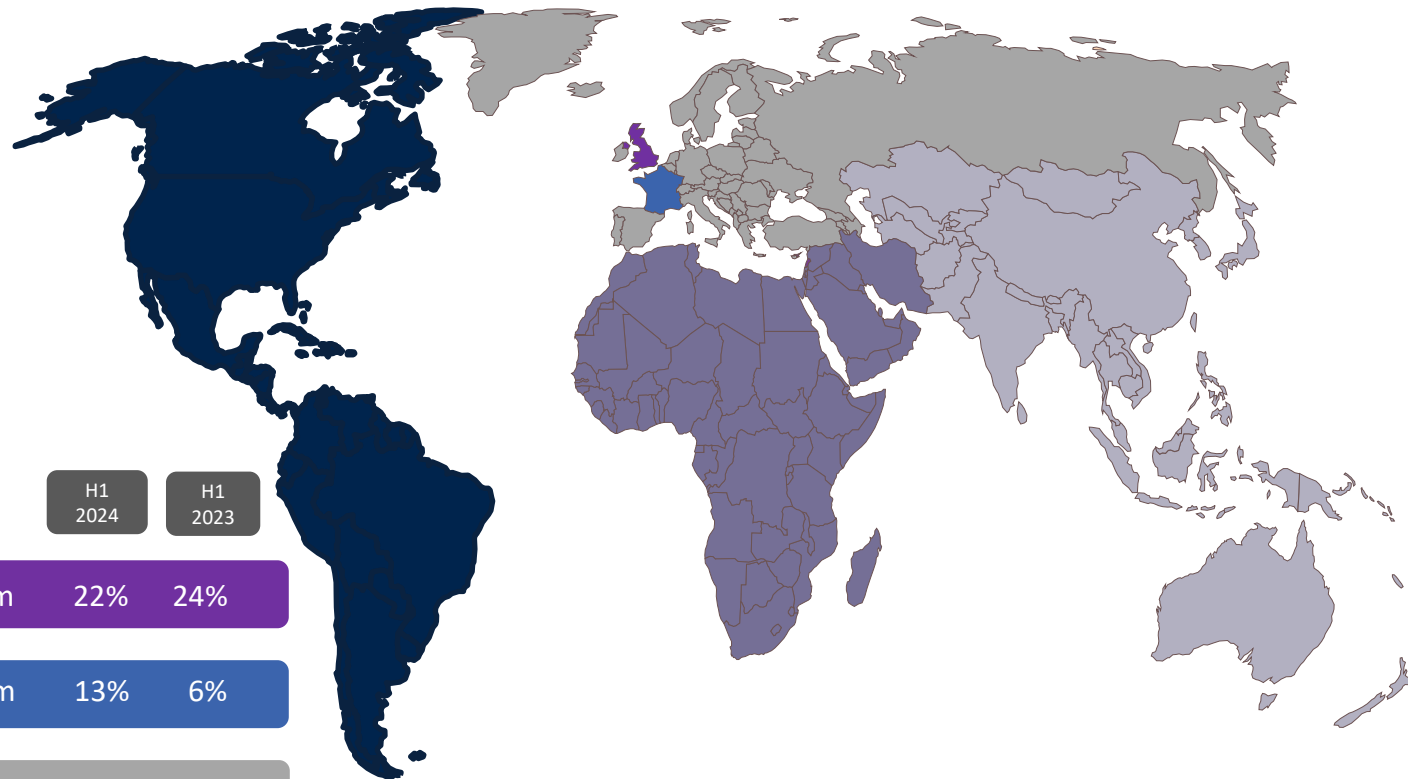


£0.3m
3%

£0.6m
17%

H1 2024:
£10.3m

Revenue by Geography



H1
2024

H1
2023

United Kingdom £2.3m 22% 24%

France £1.3m 13% 6%

Rest of Europe £1.9m 18% 18%

Asia-Pacific £2.7m 26% 22%

America £1.5m 15% 24%

Middle East & Africa £0.6m 6% 6%

Income Statement

	H1 2024 £m	H1 2023 £m
Revenue	10.3	3.3
Gross profit	26.5	1.7
Gross profit %	257%	50%
Operating expenditure	(32.1)	(7.0)
EBITDA	(5.6)	(5.4)
EBITDA %	-54%	-161%
Recurring operating loss	(9.0)	(6.5)
Operating loss	(17.1)	(8.4)
Other financial income and expenses	(0.8)	0.1
Tax income	0.2	0.2
Loss after tax from continuing operations	(17.7)	(8.1)
Loss from discontinued operations	-	(0.2)
Loss after tax attributable to the owners	(17.7)	(8.3)

Includes £20.0m DHSC related bad debt write-off

Underlying OPEX of £12.1m compared with a proforma H1 2023 cost of £14.7m

EBITDA loss flat year-on-year after excluding £0.2m net impact of DHSC settlement

Exceptional costs of £8.1m include:

1. £5.0m DHSC settlement fee
2. £2.4m costs in relation to the settled DHSC contract dispute
3. £0.7m of other costs including restructuring expenses and Taiwan divestment fees

Summary Balance Sheet

	H1 2024 £m	FY 2023 £m
Non-current assets	44.4	47.4
Inventories	3.0	3.0
Trade and other receivables	19.0	39.4
Cash	32.9	44.1
Current liabilities	(13.6)	(29.6)
Net current assets	41.4	56.9
Non-current liabilities	(15.4)	(17.0)
Net assets	70.4	87.2

Strong balance sheet to support achieving profitability

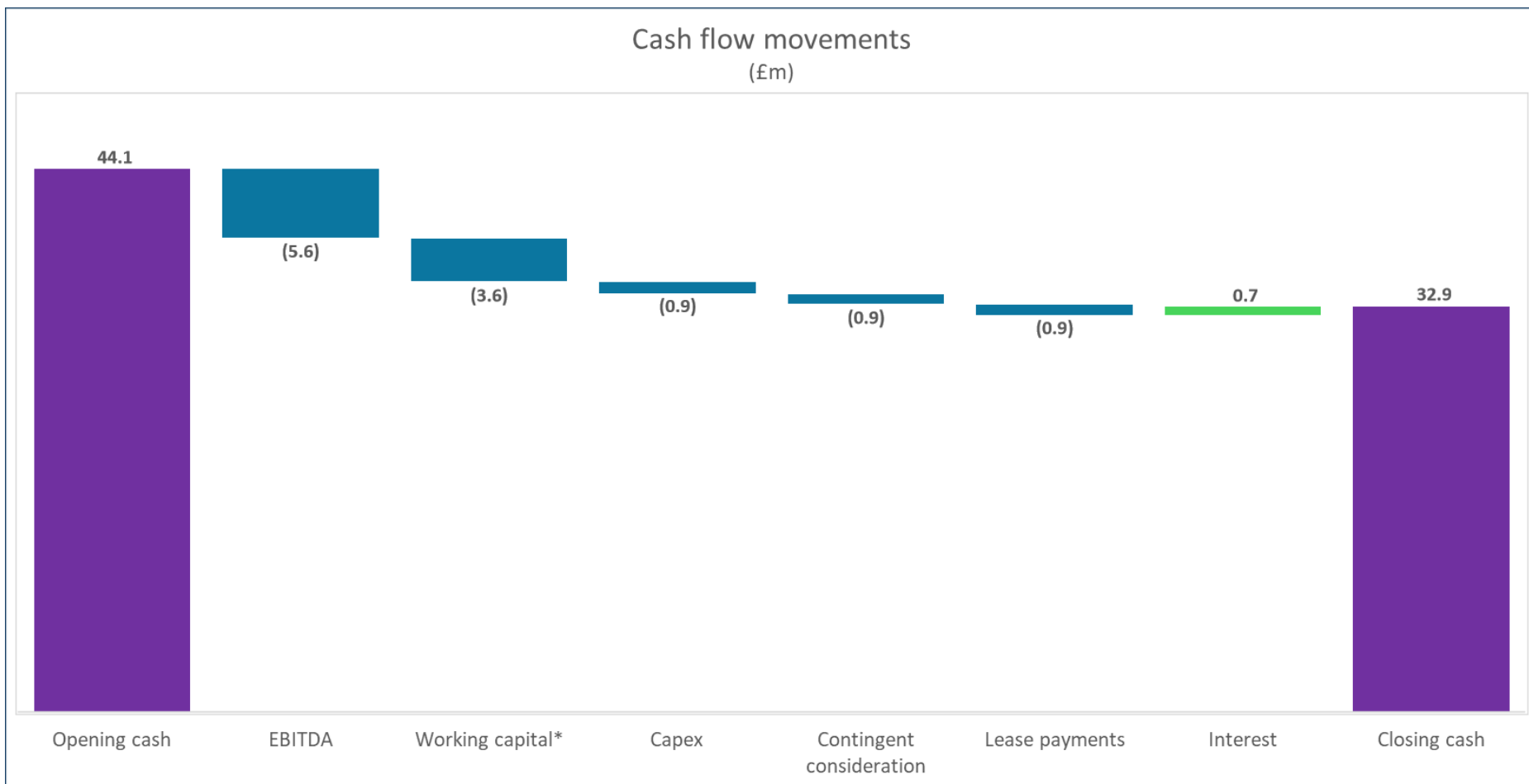
Write-off of £24.0m DHSC December 2020 unpaid invoice

Includes £12.2m DHSC related VAT receivable (received in August 2024)

Release of £19.8m DHSC related product warranty provision

Includes £5.0m settlement due to the DHSC (paid in July 2024)

H1 2024 Cash Flow



* includes £2.4m of payments related to the DHSC commercial dispute. Excludes the £5.0m settlement payment made to the DHSC in July 2024 and the £12.2m DHSC related VAT reclaim received in August 2024.

Operational Progress



Operational highlights



Corporate

- Settled dispute with the DHSC, and successfully reclaimed £12.2 million in VAT from HMRC relating to unpaid DHSC invoices
- Completed disposal of Taiwanese laboratory business



Strengthened Board

- John Brown, Chairman
- Lyn Rees, CEO
- Steve Gibson, CFO
- Dr Jo Mason, CSO



IVDR Certification

- Submitted application for Cystic Fibrosis ARMS-PCR test
- Submitted application for rapid prenatal aneuploidy analysis QST*R quantitative fluorescence PCR (QF-PCR) test



Product Development

- Launched real-time PCR workflow for rapid onsite detection of norovirus in oysters

Reproductive health, our core growth driver

Comprehensive portfolio of screening and diagnostic products focused on reproductive health to support family planning

Key Products

- **Non-Invasive Prenatal Testing (NIPT)**
Blood test for prenatal screening that utilises next generation sequencing workflows
- **Cystic Fibrosis diagnostic portfolio**
Range of IVD products and workflows designed address the most common mutations in European populations.
- **Rapid aneuploidy diagnostic portfolio**
Range of IVD products and workflows for the detection of Down's syndrome, Edwards' syndrome and Patau's syndrome and other chromosomal abnormalities

Opportunities and growth drivers

NIPT

- Favourable national reimbursement policies
- National routine screening
- Patient demand for accurate and reliable early prenatal screening methods
- Market demand for democratisation of local testing
- Market demand for additional clinical content
- Illumina core NIPT patents expire 2027

Cystic Fibrosis

- Increased prevalence and rising awareness
- Approval of new drugs
- Development of gene therapies
- Health screening and reimbursement

Other Opportunities

Ranger® Technology

- Next generation size selection for cell-free DNA
- Opportunities across multiple markets including:
 - Synthetic Biology
 - Liquid Biopsy
 - Plant and Animal Genomics
- Addresses key industry challenges:
 - Sample preparation and purity
 - High volume requirements for gene synthesis
- Proven capability with multiple gene sequencing platforms

Precision Medicine

DPYD screening

- c.2m patients p/a treated with fluoropyrimidine chemotherapy
- 10-30% suffer severe side effects associated with DPD deficiency
- Uptake driven by:
 - Government reimbursement programmes
 - Introduction into cancer care clinical pathways
 - FDA drug label changes in USA
 - Recent AMP guidelines

RUO

- Catalogue of +1200 assays
- Delivered 500+ custom assays
- Growing pipeline of animal diagnostics and aquaculture products
- Assays for infectious and tropical diseases in humans such as mpox, zika virus, dengue virus
- High margin business

Strategy and growth drivers

Current Progress

Future milestones

Drive global sales

- First European sale of NIMBUS Select for synthetic biology
- Strong growth of CF portfolio in Australia
- New NIPT laboratory customers across Europe, Asia and South America
- Launched MagBench™ in APAC / Middle East

- Growth of NIPT with additional content such as CNV analysis
- CF and DPYD with increased adoption of screening
- Consumable uptake for Ranger® customers, additional functionality to win market share

IVDR/R&D

- Submitted application for Cystic Fibrosis (ARMS-PCR) test
- Submitted application for rapid prenatal aneuploidy analysis QST*R test

- IVDR Accreditation for cystic fibrosis and QST*R test
- Updates to DPYD assay planned for 2025
- Expanding reproductive health and precision medicine portfolios

Rebuild RUO business

- Launched Norovirus assay for detection in oysters
- Updating Mpox assay
- Nine new genesig™ multiplex products
- New range of complete assays / mastermixes

- New aquaculture and veterinary products, expected to launch before year end.
- Custom assay portfolio growth
- Supporting customer clinical trial with colorectal and bowel cancer DNA extraction kit

BD Partnerships

- Co-marketing agreement with PacBio for Ranger® Technology
- Ongoing collaborations with key institutions

- Launch of additional functionality to Ranger for long-read sequencing users
- Further use cases for Ranger Technology

Laying the foundations for future growth



International molecular diagnostics company with deep focus and expertise across reproductive health, precision medicine and infectious disease



Integration of Yourgene Health largely complete, enhanced the Group's global diagnostics capabilities and added scale and diversification



Group now has a broader technology portfolio, with a stronger end-to-end customer offering, enhanced routes to market, expanded skills and expertise in our R&D and commercial teams



Completed actions that will deliver annual cost reductions of over £5.0m ahead of schedule, clear roadmap to further reduce costs



Strategic investment internally in R&D and our commercial strength key to achieving long-term growth

Future strategic plans will be announced in H1'25

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