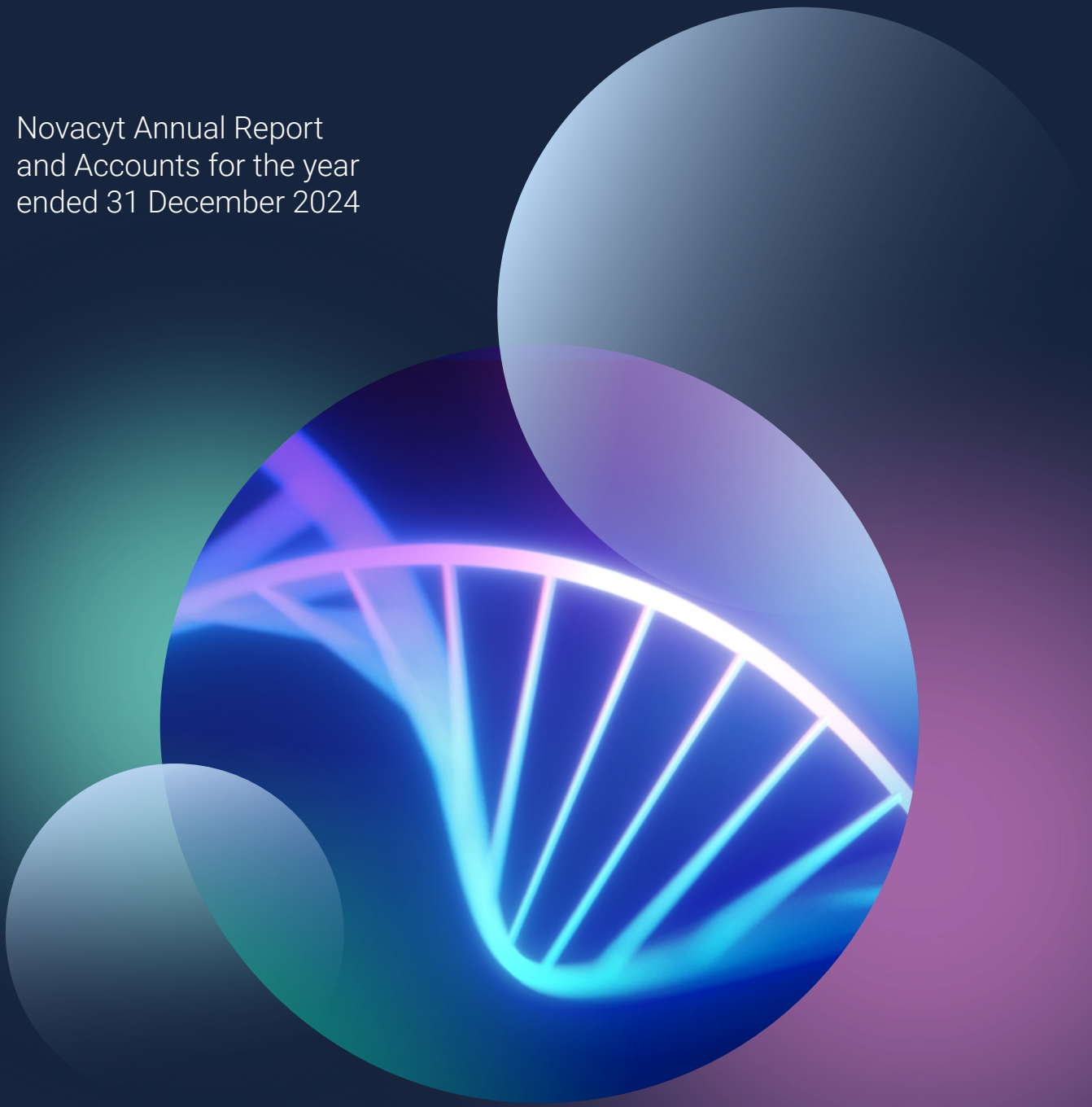
NOVACYT

Novacyt Annual Report and Accounts for the year ended 31 December 2024



Laying the Foundations for Growth

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Business Overview

What we do

Novacyt is an international molecular diagnostics company providing a growing portfolio of integrated technologies and services, primarily focused on delivery of genomic medicine. The Group develops, manufactures, and commercialises a broad range of molecular assays, workflows, and instrumentation for both research and clinical applications. The Group is recognised as a leader in reproductive health, precision medicine and infectious disease.

Our Mission

Enabling scientific advances *to* positively impact global healthcare decisions.

Our Vision

To be a trusted provider of molecular diagnostics, enabled through our technical expertise, innovation, and our global partnerships.

What do we offer?

- **Clinical**
  A focused portfolio of *in vitro* diagnostic tests for human health with screening and diagnostic tests across the three strategic pillars of reproductive health, infectious disease and precision medicine.

- **Research**
  A broad range of high quality, reliable reagents, and qPCR assays for pathogen detection aimed at the life science industry across human health, food, water and agriculture, veterinary and animal health.

- **Instrumentation**
  Ranger® Technology for DNA size selection and target enrichment across multiple applications including NIPT, liquid biopsy, long read sequencing and gene synthesis. In addition we have a range of qPCR instrumentation for in-field testing.

Harnessing experience and expertise around our strategic pillars

Clinical *in vitro* diagnostics assay development

Our Clinical assay portfolio is a cornerstone of the combined Group and the majority for the clinical focus sits within the Yourgene Health brand. Our key strength is the ability to develop clinical assays that will have a positive impact on human health. Being able to truly understand clinical pathways, identifying unmet clinical needs, keeping on top of different healthcare reimbursement and insurance coverage policies and changes to clinical guidance, enables us to create market opportunities for clinical tests. The team can then develop products that meet the needs of clinicians using a range of different technologies such as NGS, ARMS and qPCR amongst others. Yourgene has a range of screening and diagnostic tests in the field of reproductive health, precision medicine and infectious disease. Understanding the regulatory landscape and building products that can be registered as IVDs is a key focus of the clinical development team's expertise.

Research tools for life sciences

The Primerdesign™ life science division within the Group is focused on the design, manufacture, validation and supply of real-time PCR kits and reagents. With a comprehensive range (1200+) of qPCR assays, this division supports our life sciences research customers with accurate, up-to-date testing kits and tools for pathogen detection. It boasts a broad portfolio of pathogen kits across different applications including human health, animal and veterinary, food, water and agriculture. In addition, the team has a wealth of expertise in developing custom assays for our partners. This includes qPCR assay design, multiplexing, custom and extraction workflow solutions.

Yourgene Genomic Services laboratory in Manchester, provides a range of genetic analysis services for our research and pharma customers to support partners with DNA extractions, biobanking, genotyping, arrays and sequencing workflows (WES and WGS).

Instrumentation

Novacyt has two different families of instrumentation both offering unique solutions to our customers genetic testing needs. The core fundamental underpinning our instrumentation portfolio is building platforms, consumables and reagents that are built with our customers in mind.

- Ranger® Technology – this game-changing technology is used for next generation DNA size selection, enabling customers to enrich a specific target through real-time machine vision. Ranger® Technology is deployed in the LightBench and NIMBUS Select instruments, giving customers automation and scalability across multiple applications.
- genesig™ q series of qPCR instruments both enable customers to take real-time PCR tests out of the laboratory, with portable options to run the instrument out in the field. This offers mobility, versatility, and speed to meet any testing need.

Regulatory Expertise

The clinical Yourgene team have a long history of having regulatory approved *in vitro* diagnostics tests, starting with the world's first NIPT assay, the IONA® test to receive its CE mark back in 2015. The In Vitro Diagnostic Regulation (IVDR 2017/746) replaced the current In Vitro Diagnostic Directive (IVDD 98/79/EC). IVDR provides the regulatory framework for safe and effective tests for the benefit of patients. In addition to the growing requirements and challenges of IVDR, the experienced regulatory team work hard to ensure other products are registered in additional non-European regions and are available for sale in regions such as Vietnam, Australia, Canada amongst others. We are thrilled to have received IVDR accreditation for three of our clinical tests, Yourgene® DPYD genotyping assay, Yourgene® Cystic Fibrosis *Base* kit and the Yourgene® QST*R Rapid Aneuploidy Analysis test and others are in the process of being submitted for IVDR accreditation.

Technical Services

Our global Technical Services team is often seen as a true extension of their own team by our lab customers. We receive consistent feedback that they provide excellent and detailed training programmes, pre and post installation support, hand-holding and ongoing operational support. Our teams pride themselves on being fast, responsive, supportive and proactive. The teams are very customer focused and aim to deliver a comprehensive service plan for our more complex NGS workflows such as NIPT and Ranger® Technology across different applications. The Primerdesign technical team are always on hand to handle any support for customers around their pathogen testing with troubleshooting and technical advice to ensure that customers can generate the most accurate results in a timely manner.

Software and Bioinformatics

Developing bespoke software analysis tools to work alongside our assays, instruments and workflows enables us to offer a comprehensive work package to a lab. Our Bioinformatics teams work closely with R&D teams to build data analysis tools to meet our customer needs. The Bioinformatics team also work alongside our customers and Technical Services team to ensure that data and reports that customers develop from our tests are accurate and the test is performing as it should in the customers hands. Many customers who do not have specialist bioinformatics resource rely on us to provide easy to interpret clinical results through a user-friendly software. For our pathogen detection research kits, we use the Bioinformatics expertise to ensure that the surveillance is accurate and the mutation coverage is kept up to date with changes within these pathogens.

Highlights

This has been a year of laying solid foundations ready for growth for the combined Novacyt Group following on from the acquisition, the previous year of Yourgene Health Ltd on 8th September 2023. The Group has seen a successful programme of cost-cutting, consolidating and restructuring to protect cash whilst focusing on growing revenue, product portfolio and investing for growth.

Operational & Commercial Highlights

1st January 2024 to 31st December 2024 of the combined Group

Steve Gibson appointed as CFO and to Board of Directors *(2 January 2024)*

Lyn Rees appointed as CEO and James McCarthy steps down *(1 May 2024)*

Settlement of the dispute with the DHSC *(11 June 2024)*

Successful VAT reclaim of £12.2 million *(22 August 2024)*

Dr John Brown CBE appointed as Chairman *(1 October 2024)*

Closure of IT-IS International *(8 October 2024)*

IVDR accreditation for Yourgene® Cystic Fibrosis Base assay *(17 October 2024)*

Dr Ian Gilham appointed as Non-Executive Director *(31 October 2024)*

Launch of new animal multiplex assays at London Vet Show *(14 November 2024)*

Site consolidations expected to deliver c. £2.0m EBITDA improvement *(14 November 2024)*

Financial Highlights

Group revenue for FY2024 was **£19.6m**

Group gross profit **£32.1m**

Group EBITDA loss **£9.1m**

Cash position on 31 December 2024 was **£30.5m**

Strategic Report

Strengthening our portfolio to meet our customers' needs

Clinical *in vitro* diagnostics

Yourgene Health is the clinical brand within the Novacyt Group with a growing portfolio of *in vitro* diagnostics products, workflows and services focused on three therapeutic areas: Reproductive Health, Precision Medicine and Infectious Diseases. The group is investing in R&D in the next few years to grow this portfolio broader and have more products and offerings to excite and delight our customers. In addition, we are always continuing to update and evolve the current range to ensure that they still meet clinical guidance and screening recommendations by leading industry bodies. Let's take a closer look at some of the key products within the clinical portfolio.

Non-invasive prenatal testing

In the last decade, recent advances in technology in the field of prenatal screening during pregnancy had led to the vast improvements with the arrival of non-invasive prenatal testing (NIPT). This has given rise to huge increases in accuracy and precision through the detection of circulating fetal DNA (cfDNA) in maternal blood. Non-invasive prenatal testing has been so successful since its introduction that it has since been called the vanguard of genomic medicine.

NIPT tests reduce the risk of false positives occurring, giving clinicians the confidence to refer mothers for an invasive test only when there is a high risk that the fetus is affected. This means fewer pregnant women will undergo unnecessary invasive follow-up procedures such as an amniocentesis or chorionic villus sampling (CVS) which can be stressful, painful and may carry a small risk of miscarriage. NIPT is a screening test, and all high-risk results must be followed up with a confirmatory invasive test.

NIPT was first launched as a super-lab service offering in the USA and China, but the market need for clinical laboratories wishing to run their own local NIPT service created great clinical demand. In 2015 Yourgene launched the IONA® test (CE-IVD) and changed the NIPT screening landscape. The IONA® test was the pioneer, the first to market as an IVD kitted product, enabling the democratisation of NIPT for a network of clinical laboratories globally. Today, Yourgene has a comprehensive offering of NIPT workflows, utilising next generation sequencing, that have been built with labs in mind.

Yourgene has four different NIPT workflows for labs based on different sequencing platforms (Illumina and Thermo Fisher) and different regulatory landscapes.

- IONA® Nx NIPT Workflow – CE-IVD based on Illumina Nextseq 550 Dx
- The IONA® test workflow – CE-IVD based on Thermo Fisher Ion Torrent
- Sage™ prenatal screen – RUO based on Thermo Fisher Ion Torrent
- Yourgene® Nx NIPT Workflow – LDT customisable workflow on Illumina Nextseq 550 Dx

The majority of the above NIPT workflows have a broad range of benefits to our lab customers enabling them to offer an accurate, comprehensive, competitive clinical NIPT service, including:

- A broad clinical menu including clinically actionable microdeletion syndromes and now we added functionality to detect copy number variations (CNVs)

Strengthening our portfolio to meet our customers' needs

- Fetal fraction enrichment with our Ranger® Technology
- Low re-draw rates
- Highly flexible workflow that can be scaled
- Manual or automated workflows

In addition, working directly with healthcare professionals and to support our lab customers we also run a clinical prenatal screening service from the Yourgene Genomic Services lab in Manchester. We now offer three options based on different clinical menus which expectant parents can select with the guidance of their healthcare professional:

- IONA® test detects Trisomy 21, 18 and 13
- IONA® Care detects Trisomy 21, 18 and 13 and sex chromosome aneuploidies
- IONA® Care + detects Trisomy 21, 18 and 13 and sex chromosome aneuploidies and clinically relevant microdeletions

DPYD Genotyping

The Yourgene DPYD assay is used to identify patients with Dihydropyrimidine Dehydrogenase (DPD) deficiency, through the rapid detection of six clinically relevant variants in the DPD enzyme. Patients with a DPD deficiency have a high risk of severe, and sometimes lethal, side effects following the administration of 5-Fluorouracil (5-FU), a widely used chemotherapy agent used in the treatment of many cancers including colorectal, head and neck, breast, pancreatic and stomach cancer.

An estimated two million people globally are treated with fluoropyrimidines (including 5-FU) each year, with between 10-30% of these patients suffering severe side effects associated with DPD deficiency. DPYD genotyping for 5-FU toxicity has been adopted in many countries internationally with screening introduced into cancer care clinical pathways following government reimbursement in England, Wales, Germany, Spain, Belgium, and the Ontario province of Canada. In addition, Australia has announced that they will soon be adopting DPYD genotyping routinely for cancer patients ahead of treatment. The screening enables clinicians to reduce the risk of increased toxicity from 5-FU exposure in these patients by lowering the treatment dose, or alternate drug therapy where indicated.

The Yourgene® DPYD assay is now IVDR accredited and was one of the first pharmacogenomics tests in the market to receive this stamp of quality. It provides clinicians and patients with additional confidence in the high-quality and accuracy of this test which is increasingly becoming an essential screening requirement ahead of cancer patient treatment. In July 2024, the Association for Molecular Pathology (AMP) published their recommendations around the implementation of clinical pharmacogenomic DPYD genotyping assays so we are currently updating our DPYD test to meet these latest recommendations.

Cystic Fibrosis screening

Cystic Fibrosis (CF) is one of the most common life-shortening hereditary genetic conditions affecting 1 in 2500 live births in Caucasians. Within defined geographical populations and ethnic groups, there are variations in the predominant mutations. To address this variation, Yourgene provides a range of in vitro diagnostics kits designed specifically for these populations and groups. The kits use Amplification-Refractory Mutation System (ARMS) technology and genetic analysers to detect point mutations, insertions, or deletions in DNA.

Yourgene® Cystic Fibrosis *Base* is a pan-European CF testing kit designed specifically to address the most common mutations found across populations of European origin. Alongside this assay, we offer several population-specific bolt-on panels for regions such as Iberia, Italy, France, UK and Germany as well as bespoke offerings for national programs. The assay is designed with all clinically relevant diagnostic scenarios in mind, including newborn screening and male factor infertility testing. Yourgene® Cystic Fibrosis *Base* has received IVDR accreditation.

Instrumentation

Ranger® Technology:

Ranger® Technology offers industry-leading scalability and precision for DNA size selection, ensuring maximal enrichment, every time. Providing clinical and research laboratories with true walk away time, reducing workflow costs and improving yields. It offers a fast, effective, and efficient automated solution for separating DNA molecules based on their size and electrical charge; it uses patent-protected, machine-vision algorithms to interpret the gel electrophoresis process in real time.

Ranger® Technology is deployed in our state-of-the-art DNA sample preparation platforms, LightBench and NIMBUS Select, with future platforms due to launch later this year. One of the greatest benefits of the technology is that it enables true target enrichment that is both automated and scalable and this can be utilised across different applications:

- NIPT – Ranger® is used in the IONA® Nx and Sage™ 32 NIPT workflows and other NIPT providers workflows, enriching fetal fraction to give more accurate results, first time.
- Liquid biopsy – Ranger® uses dynamic ctDNA target enrichment to enable early detection, with the capability in the future to capture patients with cancer earlier and therefore improve patient outcomes.
- Gene synthesis – Ranger's unique approach to sample visualisation and automated size-selection, ensuring higher sample purity, decreasing failure rates, and lowering overall costs in gene editing and gene synthesis workflows.
- Long read sequencing – LightBench has been shown to enable PacBio customers to optimise size selection for long-read sequencing libraries. Yourgene Health is a PacBio Compatible Partner.

genesig q-series qPCR Instrumentation:

Novacyt has a portfolio of accurate, robust, compact and portable range of qPCR instruments to meet the needs of space-limited laboratory testing and in-field testing.

genesig® q16 and q32 real-time PCR Instruments are accurate and robust yet portable, enabling 16 or 32 simultaneous reactions and are designed to work across many in-field applications and at point-of-need workflows. The Group also offers a business to business partnership capability where we provide these instruments via an Original Equipment Manufacturer (OEM) route to market.

Strengthening our portfolio to meet our customers' needs

Research Assays for Life Sciences

Real-time PCR is an exceptionally powerful research tool. With the correct kits, reagents, and experimental design it is quick and easy to generate high quality meaningful data with real-time PCR. We have a diverse and competitive portfolio of assays available across three key verticals, and these assays are available in a range of different formats of test kits – Advanced, Complete, Easy, Standard and Multiplex, all built to meet the needs of a broad range of research customers.

Human Healthcare

The human pathogen detection kit range forms the largest part of the genesig™ portfolio and is ever growing. This segment includes hundreds of kits for pathogenic bacteria, viruses, protozoa and parasites amongst many others. We have a range of respiratory assays in the range looking at influenza A and B, RSV and SARS-CoV2 amongst others. Our infectious disease range is comprehensive and covers sexually transmitted disease, viral and bacterial gastrointestinal disease, and tropical vector-borne diseases such as dengue fever and zika virus. These focus areas of human healthcare have substantial addressable markets. We are always horizon scanning to understand the evolving mutations in each pathogen outbreak to ensure we offer the most relevant and up-to-date products to support any aid agencies or NGOs with rapid and reliable assays for pathogen detection. This year we launched the new genesig®PLEX Kit for Mpox Differentiation of clades Ia, Ib and II, to support surveillance organisations tracking the mpox outbreaks.

Animal & Veterinary

The veterinary range is currently the fastest growing part of the genesig® portfolio with nearly 400 assays available for pathogen testing. qPCR based veterinary kits attract a lot of attention and this product range addresses some truly unique challenges in the field. Primerdesign specialises in tests for companion animals (cat, dog, household pets) and equine along with a comprehensive range of animal and veterinary diagnostics covering all major animal groups, be it livestock, birds or exotic animals. This year we launched the two new genesig®PLEX kits for companion animals for the rapid, accurate detection of six gastrointestinal disease-causing pathogens in cats and dogs.

Food, Water and Agriculture

An exciting area of non-human diagnostics, this growing field has shown an uptake in the use of our qPCR assays. qPCR methods are proven to be the fastest and most accurate way for screening water and food. We offer highly sensitive kits for food borne pathogens, agriculture, meat and fish speciation, allergen testing and water contaminants. We have 68 assays for food contamination and 63 assays covering aquaculture. We have recently launched real-time PCR workflow for onsite detection of Norovirus in oysters helping to reduce public health risk and minimise shellfish farm closures.

Custom Assays

Our expertise extends to custom development solutions across multiple sectors including human health, animal and veterinary diagnostics and the food, water and agricultural markets, offering a full suite of services for diagnostic companies: assay design, prototype testing, optimisation, validation, regulatory support, and kit manufacturing. We tailor solutions to in-house and open-format qPCR platforms, ensuring maximum performance. This comprehensive approach empowers our partners to bring innovative diagnostic tests to market with efficiency and confidence.

Primerdesign's deep expertise makes us an ideal partner for custom assay and workflow development. With over 500 custom assays created and a global presence spanning 100 countries, we possess a wealth of experience to draw upon. This, combined with our rapid turnaround times of 2–6 weeks, empowers our clients to accelerate their route-to-market with tailored solutions. Our focus on innovation and customer collaboration positions us to consistently deliver the tools diagnostic companies need for success.

Chief Executive Officer's & Chairman of the Board Review

Lyn Rees
Chief Executive Officer
29 April 2025

Dr John Brown CBE FRSE
Non-Executive Director and
Chairman of the Board
29 April 2025

2024 was a year of transition for Novacyt, as we continued to integrate Yourgene into the wider Group and began working as one unified global diagnostics business. Our focus in 2024 was to reduce our cost base and to consolidate and rationalise our product and services offering. These programmes are underway and on track to deliver the expected savings. We also saw encouraging growth in key areas of our portfolio, and we believe we now have a foundation from which we can deliver long-term, sustainable value for shareholders.

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.

We have made significant progress during the year and post-period end in progressing our clinical product portfolio through the new EU requirements of the In Vitro Diagnostic Regulation ("IVDR"). We now have three clinical products that are accredited under IVDR, after the Yourgene® Cystic Fibrosis *Base* assay, a quantitative fluorescence PCR (QF-PCR) test used for newborn screening as well as carrier screening in adults during family planning, received accreditation in October 2024, followed by the QST*R *Base* Rapid Aneuploidy Analysis assay in February 2025. Our regulatory team will continue to progress our key products through the IVDR process to ensure that they can be used in the clinical setting.

Reproductive Health

Over 2024, the Reproductive Health business grew by 26% on a proforma basis, largely driven by the growth in the Group's cystic fibrosis portfolio in Australia, following the introduction of a new nationwide reimbursement pathway, enabling all eligible Australians to receive cystic fibrosis screening prior to, or early in, pregnancy.

We have continued to strengthen our competitive position in the NIPT market with a series of upgrades to the IONA® Nx NIPT workflow, which now has the capability to run twice the number of the samples in one run than previously possible. In October 2024, we also held our IONA® Nx NIPT User Meeting in Paris which provided valuable customer insights to enable the development of future NIPT roadmaps. We supported several of our new NIPT laboratory customers with educational launch events to drive clinical awareness in their regions. We were proud to see our first local installed NIPT service laboratory in Colombia go live in October 2024. In addition, we have a new NIPT install lab customer in Kazakhstan, the Presidential Clinic who hosted a prestigious launch event for clinicians, and delegates from the Ministry of Health, in November 2024.

Precision Medicine

During July 2024, the Association for Molecular Pathology (AMP) published recommendations around the clinical implementation of pharmacogenomic dihydropyrimidine dehydrogenase ("DPYD") genotyping assays, an assay which helps identify cancer patients at risk of suffering a severe and potentially life-threatening reaction to common chemotherapy. Working with key opinion leaders around the world,

Chief Executive Officer's & Chairman of the Board Review

our R&D team is currently developing an enhanced version of our DPYD assay.

In November 2024, the Royal College of Pathologists in Australia (RCPA) announced the need for DPYD testing to be introduced nationally and reimbursed. Each year, over 17,000 Australians undergo this treatment and around 30% of these patients develop grade 3-5 toxicity. Approximately 8% may avoid serious toxicity through DPYD genotyping, and we are encouraged by this recommendation by the RCPA that we believe could help many patients avoid potentially life-threatening side effects arising from fluoropyrimidine-based chemotherapy drugs.

Infectious diseases

The genesig™ Real-time PCR SARS-CoV-2 Winterplex had steady customer uptake over the winter season in the UK, however management has decided to keep the assay as an RUO assay rather than progressing through IVDR.

Genomic Services

Yourgene Genomic Services ("YGS") is now only located in Manchester, UK following the disposal of the Taiwan service laboratory. The business is equally split across research services for pharma, CRO and academia customers, providing them with DNA extractions, whole genome sequencing, exome sequencing, microarray and biobanking services.

The NIPT service expanded its offering with the post-period end launch in February 2025 of the IONA® Care +service, providing expectant parents with a broader clinical menu including clinically relevant microdeletions. The service lab team will launch a pan-cancer panel treatment selection test aimed at clinical laboratories and clinical research centres in the coming months.

2. Instrumentation

Ranger® Technology ("Ranger"), the Group's automated DNA sample preparation and target enrichment technology continues to be a focus and a key growth driver for the Group. The platform enables lab customers to see improved performance in DNA sequencing workflows across multiple applications including NIPT, infectious disease testing, liquid biopsy, gene synthesis and long read sequencing. The Group has a range of Ranger platforms serving different customer segments and different sample throughputs, including the LightBench, Yourgene® QS250 (embedded in our NIPT solutions) and NIMBUS Select.

The Group's R&D team has been working hard on a new Ranger platform, set to be launched later this year, that will enable two workflows in one instrument. Providing both fragment analysis and size selection, it will offer a unique value proposition to long read sequencing research labs. The instrument is currently with three customers' sites finalising the beta testing.

Despite a cautious instrumentation purchasing environment during the year, we also saw healthy growth in Ranger consumables sales of 13% YoY, underlining the strength and utility of our Ranger Technology.

In October 2024, we made the decision to close down our IT-IS International Limited subsidiary, a real-time PCR instrument manufacturer, which has improved the Group's EBITDA position by £1.0m annually. The MyGo PCR product range has since been discontinued due to low demand in a saturated marketplace, but we continue to support our customers with existing instruments in the field with our Technical Support team. In addition, we still have existing Original Equipment Manufacturer ("OEM") partnerships for real-time PCR instruments which we maintain and support.

3. Research Use Only

Primerdesign has continued to provide high quality research assays to the life sciences industry worldwide focusing on applications in human health, animal health, food, water and agriculture sectors. In June 2024, the Group launched a real-time PCR workflow for rapid onsite detection of Norovirus in oysters, addressing an unmet testing need within the oyster farming community, which has seen steady adoption. In December 2024, we launched an mpox clade differentiation assay for monitoring and surveillance of the mpox pandemic which has been well received by our NGO customer base.

In November 2024, the Group expanded its veterinary and animal health portfolio with the addition of two companion animal multiplex assays for the rapid, accurate detection of six gastrointestinal disease-causing pathogens in cats and dogs. The team launched a new Primerdesign website in February 2024 and is currently working on an e-commerce shop for life sciences customers to place orders online, expanding the Group's reach and supporting distributors with a focused sales and marketing portal.

Site consolidations

By January 2025, the Group was in the process of completing changes to the Company's operational footprint, including relocating all of the Company's manufacturing to its Manchester facility. This meant transferring all manufacturing facilities for the Company's Ranger® instrumentation and consumables from Yourgene Health Canada's manufacturing site to Manchester, relocating the Primerdesign business from

Chief Executive Officer's & Chairman of the Board Review

Southampton and closing its IT-IS International Limited subsidiary. These consolidations have been a core focus of the Group this year and by completing them, the Company has been able to utilise existing capacity to establish a centre of operational excellence.

The Group remains on track to deliver an incremental £3.0m of annual EBITDA improvements through the various site consolidation activities once concluded. This is in addition to the £5.0m of acquisition synergy cost savings from the Yourgene Health acquisition.

Board changes

In January 2024, the Group appointed Steve Gibson as Chief Financial Officer. Steve joined Novacyt in 2017 and had served as Group Finance Director since 2020. His financial and operational expertise around the acquisition of Yourgene Health were instrumental to the smooth delivery of the investment.

In May 2024, Lyn Rees and Jo Mason joined the Board as Chief Executive Officer and Chief Scientific Officer respectively. Both were instrumental in the seamless integration of Novacyt and Yourgene. Lyn's significant global leadership, commercial expertise and proven track record of successfully scaling companies has been invaluable to the Group. Jo, a leading molecular biologist, has over 22 years of experience working in senior positions both in industry and at prominent research institutes and has played a pivotal role in the Company highlighting the technical benefits of the Company's offerings to potential and existing customers.

The Group appointed Dr John Brown CBE as Chairman in September 2024, bringing significant industry experience with him, including significant capital markets and board experience in the healthcare and life sciences sector. Finally, in October 2024, Dr Ian Gilham joined the Board as Non-Executive Director (subject to ratification at the next AGM), bringing a wealth of experience of working with public listed life sciences companies, with an international track record in research, development and commercialisation of diagnostic products.

Current trading and outlook

At the time of my appointment in May 2024, integrating Yourgene and reducing the Group's cost base was our priority. We have since been able to significantly reduce our operating costs through the rationalisation of our sites and product portfolio, and the Group's operational footprint is now far better positioned to deliver growth for shareholders, with all Group manufacturing taking place from our Manchester facility. With all site consolidations in progress and on target to deliver the previously announced £3.0m in cost savings, Q1 2025 trading was in-line with management expectations in terms of both revenues and an improved EBITDA performance with a cash position at 31 March 2025 of £27.9m.

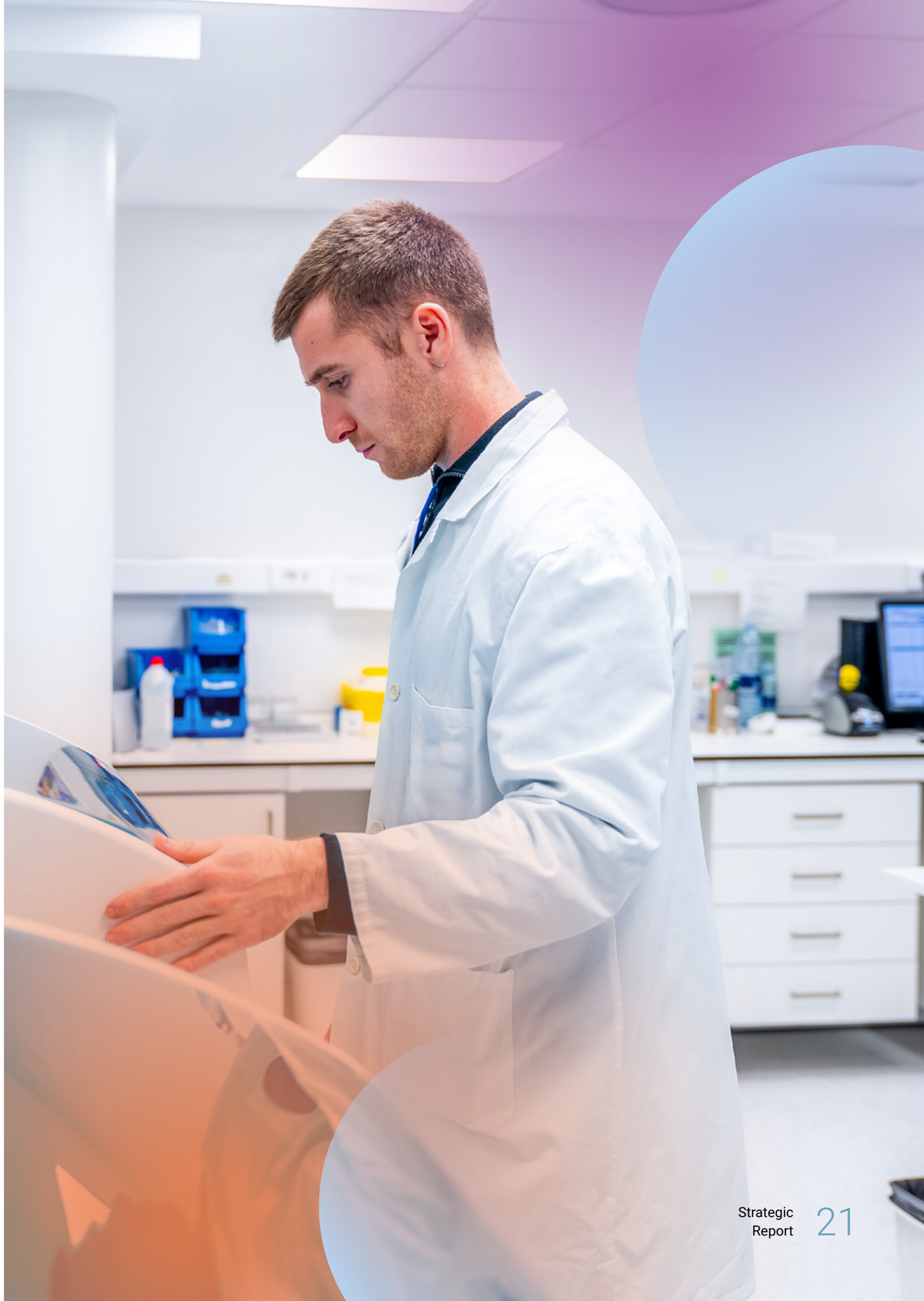
To deliver sustainable, long-term growth, we are now leveraging our strong cash position to accelerate new product launches. As part of our strategic review of the business, we have identified Reproductive Health, Precision Medicine and Ranger® Technology as priority areas for investment. We expect to invest an additional c. £2.0m into these areas in 2025 to help us deliver a number of product launches during the year.

Our cash position at 31 December 2024 was £30.5m (2023: £44.1m), and the Group remains debt free. With continued cost savings, as well as our projected revenue growth from existing and new products, the Board believes that the Company's current cash balance is sufficient to reach breakeven and EBITDA profitability. We plan to update the market in H2 on our future strategy.

Lyn Rees
Chief Executive Officer

Dr John Brown CBE FRSE
Non-Executive Director and
Chairman of the Board

April 2025



Section 172
(1) Statement

The Directors acknowledge their duty under s172 of the Companies Act 2006 and consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, they have had particular regard to:

The likely consequences of any decision in the long term

The Group's long-term strategic objectives, including progress made during the year, and principal risks to these objectives, are set out in the Joint Chairman and Chief Executive Officer's Review on pages 16 to 21, and in the Principal Risks and Risk Management section on pages 64 to 71 respectively.

The interests of the Company's employees

Our employees are fundamental to the Group achieving its long-term strategic objectives, and further disclosure on how we look after the interests of our employees is contained in Principle 3 of the QCA Principles on pages 46 to 47.

The need to foster the Company's business relationships with suppliers, customers and others

A consideration of our relationship with wider stakeholders and their impact on our long-term strategic objectives is disclosed in Principles 2 and 3 of the QCA Principles on pages 46 and 47.

The impact of the Company's operations on the community and the environment

The Group operates honestly and transparently. We consider the impact of our day-to-day operations on the community and the environment, and how this can be minimised, as more fully explained in Principle 3 of the Corporate Governance Statement on pages 46 and 47. Further disclosure on how we promote a corporate culture based on ethical values and behaviours is included in Principle 8 of the Corporate Governance Statement on pages 51 and 52.

The desirability of the Company maintaining a reputation for high standards of business conduct

Our intention is to behave in a responsible manner, operating within a high standard of business conduct and good corporate governance. This is explained more fully in our QCA Principles on page 51, and is also encapsulated in our risk management framework on pages 64 to 70.

The need to act fairly between members of the Company

Our intention is to behave responsibly towards our Shareholders and to treat them fairly and equally so that they may also benefit from the successful delivery of our strategic objectives.

Financial Review

Steve Gibson
Chief Financial Officer
Novacyt S.A.

Overview

2024 was a year of integration following the acquisition of Yourgene in September 2023, which drove the year-on-year revenue growth of 85%.

Novacyt generated sales of £19.6m, an EBITDA loss of £9.1m and a loss after tax of £41.8m.

Management took a number of actions to ensure the estimated acquisition cost synergies of £5.0m were delivered, and significantly ahead of schedule. A number of additional initiatives to further reduce the cost base of the business have either completed or are in flight, which will improve the EBITDA position of the Group, not all of which will be seen until the start of 2026.

On a proforma basis, costs have reduced from a circa £27.5m annual run rate at the time of the acquisition, down to £21.1m in 2024, driven by the delivery of acquisition cost synergies and the removal of IT-IS International costs under IFRS 5.

Novacyt closed 2024 with £30.5m cash in the bank, which provides the Group with a solid foundation on which to build its future strategy.

Business combinations

The acquisition of Yourgene was implemented by way of a UK scheme of arrangement between Yourgene and its shareholders under Part 26 of the UK Companies Act 2006.

IFRS 3 provides for a period of 12 months from acquisition to complete the identification and measurement of the fair value of assets acquired and liabilities assumed. Following the conclusion of this process, Goodwill has now reduced from £19.5m to £12.1m (with other intangible assets increasing to offset it, notably customer relationships) and is now subject to an annual impairment review. Subsequently, as part of the annual impairment process, goodwill was reduced to £0.6m.

Discontinued operations

During 2024, Novacyt commenced a strategic review of the business, which included a review of the IT-IS International business. The outcome of the review lead to the closure of IT-IS International as the PCR instrumentation market had become saturated, and the business had experienced several consecutive loss-making years.

In accordance with IFRS 5, the net result of the IT-IS International segment has been reported in the line 'Loss from discontinued operations' on the consolidated income statement for FY2023 and FY2024.

Profit & Loss:

Revenue

Statutory revenue grew by over 80% in 2024, to £19.6m, as a result of the acquisition of Yourgene in September 2023.

At a business unit level, Primerdesign delivered sales totalling £4.3m, broadly flat year-on-year (excluding COVID sales). Yourgene delivered sales of £15.3m.

On a proforma basis, excluding the impact of COVID-19, Group revenue declined year-on-year by £1.3m, driven by two key factors; i) a reduction in non-invasive prenatal testing (NIPT) services revenue following the

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Taiwan divestment, circa £0.3m, and ii) a reduction in sequencing revenue from a key customer, circa £1.0m.

There were differing levels of performance within the Group portfolio, with reproductive health up 26% and Ranger® consumables up 13% year-on-year on a proforma basis. Instrument sales were down year-on-year as a result of placing a large number of instruments in 2023 in the APAC region, which was not repeated to the same extent in 2024.

Gross profit

The business delivered a gross profit of £32.1m (163%), compared with £3.5m (33%) in 2023. The margin, at 163%, is inflated as a result of releasing the DHSC product warranty provision for £19.8m following the dispute settlement. Removing the impact of this one-time entry, the underlying gross profit grew to £12.3m, or 63%. The margin is back to the historic levels delivered by the Group following a period of high stock write-offs/provisions that was not repeated in 2024.

Operating expenditure

Group operating costs increased by £25.8m to £41.1m in 2024, compared with £15.3m in 2023, predominantly as a result of booking a £20.0m bad debt write-off following the settlement with the DHSC. Removing the impact of this one-time entry, the underlying opex cost would have been £21.1m. On a proforma basis, 2024 opex costs are £6.4m lower than 2023, predominantly as a result of the integration cost savings that have been delivered post-acquisition and the removal of IT-IS International costs under IFRS 5.

Labour costs have increased year-on-year due to the inclusion of a full twelve months of Yourgene staff costs compared to four months (8 September onwards) in 2023, which have been partially offset by restructuring savings. The Group's opening and closing headcount for 2024 was broadly flat at around 240. However, the mix/quantity changed throughout the year driven by employee departures, as part of the restructuring programmes, offset by the influx of new, predominantly R&D, employees in Q4 2024 to help drive future organic growth.

Non-labour costs follow a similar pattern in that the year-on-year increase is due to the inclusion of a full twelve months of Yourgene costs compared to four months (8 September onwards) in 2023.

EBITDA

The Group reported an EBITDA loss of £9.1m for 2024 compared with a loss of £11.8m in 2023. The loss has decreased by £2.7m, driven by an increased underlying gross profit contribution of £8.8m as a result of higher sales, offset by a £5.8m increase in the underlying operating expenditure and a £0.2m net EBITDA impact of the DHSC settlement.

Operating loss

The Group reported an operating loss of £37.3m compared with a 2023 loss of £25.4m. Year-on-year, depreciation and amortisation charges have increased by £3.7m, to £7.4m, mainly due to the inclusion of a full twelve months of amortisation and depreciation charges on assets created as part of the acquisition.

Net other operating expenses have increased from £9.9m to £20.9m. The main items making up the 2024 charge are i) a goodwill impairment charge of £11.2m in relation to the acquisition of Yourgene, following the completion of the Purchase Price Allocation "PPA" process, ii) £7.3m of costs relating to the DHSC dispute, including the £5.0m settlement fee, iii) £1.2m of costs associated with site closures and restructuring fees (including redundancy payments), and iv) £1.2m of other expenses including divestment costs associated with the sale of the Yourgene Taiwan entity.

Loss after tax from continuing operations

The Group reported a loss after tax from continuing operations of £38.7m, compared with a loss of £24.1m in 2023. Other financial income and expenses netted to a loss of £2.1m compared with a £1.0m net income in 2023. The three key items making up the balance are i) a £2.7m net financial foreign exchange loss, mainly resulting from revaluations of bank and intercompany accounts held in foreign currencies, ii) £1.4m interest income, mostly on deposits held in bank accounts, and iii) £0.7m of interest charges on IFRS 16 liabilities. Taxation at £0.7m is predominantly a result of the movement in deferred tax.

Loss from discontinued operations

In accordance with IFRS 5, the net result of the IT-IS International business has been reported on a separate line "Loss from discontinued operations" in the consolidated income statement for 2024 and 2023.

Earnings per share

2024 saw a loss per share of £0.59 compared to a loss per share of £0.40 in 2023.

Balance Sheet:

Non-current assets

Goodwill has decreased from £21.4m in 2023 to £2.7m in 2024. The decrease is predominantly driven by the finalisation of the Yourgene acquisition accounting, which resulted in a reduction in goodwill compared to the opening value booked in the 2023 accounts and an impairment charge. The remaining movement is due to exchange revaluations on the Primerdesign goodwill balance, which is not held in pound sterling.

Right-of-use assets have decreased from £11.0m at 31 December 2023 to £8.3m at 31 December 2024, mainly as a result of the annual depreciation charges and the disposal of the Taiwanese business that had a leased facility.

Property, plant and equipment has decreased by £1.8m from 31 December 2023 to £2.4m at 31 December 2024, with the two main drivers being the annual depreciation and the impact of selling the Taiwanese business.

Other non-current assets have increased by £7.3m to £17.6m as at 31 December 2024, driven by the finalisation of the Yourgene acquisition accounting, which resulted in an increase to intangible assets, predominantly customer relationships. These were partly offset by annual amortisation charges totalling £3.4m.

Current assets

Inventories and work in progress has decreased year-on-year, closing 2024 at £2.3m compared to £3.0m in 2023. The main driver for the reduction is providing for or writing off all remaining IT-IS International stock following the closure of the business.

Trade and other receivables has fallen by £31.3m to £4.7m at 31 December 2024, predominantly as a result of the DHSC settlement, whereby i) the December 2020 unpaid invoice for £24.0m has been written off as it will no longer be paid and ii) the successful reclaim of £12.2m of VAT (of which only £8.2m was recognised at December 2023) on uncollectable DHSC sales invoices as per the terms of the settlement agreement.

Tax receivables have fallen by £0.2m to £0.5m at 31 December 2024. The current balance relates to Research and Development tax credits (SME Scheme) accruals covering 2023 and 2024.

Other current assets have decreased to £1.5m, from £2.6m in 2023, with the key driver being a reduction in the prepayment position at year end. Prepayments at 31 December 2024 include the annual Group commercial insurance, rent, rates and prepaid support costs.

Current liabilities

Short-term lease liabilities are broadly flat year-on-year at £1.3m compared with £1.2m in 2023.

The short-term contingent consideration balance of £0.2m as at 31 December 2023 related to the acquisition of Coastal Genomics in Canada by Yourgene and was subsequently paid in April 2024.

Trade and other liabilities decreased to £3.8m at 31 December 2024, from £7.2m at 31 December 2023. At year end 2023 there were a number of high value

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accruals and trade payables outstanding, e.g. legal fees for the DHSC, which were not present at 31 December 2024.

Other provisions and short-term liabilities have fallen to £1.1m from £20.9m at 31 December 2023 as a result of the DHSC settlement, whereby the product warranty provision for £19.8m, made in relation to the dispute, has been reversed.

Non-current liabilities

Deferred tax liabilities on temporary timing differences relate to the assets acquired as part of the Yourgene acquisition in September 2023 and accelerated capital allowances. Deferred tax liabilities have increased to £4.4m, from £2.2m in 2023, as a result of the increase in intangible assets following the completion of the acquisition accounting.

Lease liabilities long-term have decreased to £10.6m, from £12.5m, as a result of rental payments made, and a £0.8m one-time impact from the disposal of the Taiwanese entity since we no longer have the lease liability. The main ongoing liabilities relate to two premises in the UK, Skelton House and City Labs, that have multi-year leases.

Other provisions and long-term liabilities have decreased to £1.5m, from £2.3m, predominantly as a result of the settlement of the Coastal Genomics earnout milestone that totalled £0.7m at December 2023.

Cash flow

Cash held at the end of 2024 totalled £30.5m compared with £44.1m at 31 December 2023. Net cash used in operating activities was £9.8m for 2024, made up of a working capital outflow of £0.7m and an EBITDA loss of £9.1m, compared to a cash outflow of £25.0m in 2023.

Net cash used in investing activities decreased to £1.9m, from £13.9m in 2023. This is a result of Novacyt completing the all-cash acquisition of Yourgene in 2023. This outflow was net of £1.1m interest income generated from the Group's cash balances during 2024, down on the prior year as its cash pile reduced.

Capital expenditure in 2024 totalled £1.9m compared with £0.7m in 2023.

Net cash used in financing activities decreased in 2024 to £1.8m compared with £3.5m in 2023, with the main cash outflow being lease payments. 2023 saw the repayment of the Yourgene SVB bank loan totalling £2.4m that did not repeat in 2024.

The Group remains debt free at 31 December 2024.

Announcement Note

The information included in this announcement is extracted from the audited Group Consolidated Accounts. Defined terms used in the announcement refer to terms as defined in the Group Consolidated Accounts unless the context otherwise requires. This announcement should be read in conjunction with, and is not a substitute for, the full Group Consolidated Accounts.

Steve Gibson
Chief Financial Officer
Novacyt S.A.

Sustainability

Novacyt continues to focus on Environment, Social and Governance ("ESG") matters. We are pleased to share ESG data in this Annual Report and will continue to develop our approach over time. Environment and Social information is covered in this section, while our overall approach to Governance is addressed on page 36 to 71.

Environment: Measuring our impact Streamlined Energy & Carbon Reporting

This report is Novacyt's fifth year of reporting under the new Streamlined Energy & Carbon Reporting requirements.

The reporting period is the same as the Company's financial year, 1 January 2024 to 31 December 2024. Yourgene Health plc was acquired on 8 September 2023, therefore we have included its 2024 data for the full year.

Organisation boundary and scope of emissions

We have reported on all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2018. These sources fall within Novacyt's consolidated financial statement.

An operational control approach has been used in order to define the organisational boundary. This is the basis for determining the Scope 1, 2 and 3 emissions for which Novacyt is responsible, and includes emissions from Novacyt's operational facilities: Primerdesign, based in Southampton, UK; IT-IS International, based in Stokesley, UK and Yourgene Health with sites in Manchester, Canada and Singapore.

Methodology

The following methodology was applied in the preparation and presentation of this data:

- the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute (the "WBCSD/WRI GHG Protocol");
- application of appropriate emission factors to Novacyt's activities to calculate GHG emissions;
- application of location-based emission factors for electricity supplies;
- inclusion of all the applicable Kyoto gases, expressed in carbon dioxide equivalents, or CO2e; and
- presentation of gross emissions as Novacyt does not purchase carbon credits (or equivalents).

Total energy use

The total energy use for Novacyt for the year ending 31 December 2024 was 1,964,858 kWh. This represents a 98% increase in total emissions compared to the year ending 31 December 2023 (993,638 kWh), which only includes the four months of Yourgene Health data post the 8 September 2023 acquisition. The increase in emissions in 2024 relative to 2023 is mainly driven by the annualisation effect of having four months emission data for Yourgene Health in the 2023 figures versus twelve months in 2024.

Total energy usage

	2023				2024			
	Primerdesign	IT-IS	Yourgene	Total	Primerdesign	IT-IS	Yourgene	Total
Gas[1]	61,820	61,522	166,702	290,044	**58,586**	**53,992**	**401,423**	**514,001**
Electricity[2]	220,003	55,893	427,698	703,594	**220,738**	**36,702**	**1,193,417**	**1,450,857**
Transport[3]	–	–	–	–	**–**	**–**	**–**	**–**
Total	281,822	117,415	594,401	993,638	**279,324**	**90,694**	**1,594,839**	**1,964,858**

References:

[1] Scope 1 covers direct emissions from sources owned or controlled by the Company, including emissions from fuel combustion (e.g. emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.), process emissions (e.g. emissions from chemical production in owned or controlled process equipment), and fugitive emissions (e.g. intentional and unintentional). Of the aforementioned facilities or assets, only natural gas combustion within boilers is applicable to Novacyt's operations.

[2] Scope 2 covers energy use and related emissions from electricity purchased for Novacyt's own use.

[3] Scope 3 covers energy use and related emissions from business travel in rental cars or employee-owned vehicles where Novacyt is responsible for purchasing the fuel. Novacyt does not purchase fuel for business travel or employee-owned vehicles, as such Scope 3 emissions are not applicable based on the defined organisational boundary.

Sustainability

Absolute emissions (tCO_2e)

The total Scope 1, 2 and 3 GHG emissions from Novacyt's operations in the year ending 31 December 2024 were 391.1 tonnes of CO2 equivalent (tCO2e) using a 'location-based' emission factor methodology for Scope 2 emissions. This represents a 98% increase in total emissions compared to the year ending 31 December 2023 (197.2 tCO2e). As with total energy use, the increase in total emissions is mainly driven by the annualisation effect of only having four months emission data for Yourgene in the 2023 figures versus twelve months in 2024.

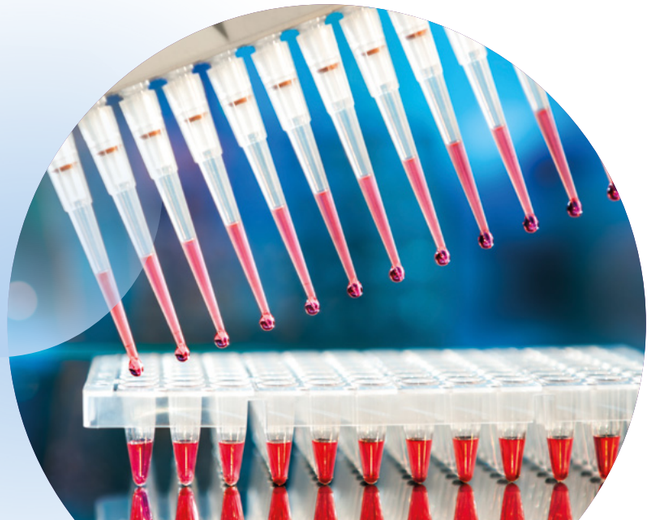
	2023				**2024**			
	Primerdesign	IT-IS	Yourgene	Total	**Primerdesign**	**IT-IS**	**Yourgene**	**Total**
Scope 1[4]	11.3	11.2	30.4	53.0	**10.7**	**9.9**	**73.3**	**93.8**
Scope 2[5]	45.1	11.5	87.7	144.2	**45.2**	**7.5**	**244.6**	**297.3**
Scope 3[6]	–	–	–	–	**–**	**–**	**–**	**–**
Total	56.4	22.7	118.1	197.2	**55.9**	**17.4**	**317.8**	**391.1**

References:

[4] Scope 1 data calculated by multiplying total fuel consumption (gas – kWh) by the UK Government GHG Conversion Factor for natural gas defined for the given year (2023: 0.18256 kg CO2e/kWh; 2024: 0.18253 kg CO2e/kWh;).

[5] Scope 2 data calculated by multiplying total electricity consumption (kWh) by the UK Government GHG Conversion Factor for electricity generated defined for the given year (CO2e/kWh; 2023: 0.20496 kg CO2e/kWh; 2024: 0.20493 kg).

[6] Novacyt does not purchase fuel for business travel or employee-owned vehicles, as such Scope 3 emissions are not applicable based on the defined organisational boundary.



Intensity ratios

As well as reporting the absolute emissions, Novacyt's GHG emissions are reported below on the metrics of kg of CO2 equivalent per full-time employee ("FTE") and kg of CO2 equivalent per square foot of occupied areas. These are the most appropriate metrics given that the majority of emissions result from the operation of Novacyt's offices and the day-to-day activities of the employees. All of the intensity ratios have been calculated using Scope 1 and Scope 2 emissions only.

The intensity metrics based on floor area in the year ending 31 December 2024 was 48.8 kg CO2e per m2 which is an increase of 20% versus last year. The employee number metric in the year ending 31 December 2024 was 1,671.6 kg CO2e per FTE using the location-based method which is an increase of 45% versus prior year.

	2023		**2024**	
	kg CO_2e/FTE[7]	kg CO_2e/m^2[8]	**kg CO_2e/FTE[9]**	**kg CO_2e/m^2[10]**
Scope 1	**310.3**	**10.9**	**400.9**	**11.7**
Scope 2	**845.0**	**29.7**	**1,270.6**	**37.1**
Scope 3	**–**	**–**	**–**	**–**
Total GHG emissions	1,155.2	40.6	1,671.6	48.8

References:

[7] Number of FTE equivalents in 2023 was 171, including a pro-rated 4 months for Yourgene Health.
[8] Building area in 2023 was 4,859m^2, including a pro-rated amount for Yourgene Health.
[9] Number of FTE equivalents in 2024 was 234.
[10] Building area in 2024 was 8,015m^2 compared to 4,859m^2 in 2023, which included a pro-rated amount for Yourgene Health.

Energy efficiency actions undertaken

During H2 2024 we commenced the consolidation of a number of manufacturing sites into our Manchester facility, which should help to reduce our carbon footprint in 2025.

Novacyt continues to reduce single-use waste and maintains a standard recycling practice across all sites using recycling bins, compactors, and third-party recycling organisations.

Our team at the Novacyt Group

Novacyt prides itself on attracting, retaining and recognising talent within our organisation. Our people are critical to our vision to be a trusted provider of molecular diagnostics, enabled through our technical expertise, innovation and our global partnerships, whilst contributing to the retention of our competitive advantage in an increasingly challenging market. Passionate, resilient and committed, our people are agile in their response to opportunities, demonstrating innovation and passion to deliver our company objectives.

How we attract and retain talent

The Novacyt group has an in-house Talent Manager on our staff who brought with him a deep understanding of our sector and the knowledge and tools to be able to reach those high calibre of staff to support our growing talent pool. In addition, we have a small, preferred supplier list of partnership recruitment agencies and we advertise vacancies widely on our Novacyt.com website and via various recruitment platforms and social media sites such as LinkedIn. We also have a "refer a friend" scheme in place which rewards employees for successful introductions to the business. We have recently been through closure of two sites (Stokesley, UK and an operations facility in Vancouver, Canada) and operations move from Eastleigh to Manchester in the UK. This has been done to leverage the synergies of the Group whilst streamlining operations by reducing duplicate sites and roles. It has meant that a substantial amount of talent has been recruited to support the growth of one operational centre of excellence in Manchester, UK.

Attrition rate

Our attrition rate (unplanned turnover) was 15.8% for 2024, a further fall on the two previous years, demonstrating that we continue to reduce voluntary leavers. The enhancement of engagement and retention of our highly skilled staff is a key area of focus for the Executive Leadership Team and senior managers.

How we support our employees

We provide an Employee Assistance Programme (EAP) to support our employees and their families in times of adversity. The EAP offers confidential assessments, short-term counselling, referrals and signposting to other agencies to employees with work or personal issues. We have Mental Health First Aiders across the business who can also provide immediate face-to-face support and signposting. We partner with specialist occupational health organisations who advise on how best to re-integrate into work staff who have been absent due to illness or extenuating circumstances.

We offer a competitive and comprehensive range of employment benefits. We also hold regular digital engagement surveys and Townhall events to support communication, listen to the concerns and ideas of our people and act and provide feedback on these.

Social diversity and inclusion

Novacyt actively supports diversity and inclusion and seeks to create a culture where everyone feels comfortable to be themselves at work and have their contribution valued and where individual differences can be celebrated. This approach is captured in our Equality, Inclusion and Diversity policy. Novacyt is currently 49% male/ 51% female across the employee population, with the manager-base 56% male and 44% female.

Training and development

Novacyt are committed to the upskilling of our staff and to promoting internally wherever possible to ensure a valid career path for individuals. During 2024 we are proud that we made 21 internal promotions, four secondments have taken place. In addition, there is an active mentoring scheme in place across the business which has 10 participants benefiting from the scheme.

Training requirements are identified via performance reviews and both planned, and ad hoc, training is provided at all levels as appropriate. Where possible, we also support individuals who wish to undertake professional qualifications or apprenticeships. Alongside internal training, our talented Technical Support team also continue to invest in upskilling our external distribution partners and customers. The year ahead we are focusing on investing in our new cohort of leaders, we expect to put 20 leaders through an in-depth leadership training programme for those with line management responsibilities and a commitment to grow within the business.

Health and Safety

We have clear policies on Health and Safety and we now have employed a full-time Health and Safety Manager at our UK Manchester headquarters. Employees are provided with regular in person and online Health and Safety training in line with the requirements of their role.

Contributing to communities and wider society

At Novacyt, we believe in contributing to the local communities in which we operate and in 2024 continued to make numerous donations to schools and charities in the vicinity of our facilities in Manchester. The Novacyt Social and Charity Huddle is made up of representatives across the business who get involved with the organisation and the distribution of charitable funds and support across the immediate local community and within the scientific and health fields that we are working within. The focus remains on supporting local people in ways which are meaningful to our staff, for example homeless hostels and under-privileged children, in addition to some support for national charities, often via matched funding for sponsored efforts made by our staff. Total spend in this area in 2024 was £16,609.

The Novacyt Group is proud to continue to play a part in supporting local communities and we are humbled by the impact made by our endeavours on so many people during 2024.

Governance

The Board of Directors

Dr John Brown CBE FRSE

Non-Executive Director and Chairman of the Board

Dr John Brown CBE FRSE is the Non-Executive Director and Chairman of the Board for the Novacyt Group (effective from 1st October 2024). John joined the Novacyt Group Board in September 2023 as Non-Executive Director and was previously on the Yourgene Health plc Board from July 2019. John has extensive experience in the life sciences sector. He is Chairman of Laverock Therapeutics Ltd and Calcivis Ltd. He was until recently Chairman of Synpromics Ltd, BioCity Group, the Cell and Gene Therapy Catapult and Senior Non-Executive Director of Acacia Pharma plc. Previously John was Chairman of Kyowa Kirin International plc, BTG plc, Axis-Shield plc, Touch Bionics Ltd and CXR Biosciences Ltd and Senior Non-Executive Director of Quantum Pharma plc. Within the public sector John is Chairman of the Roslin Foundation, a Fellow and past Treasurer of the Royal Society of Edinburgh, an Honorary Professor of the University of Edinburgh and was previously a Member of MRC Council. He was made a CBE in 2011.

Lyn Rees

Chief Executive Officer

Lyn is a seasoned executive in global healthcare and IVD markets and Lyn was appointed to be CEO of the Novacyt Group on 1 May 2024. Prior to that he was CEO of Yourgene Health plc from 2018 where he has been instrumental in the transformation of the business. He led the group through four acquisitions including Elucigene Diagnostics and Coastal Genomics and the fundraising to underpin those deals. Prior to joining Yourgene Health, Lyn was Group CEO at British Biocell International (now BBI Group) for over 9 years. Lyn has completed seven acquisitions during his tenure at BBI Group, all of which have been successfully integrated.

He founded BBI Detection and BBI Animal Health and has demonstrated a strong track record of organic and acquisitive growth. Before that he spent several years as the Managing Director and founder of BBI Healthcare in 2006, following the successful purchase of the GlucoGel product. He first began his business career as the European Marketing Manager at Shimano Europe BV. Lyn holds a degree in Business Studies from the University of Wales. Lyn is also a Non-Executive Director with MyHealthChecked plc.

The Board of Directors

Juliet Thompson

Independent Non-Executive Director

Juliet has 20 years of experience working as an investment banker and strategic advisor to healthcare companies in Europe. She has built a strong track record of advising companies on corporate strategy, equity and debt fundraisings and international M&A. Her experience includes senior roles (Managing Director, Head of Corporate Finance and Partner) at Stifel Financial Corp, Nomura Code Securities and West LB Panmure. Juliet sits on the Board of: Indivior PLC, a FTSE 250 UK global pharmaceutical company working to develop medicines to treat addiction; Organox Ltd, a private company that was spun out of Oxford University; and Angle plc, an AIM-listed company with an FDA-approved product with application in the liquid biopsy market.

Juliet is a trustee of the De Hann family trusts and Director of their associated investment companies. She is a member of the Institute of Chartered Accountants in England and Wales (ACA) and holds a BSc degree in Economics from the University of Bristol, UK. Juliet is Chair of the Audit Committee and is a member of the Remuneration and Nomination Committees.

Jean-Pierre Crinelli

Independent Non-Executive Director

Jean-Pierre is one of Novacyt's founders, having established the business in July 2006. He has over 30 years of experience in the car and electrical components industry, with various roles in M&A and business restructuring. During this period, he was located for 10 years in Singapore, North America, Belgium and Italy. He holds a Diplôme from ESC Le Havre (business school, France) and a DECS (Diplôme d'Études Comptable Supérieures, national diploma).

Jean-Pierre is a member of the Audit and Remuneration Committees.

Dr Ian Gilham

Non-Executive Director

Ian joined the Novacyt Board in October 2024, he brings with him a wealth of experience in AIM-listed life sciences companies, with an international track record in the research, development and commercialisation of diagnostic and therapeutic products at Abbott Labs and GSK. Ian currently holds roles as Non-Executive Chairman of AIM-listed Genedrive PLC, Chair of Trustees for LifeArc, a self-funded medical research charity, Non-Executive Chairman of Pelago Bioscience AB, a life sciences tools business based in Stockholm and Non-Executive Chairman of RevoNA Bio, a University of Portsmouth spinout life sciences tools company.

Ian has previously held Board positions at Horizon Discovery PLC, Elucigene Ltd, Multiplicom n.v, Biosurfit s.a, Vernalis plc, Concepta Diagnostics Ltd and was CEO of Axis-Shield PLC.

Steve Gibson

Chief Financial Officer

Steve joined Novacyt in 2017 and has served as Group Finance Director since 2020 until 2024 when he joined the Board and was promoted to CFO. Prior to joining Novacyt, Steve spent over 10 years in various finance departments at Hewlett-Packard and then Hewlett Packard Enterprise in positions of increasing seniority.

Steve is a Chartered Management Accountant (CIMA) and has more than 18 years of international commercial experience.

The Board of Directors

Dr Jo Mason

Chief Scientific Officer

Dr Jo Mason is the Chief Scientific Officer for the Novacyt Group and prior to the acquisition she was CSO and a Board member at Yourgene Health. Jo has been a champion of modernising diagnostics with the use of genomic technologies having previously held positions as VP Biodiscovery with Cambridge Epigenetix, where she led the development of clinical epigenomic technologies particularly in the area of early cancer diagnostics, the Director of Sequencing and Sample Acquisition for Genomics England, where she managed the delivery of samples and whole genome sequencing for the 100,000 Genomes Project.

She has previously acted as an advisor on the DOH Rare Disease Policy board, MHRA Genomics for Diagnosis forum and UK NEQAS – Genomics England steering committee, Genomics England sequencing advisory board and BIA genomics advisory committee.

Jo previously worked for Oxford University Hospitals NHS Foundation Trust where she set up and managed a NGS Core facility leading translational research, offering disease-specific diagnostic panels and introducing whole genome sequencing into the diagnostic setting. Prior to joining Oxford, Jo managed an NGS Core facility in Malaysia and led the Comparative Genomics group at Public Health England studying novel and dangerous pathogens. Jo is also a member of the Advisory Board for Tagomics Ltd.

Dr Mason holds a PhD from Cambridge in Molecular and Cellular Biology.

Directors' Report

General information and principal activity

Novacyt S.A. is a public limited company incorporated and registered in France with registered number 491 062 527.

Review of business

The joint Chief Executive Officer's & Chairman of the Board Review on pages 16 to 20, and the Strategic Report on pages 10 to 35, provide a review of the business, the Group's trading for the year ended 31 December 2024, key performance indicators and an indication of future developments and risks, and form part of this Directors' Report.

The Company is listed on both Euronext Growth Paris and on the Alternative Investment Market ("AIM") of the London Stock Exchange. Its principal activities in the year under review were specialising in infectious disease diagnostics.

Future developments

Likely future developments in the business of the Group are discussed in the Strategic Report.

Results and dividends

The results for the period and financial position of the Company and the Group are as shown in the financial statements and are reviewed in the Strategic Report.

Since its inception, the Company has not paid any dividends and the Directors do not intend to recommend a dividend at present. In the future, the Company's dividend policy will form part of a wider review of capital allocation, which will be formulated in conjunction with the requirements of the business.

The Directors will only recommend dividends when appropriate, and they may, from time to time, revise the Company's dividend policy. No dividends will be proposed for the financial year ended 31 December 2024 so we can continue to invest in R&D, manufacturing and commercial aspects of the business.

Directors

The Directors of the Company who served during the year ended 31 December 2024, and up to 30 April 2025 are listed below.

The brief biographical details of the currently serving Directors are set out on pages 37 to 40.

Director	Capacity
James Wakefield	Non-Executive Director and Chairman of the Board (until 1st October 2024)
Dr John Brown CBE FRSE	Independent Non-Executive Director (from 8th September 2023 until 1 October 2024) Non-Executive Director and Chairman of the Board (from 1st October 2024)
James McCarthy	Acting Chief Executive Officer (until 1st May 2024) Company Secretary (until 1st May 2024)
Juliet Thompson	Independent Non-Executive Director
Dr Ian Gilham	Independent Non-Executive Director (from 31 October 2024)
Jean-Pierre Crinelli	Independent Non-Executive Director
Lyn Rees	Executive Director (until 1st May 2024) Chief Executive Officer (from 1st May 2024)
Dr Jo Mason	Chief Scientific Officer (from 1st May 2024)
Steve Gibson	Chief Financial Officer (from 2nd January 2024) Company Secretary (from 1st May 2024)
Dr Andrew Heath	Non-Executive Director (until 1st May 2024)

Directors' interests

The Directors' interests in the Company's shares and the Novacyt LTIP are shown in the Directors' Remuneration Report on pages 56 to 57.

No Director has any beneficial interest in the share capital of any subsidiary or associate undertaking.

Directors' indemnity provisions

The Directors have the benefit of an indemnity, which is a qualifying third-party indemnity provision as defined by s236 of the Companies Act 2006. The indemnity was in force throughout the financial period and at the date of approval of the financial statements. In addition, the Group has purchased and maintains Directors' and Officers' liability insurance in respect of itself and its Directors.

Directors' Report

Political and charitable donations

The Company created the Novacyt Social and Charity Huddle who were responsible for organising a number of charitable donations and activities during the reporting period, as explained further on page 35.

Financial instruments – risk management

The Group's financial risk management policy is set out in note 64-70 to the financial statements.

Share capital structure

The Company's share capital, traded on Euronext Growth Paris and AIM, comprises a single class of ordinary shares each having a nominal value of 1/15th of one Euro. Except as otherwise provided by law, every Shareholder has one vote for every fully paid up share of which they are the holder. Each ordinary share creates a share in the Company's assets, profits and in any liquidation surplus. In the event of a liquidation of the Company, any outstanding cash would be distributed to each Shareholder in proportion to their holdings in the Company.

The share rights follow the ordinary shares from owner to owner and any transfers of the shares include all dividends due and unpaid, and those due and, where applicable, the share of the reserves (following payment of any outstanding liabilities) of the Company.

Movements in the Company's issued share capital during the year under review are set out in page 126 to the financial statements.

As of 31 December 2024, the Company's share capital of €4,708,416.54 was divided into 70,626,248 shares with a par value of 1/15th of a Euro each.

Major interests

As at 31 December 2024, the Company had no shareholders with significant shareholdings above 3% of the issued share capital of the Company.

UK Bribery Act 2010

The Group is committed to complying with the UK Bribery Act 2010, both within its UK and overseas business activities.

As such, the Group has implemented an anti-bribery policy, which has been adopted by the Board, designed to ensure that the Group operates in an open, transparent and ethical manner. This policy applies to the Board and employees of the Group, and to temporary workers, consultants, contractors and agents acting for, or on behalf of, the Group (both in the UK and overseas). The policy generally sets out their responsibilities in observing and upholding a "zero tolerance" position on bribery in all jurisdictions in which the Group operates, as well as providing guidance to those working within the Group on how to recognise and deal with bribery issues and the potential consequences.

Management at all levels of the Group is responsible for ensuring that those reporting to them, internally and externally, are made aware of and understand this policy.

Significant agreements

The Company is not party to any significant agreement that takes effect, alters or terminates upon a change of control of the Company other than the Directors' service contracts, details of which are set out in the Remuneration Report.

Statement of engagement with suppliers, customers and others in a business relationship with the Group

The Directors are mindful of their statutory duty to act in a way they each consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, as set out in the s172(1) statement on pages 22 to 23. A review of the Group's approach to developing and maintaining relationships with its wider stakeholders, and the impact on the Group's long-term strategic objectives, is set out under Principle 3 of the QCA Principles on pages 46 and 47.

Going concern

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 2024 of £30,453k;
- The business plan for the next 12 months;
- The working capital requirements of the business;
- No 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 2025 up until April 2026.

Independent auditor

Deloitte LLP has indicated that they are willing to continue in office as the Group's auditor. Under French law the company were required to appoint a second auditor and Alberis Audit were appointed for a period of six years to approve the financial statements up to the year ended 31 December 2026.

Disclosure of information to the auditor

As far as the Directors are aware, there is no relevant audit information (that is, information needed by the Group's auditor in connection with preparing their report) of which the Group's auditor is unaware, and each Director has taken all reasonable steps that they ought to have taken as a Director in order to make themself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Annual General Meeting

The Annual General Meeting of the Company will be held on 19 June 2025, further information can be found on the Company's website at www.novacyt.com.

By order of the Board

Steve Gibson
Chief Financial Officer

QCA Principles

Deliver growth

1. Establish a strategy and business model that promote long-term value for Shareholders

The Board is responsible to Shareholders for setting the Group's strategy by: maintaining the policy and decision-making process around which the strategy is implemented; ensuring that necessary financial and human resources are in place to meet strategic aims; monitoring performance against key financial and non-financial indicators; providing leadership whilst maintaining the controls for managing risk; overseeing the system of risk management; and setting values and standards in corporate governance matters.

The Board has established a strategy and business model which seek to promote long-term value for Shareholders and the business focused on the twin objectives of Portfolio development and Geographic expansion underpinned by our credentials as a global first responder. In parallel the business will use its balance sheet to accelerate the strategy through licensing, partnerships or acquisitions.

2. Seek to understand and meet Shareholder needs and expectations

The Company has a strong commitment to market communication, with the Directors seeking to be accountable against the stated strategic objectives of the Group. The Company maintains regular contact with Shareholders through publications such as the Annual Report and Accounts, operational updates, regular press announcements made via a regulatory information service and the Company's website.

The Company is responsive to Shareholder telephone and email enquiries throughout the year and the Board regards the AGM as a particularly important opportunity for Shareholders and members of the Board to meet and exchange views.

The Company receives occasional feedback direct from investors, which is carefully considered by the Board, with appropriate action being taken where the Board believes it is in the interests of Shareholders to do so.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

In addition to its Shareholders, the Company believes its main stakeholder groups are its employees, clients, suppliers and relevant statutory authorities in its areas of operation.

The Group is committed to maintaining the highest standards of corporate social responsibility in its business activities by: aiming to comply with all applicable laws and regulations, wherever the Group operates; achieve and comply with relevant quality and people management standards; consult with and respond to the concerns of its stakeholders; work towards realising the Group's mission and vision statements; and behave with honesty and integrity in all the Group's activities and relationships with others and reject bribery and corruption in all its forms.

The Board recognises the benefits of a diverse workforce, which enables the Group to make better decisions about how to optimise resources and work by eliminating structural and cultural barriers and bias. It allows us to: protect and enhance our reputation by recognising and respecting the needs and interests of diverse stakeholders; deliver strong performance and growth by attracting, engaging and retaining diverse talent; and innovate by drawing on the diversity of perspectives, skills, styles and experience of our employees and stakeholders.

The Group is committed to ensuring that it treats its employees fairly and with dignity. This includes being free from any direct or indirect discrimination, harassment, bullying or other form of victimisation. The Group has policies in place to encourage employees to speak up about any inappropriate practices or behaviour.

The Group believes that having empowered and responsible employees who display sound judgement and awareness of the consequences of their decisions or actions, and who act in an ethical and responsible way, is key to the success of the business.

The operation of a profitable business is a priority and that means investing for growth as well as providing returns to its Shareholders. To achieve this, the Group recognises that it needs to operate in a sustainable manner and therefore has adopted core principles to its business operations, which provide a framework for both managing risk and maintaining its position as a good "corporate citizen", and also to facilitate the setting of goals to achieve continuous improvement.

The Group encourages feedback from its clients through engagement with individual customers. As a consequence of such feedback, the Group has collaborated with multiple existing and prospective clients to develop and validate new products, work flows and know-how to improve accuracy, testing turnaround times, cost per test, and ultimately deliver improved clinical outcomes for millions of individual patients globally.

The Board is aware of the need to maintain good working relationships with the Group's key suppliers and receives regular updates from the Executive team on key supply agreements.

Health and safety

The Group is committed to complying with all relevant health and safety regulations in its operations. As such, all employees are trained on the relevant health and safety procedures upon commencement of employment within the Group. This training includes: emergency procedures; security recommendations; accidents/incidences and first aid; manual handling/lifting and moving; work-related upper limbs disorders (including strains to hands and arms) and display screen equipment/visual display equipment assessment. We also have a section in our employee handbook covering alcohol, drugs and smoking.

The Group is not aware of any orders made in respect of a breach of health and safety regulation during the period. However, a historic Health and Safety Executive (HSE) case is ongoing in relation to Lab21 Healthcare Ltd (Lab 21), a non trading subsidiary of Novacyt. Lab 21 has pleaded guilty on 18 March 2025 at Exeter Magistrates Court to health and safety charges relating to the historical operation of its site in Axminster, Devon between 28 June 2018 and 5 April 2019. The Company has co-operated with the HSE throughout the investigation and the Lab 21 operations no longer form any part of the Novacyt's ongoing business.

Environment

The Directors consider that the nature of the Group's activities is not detrimental to the environment. The Group adopts a systematic approach to its environmental responsibility and has good knowledge of the environmental impacts caused by its operations. The Group aims to meet all relevant environmental standards in its production and products. The Group aims to establish, implement and maintain a risk-based programme to reduce or minimise any negative environmental impact caused by its operations, taking precautionary measures as soon as there is reason to believe that an action could harm the environment.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board has overall responsibility for the Group's system of internal control and for reviewing the effectiveness of internal control to safeguard Shareholders' investment and the Group's assets. There is an ongoing process for identifying, evaluating and managing the significant risks the Group faces.

The Board delegates to the Executive team the responsibility for designing, operating and monitoring

QCA Principles

both the risk management and internal control systems, and the maintenance of effective internal controls within the Group. The Company also has a whistleblowing policy.

The systems and controls in place include policies and procedures, which relate to the maintenance of records that fairly and accurately reflect transactions, correctly evidence and control the Group's assets, provide reasonable assurance that transactions are recorded as necessary to enable the preparation of financial statements in accordance with International Financial Reporting Standards (IFRS® Accounting Standards), and review and reconcile reported results.

The Group's key internal controls are:

- establishing a comprehensive risk register for the Group;
- a regular review of the Group's insurance policies with its insurance broker to ensure that the policies are appropriate for the Group's activities and exposures;
- a comprehensive system for consolidating financial results from Group companies and reporting these financial results to the Board;
- reviewing cash flow, annual revenue and capital forecasts regularly during the year, along with regular monitoring of management accounts and capital expenditure reported to the Board and comparisons with forecasts;
- financial controls and procedures, including in respect of bank payments, bank reconciliations and petty cash;
- monthly review of outstanding debtors;
- regular meetings of the Executive team;
- an Audit Committee that approves audit plans and published financial information and reviews reports from the external auditor arising from the audit and deals with significant control matters raised.

The Board monitors the activities of the Group through regular Board meetings and it retains responsibility for approving any significant financial expenditure or commitment of resources.

Risk management is focused around the operational areas of the Group. The Group has a dedicated Head of Quality Assurance/Regulatory Affairs, who has extensive operational experience at senior management and board levels, and particularly strong experience in quality system development and regulatory compliance. She is responsible for a Regulatory team operating across the Group, working at identifying and prioritising operational risks and working with the operational teams to mitigate the identified risks. This work is supported by the risk assessment procedure in place across the Group, with the objective to ensure that risk assessment of the Group's equipment, procedures and processes is approached consistently across the Group.

With the assistance of the Audit Committee, the Board's review process is principally based on reviewing regular reports from the Executive team to consider whether significant risks are identified, evaluated, managed and controlled effectively, and whether any significant weaknesses are promptly remedied. The system is designed to manage rather than eliminate the risk of failure to achieve the Company's objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. In assessing what constitutes reasonable assurance, the Board considers the materiality of financial and non-financial risks and the relationship between the cost of, and benefit from, internal control systems.

Details of the principal risks currently facing the Group and how they are mitigated are set out on pages 64-70. The Board confirms that it has, during the reporting period, reviewed on an ongoing basis the effectiveness of the Company's system of internal controls including financial, operational and compliance controls and risk management systems and has reviewed insurance provisions. No significant failing or weaknesses have been identified.

Maintain a dynamic management framework

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Chairman, Dr John Brown CBE FRSE, is responsible for leadership of the Board, ensuring its effectiveness in all aspects of its role. The Company is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders.

To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board and Committee meetings. All Directors have access to the advice and services of the Chief Financial Officer / Company Secretary, who is responsible for ensuring that the Board procedures are followed, and that applicable rules and regulations are complied with. In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In between Board meetings, the Executive Directors maintain regular informal contact with the Non-Executive Directors. Whilst the Board retains overall responsibility for, and control of, the Group, day-to-day management of the business is conducted by the Executive Directors, who meet with the senior management team on a weekly basis.

Board of Directors

The composition of the Board during the period is summarised in the table on page 43 of the Directors' Report. As at the end of 2024, the Board comprises seven members, of which four are Non-Executive Directors, all of whom are independent, namely Dr John Brown, Juliet Thompson, Jean-Pierre Crinelli and Dr Ian Gilham.

Independence of Directors

The Directors acknowledge the importance of the principles of the QCA Code that recommend that a company should have at least two independent Non-Executive directors. The Board has, therefore, considered and determined that, all Directors are independent of the Executive management and free from any relationship that could materially affect the exercise of their independent judgement. None have beneficial or non-beneficial shareholdings in the Company exceeding 3%.

All the Non-Executive Directors constructively challenge and help develop proposals on strategy and bring strong, independent judgement, knowledge and experience to the Board's deliberations. The Non-Executive Directors are of sufficient experience and competence that their views carry significant weight in the Board's decision-making and when relevant, would record their concerns about the running of the Company. At each meeting, the Board considers Directors' conflicts of interest.

The Non-Executive Directors have regular opportunities to meet without Executive Directors being present (including time after Board and Committee meetings).

Time commitments

Non-Executive Directors receive a formal appointment letter on joining the Board, which identifies the terms and conditions of their appointment.

A potential director candidate (whether an Executive Director or Non-Executive Director) is required to disclose all significant outside commitments prior to their appointment.

The Board is satisfied that both the Chairman and the Non-Executive Directors are able to devote sufficient time to the Company's business.

If considered appropriate, the Board may authorise the Executive Director to take Non-Executive positions in other companies and organisations, provided the time commitment does not conflict with the Director's duties to the Company, since such appointments should broaden their experience. The acceptance of appointment to such positions is subject to the approval of the Chairman.

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Attendance at Board and Committee meetings

The Directors meet regularly for formal Board meetings to discuss and decide the Group's business, financial performance and strategic decisions. In addition, and as required, the Board meets more frequently by conference call to discuss and decide on matters considered more urgent, such as those relating to acquisitive growth.

During the reporting period, the Board met in person or via conference calls eleven times.

In advance of each meeting of the Directors, the Board is provided with relevant information to ensure that it can properly carry out its role. For each meeting, the Directors generally consider the minutes of the previous meeting and any action points, recent forecast and operations, cash flows and progress on any particular projects.

The attendance of each Director at Board and Committee meetings during the period is set out in the table below. Attendance is expressed as the number of meetings attended/number eligible to attend. Directors' attendance by invitation at meetings of Committees of which they are not a member is not reflected in the following table.

Director	Board	Audit Committee	Nomination Committee	Remuneration Committee
James Wakefield	9/9		1/1	1/1
James McCarthy	4/4		1/1	
Dr John Brown	11/11			
Juliet Thompson	11/11	2/2	1/1	1/1
Jean-Pierre Crinelli	11/11	2/2	1/1	1/1
Lyn Rees	11/11			
Dr Ian Gilham	2/2			
Steve Gibson *	8/8			
Dr Jo Mason	7/8			

* Steve Gibson was in attendance for a further three Board meetings at the start of 2024 before his appointment was ratified in May.

6. Ensure that, between them, the Directors have the necessary up-to-date experience, skills and capabilities

At the end of 2024 the Board contained three Executive and four Non-Executive Directors with an appropriate balance of sector, financial and public market skills and experience to deliver the Group's strategy for the benefit of Shareholders over the medium to long term. The Board considers that the Non-Executive Directors bring a wide experience at a senior level of business operations and strategy and have an expanse of knowledge and expertise gained from other areas of business.

The skills and experience of the Board are set out in their biographical details on pages 37 to 40. The experience and knowledge of each of the Directors gives them the ability to constructively challenge the strategy and to scrutinise performance. The Board also has access to external advisors where necessary.

New Directors are presented with appropriate levels of background information on the Company, meet the management, visit sites and spend time with the Chairman and other Directors as required. The induction is tailored to meet each new Director's specific needs.

Throughout their period in office, the Directors are continually updated on the Group's business, the industry and competitive environment in which it operates, corporate social responsibility matters and other changes affecting the Group by written briefings and meetings with senior Executives.

Each Director takes responsibility for maintaining their skill set, which includes roles and experience with other boards and organisations as well as attending formal training and seminars.

The Executive Directors receive regular and ongoing updates from their professional advisors covering financial, legal, tax and the Euronext Growth Paris and AIM Rules.

The Company Secretary provides information and advice on corporate governance and individual support to Directors on any aspect of their role, particularly supporting the Chairman and those who chair Board Committees. The Company Secretary is also responsible for ensuring that Board procedures are followed, that the Company complies with company law and with the Euronext Growth Paris and AIM Rules.

The Company is a strong supporter of diversity in the boardroom and, during the reporting period, the Board comprised two female and five male Directors. The Company remains of the opinion that appointments to the Board should be made relative to a number of different criteria including diversity of gender, background and personal attributes, alongside the appropriate skill set, experience and expertise.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board is mindful that it needs to continually monitor and identify ways in which it might improve its performance. The Chairman routinely assesses the performance of the Board and its members and discusses any issues, problems, or shortcomings with the relevant Director(s). Likewise, the Senior Independent Director reviews the performance of the Chairman.

8. Promote a corporate culture that is based on ethical values and behaviours

The Company recognises the importance of investing in its employees to provide foundations and leadership to drive performance further regardless of age, race, religion, gender or sexual orientation or disability. Our core Company values are the building blocks for developing our dynamic and challenging culture within the Group.

These values represent our philosophy, which, through our people and organisation, will help the

QCA Principles

business deliver our Company goals. The values represent how each of us can contribute to the success of the Company both now and in the future as an individual and also as part of the wider team.

- To treat each other with trust, dignity and respect.
- Enabling, empowering and energising others to make things happen.
- Work as a team with colleagues and across functions.
- Innovation, inspiration and motivation, creating an open culture where people are valued for their contribution.
- Novacyt endeavours to deliver the best quality service to all of our internal and external customers.

The Group recognises the importance of investing in its employees and, as such, the Group provides opportunities for training and personal development and encourages the involvement of employees in the planning and direction of their work. These values are applied regardless of age, race, religion, gender, sexual orientation or disability.

The Group believes that it has robust policies and procedures for combating bribery and corruption.

The Group recognises that commercial success depends on the full commitment of all its employees and commits to respecting their human rights, to provide them with favourable working conditions that are free from unnecessary risk and to maintain fair and competitive terms and conditions of service at all times.

The performance and reward system endorses the desired ethical behaviours across all levels of the Group.

9. Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The Chairman, Dr John Brown, is responsible for leading the Board, facilitating the effective contribution of all members and ensuring that it operates effectively in the interests of the Shareholders. Lyn Rees, the Chief Executive Officer, is responsible for the leadership of the business and implementation of the strategy. By dividing responsibilities in this way, no one individual has unfettered powers of decision-making.

The Board reserves for itself a range of key decisions to ensure that it retains proper direction and control of the Group, and a formal schedule of matters reserved for decision by the Board has been adopted by the Board since admission to AIM; a copy of which can be found at www.novacyt.com. Such matters include business strategy and management, financial reporting (including the approval of the annual budget), Group policies, corporate governance matters, major capital expenditure projects, material acquisitions and divestments and the establishment and monitoring of internal controls. This schedule may be updated by the Board and approved by the Board only. The day-to-day management of the business has been delegated to the Chief Executive Officer and the wider Executive team.

The appropriateness of the Board's composition and corporate governance structures are reviewed through the ongoing Board evaluation process and on an ad hoc basis by the Chairman together with the other Directors, and these will evolve in parallel with the Group's objectives, strategy and business model as the Group develops.

Board Committees

The Board has established an Audit Committee, a Remuneration Committee and a Nomination Committee; the terms of these Committees reflect market practice on AIM. These Committees of the Board have formally delegated responsibilities.

Copies of each Committee's terms of reference are available on the Company's website at www.novacyt.com.

Audit Committee

The Audit Committee is chaired by Juliet Thompson and has primary responsibility for monitoring the quality of internal controls, ensuring that the financial performance of the Group is properly measured and reported on, and for reviewing reports from the Group's auditor relating to the Group's accounting and internal controls, in all cases having due regard to the interests of Shareholders. The Audit Committee meets at least twice a year. Jean-Pierre Crinelli is the other member of the Audit Committee.

A report on the duties of the Audit Committee and how it discharges its responsibilities is provided on pages 60 to 63.

Remuneration Committee

The Remuneration Committee is chaired by Dr John Brown, and reviews the performance of the Executive Directors, and determines their terms and conditions of service, including their remuneration, having due regard to the interests of Shareholders. The Remuneration Committee meets at least once a year. Juliet Thompson and Jean-Pierre Crinelli are the other members of the Remuneration Committee.

The Directors' Remuneration Report and details of the activities and responsibilities of the Remuneration Committee are set out on pages 55 to 57.

Nomination Committee

The Nomination Committee is chaired by Dr John Brown, and identifies and nominates, for the approval of the Board, candidates to fill Board vacancies as and when they arise. The Nomination Committee meets at least once a year. Juliet Thompson and Jean-Pierre Crinelli are the other members of the Nomination Committee. Details of the activities and responsibilities of the Nomination Committee are set out on page 54.

Build trust

10. Communicate how the Company is governed and is performing

As explained earlier in this Corporate Governance Statement, the Board has established a Nomination Committee, an Audit Committee and a Remuneration Committee. The work of each of the Board Committees undertaken during the year ended 31 December 2024 is detailed on pages 54 to 63.

The Board places its responsibility to the Company's Shareholders and setting the Group's strategy for achieving long-term success as a high priority. The Group's website is regularly updated with all press releases, AGM and EGM results and investor presentations.

The results of the votes received in relation to the 2024 AGM and EGM are available on the Company's website where all ordinary resolutions proposed were passed. As part of the AGM, the Company also met to hold an extraordinary general meeting. The meeting was not deemed quorate due to the minimum number of voting rights under French company law not being present or represented at the meeting. Consequently, the meeting did not take place.

The Board maintains a healthy dialogue with all of its stakeholders. Throughout the course of the year, the Board communicates with Shareholders directly on any views, concerns and expectations they may wish to express.

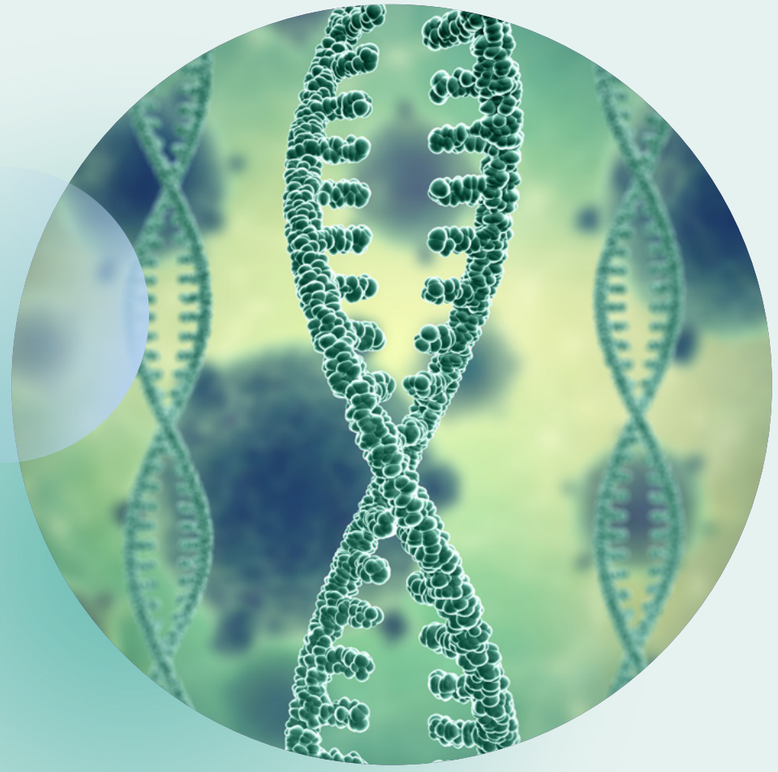
Nomination Committee Report

The Company established a Nomination Committee during 2017 prior to its admission onto the AIM market.

Dr John Brown acts as Chairman of the Nomination Committee and its other members are Juliet Thompson and Jean-Pierre Crinelli. All members of the Nomination Committee are considered independent.

The Nomination Committee is responsible for identifying and nominating for the approval of the Board candidates to fill Board vacancies as and when they arise, and to ensure that the Board consists of members with the range of skills and qualities needed to meet its principal responsibilities in a way that promotes the protection of the interests of stakeholders and compliance with the requirements of the AIM Rules.

The Nomination Committee will meet at least once a year and at such other times as the Chairman or any other member of the Nomination Committee requires.



Directors' Remuneration Report

Key responsibilities

The Remuneration Committee determines performance related targets for the members of the Executive team, reviews their performance and makes recommendations to the Board on matters relating to their remuneration and terms of employment.

The Remuneration Committee also makes recommendations to the Board on proposals relating to all long-term incentive scheme structures and any future option schemes, and the granting of any share options under such schemes. The remuneration and terms and conditions of appointment of the Non-Executive Directors are set by the Board.

As Chairman of the Remuneration Committee, I am pleased to present our Directors' Remuneration Report for the year ended 31 December 2024.

This report does not constitute a Directors' Remuneration Report in accordance with the Companies Act 2006. As a Company whose shares are admitted to trading on AIM, the Company is not required by the Companies Act to prepare such a report. We do, however, have regard to the principles of the QCA Code, which we consider to be appropriate for an AIM company of our size. The report provides a general statement of policy on Directors' remuneration as it is currently applied, and details the remuneration for all Directors during the year. It also provides a summary of the LTIP that was implemented in 2024 to the Executive Management team.

Composition and meetings

The Remuneration Committee comprises at least two members, and all members are Non-Executive Directors considered independent. Dr John Brown acts as Chairman of the Remuneration Committee, Juliet Thompson and Jean-Pierre Crinelli are the other members. Only members of the Remuneration Committee have the right to attend meetings, but other Directors and external advisors may be invited to attend all or part of any meeting as and when appropriate. No Director may be involved in discussions relating to their own remuneration. The Remuneration Committee meets as appropriate but at least once a year. During the period, the Remuneration Committee met once. Details of meeting attendance are shown in the table in the Corporate Governance Statement on page 50.

Policy on Executive remuneration

The Remuneration Committee is responsible for determining and agreeing with the Board the framework or broad policy for the remuneration of the Executive team. In determining such policy, the Remuneration Committee takes into account all factors that it deems necessary including the relevant legal and regulatory requirements and corporate governance guidelines. The Remuneration Committee also takes into account emerging best practice and guidance from major institutional Shareholders. The objective of the Company's remuneration policy is to attract, retain and motivate individuals of the quality required to run the Company successfully without paying more than is necessary, having regard to views of Shareholders and other stakeholders.

The Remuneration Committee recognises that the remuneration policy should have regard to the risk appetite of the Company and alignment to the Company's long-term strategic goals, with a significant proportion of remuneration being structured to link rewards to corporate and individual performance, designed to promote the long-term success of the Company.

The Remuneration Committee, when setting the remuneration policy for Executive Directors, also has regard to the pay and employment conditions across the Group, particularly when conducting salary reviews. The main elements of the remuneration packages of the Executive Directors are as follows.

Directors' Remuneration Report

Basic annual salary and pension

Basic salary is reviewed annually by the Remuneration Committee, usually in February, and takes into account a number of factors, including the current position and progress of the Group, individual contribution and market salaries for comparable organisations. The Company makes contributions into the private pension schemes of the Executive Directors.

Discretionary bonus

At the discretion of the Remuneration Committee, taking into account performance against certain financial and individual targets, an Executive Director may be entitled to an annual discretionary cash bonus on such terms and subject to such conditions as may be decided from time to time by the Remuneration Committee.

The Novacyt 2024 Performance Share Awards Scheme

In April 2024, a new Performance Share Awards programme for executive management was announced. The 2024 Performance Share Awards programme is structured as nil-cost options, giving a right to acquire a specified number of shares at a nil exercise price per share (i.e. for no payment) in accordance with the rules, governed by sections L-225-197-1 and seq. of the French Commercial Code ("actions gratuities").

The awards will vest over a three-year performance period, starting 1 January 2024 and ending on 31 December 2026, subject to the Company achieving certain total shareholder return growth conditions. The baseline for total shareholder return is based on the average closing price of the Company's shares in December 2023, which was £0.63. This will then be compared to the equivalent figure in December 2026.

The Performance Share Awards allocated to the executive team, which represent 3.17% of the current issued share capital, are as follows:

Participant	Role	Number of Share Awards
Lyn Rees	Chief Executive Officer	946,475
Steve Gibson	Chief Financial Officer	391,645
Dr Jo Mason	Chief Scientific Officer	465,078
Peter Coyne	Chief Operations Officer	244,778
Wendy Cox	Director of HR	190,927
Total		**2,238,903**

Benefits in kind

Executive Directors are entitled to benefits in kind commensurate with their position, including company car allowance, private medical and death in service insurance.

Directors' remuneration

The remuneration of the Directors who served on the Company's Board during the year to 31 December 2024 was as follows:

	Year ended 31 December 2024			
	Basic salary and fees	Bonus	Pension	Total
Executive Directors				
James McCarthy [1]	**113,667**	**–**	**–**	**113,667**
Lyn Rees	**325,111**	**30,000**	**–**	**355,111**
Dr Jo Mason [2]	**158,894**	**30,000**	**–**	**188,894**
Steve Gibson [2]	**128,683**	**30,000**	**–**	**158,683**
Non-Executive Directors				
James Wakefield [3]	**90,000**	**–**	**–**	**90,000**
Dr Ian Gilham [4]	**9,487**	**–**	**–**	**9,487**
Juliet Thompson	**49,104**	**–**	**–**	**49,104**
Dr John Brown [5]	**59,194**	**–**	**–**	**59,194**
Jean-Pierre Crinelli [6]	**36,097**	**–**	**–**	**36,097**
Dr Andrew Heath [1]	**20,385**	**–**	**–**	**20,385**

	Year ended 31 December 2023			
	Basic salary and fees	Bonus	Pension	Total
Executive Directors				
James McCarthy	**354,476**	**–**	**–**	**354,476**
Lyn Rees	**104,345**	**–**	**3,663**	**108,008**
Non-Executive Directors				
James Wakefield	**120,000**	**–**	**–**	**120,000**
Dr Andrew Heath	**48,925**	**–**	**–**	**48,925**
Juliet Thompson	**48,925**	**–**	**–**	**48,925**
Jean-Pierre Crinelli	**34,037**	**–**	**–**	**34,037**
Dr John Brown	**15,242**	**–**	**–**	**15,242**

[1] James McCarthy and Dr Andrew Heath left the board on 1 May 2024

[2] Dr Jo Mason and Steve Gibson joined the Board on 1 May 2024

[3] James Wakefield left the Board on 1 October 2024

[4] Dr Ian Gilham joined the Board on 31 October 2024

[5] Dr John Brown became Chairman on 1 October 2024

[6] Salaries paid in Euros and disclosed in GBP, translated at the average exchange rate of 1.181300 in 2024 (2023: 1.149930)

Performance Share Awards Scheme

Directors' shareholdings and share interests

The interests of the Directors in the share capital of the company who were in post as at 31 December 2024, were as follows:

	As at the date of report	31 December 2024	31 December 2023
Dr John Brown	–	–	–
Juliet Thompson	–	–	–
Jean-Pierre Crinelli	33,981	33,981	33,981
Dr Ian Gilham	–	–	–
Lyn Rees	–	–	–
Dr Jo Mason	–	–	–
Steve Gibson & Family	9,116	9,116	9,116

All interests are beneficially held. There is no requirement for Directors to hold shares in the Company.

Directors' share interests under the 2024 Performance Share Awards Scheme

The Performance Share Awards allocated to the Executive team under the 2024 Performance Share Awards scheme, which represent 3.17% of the current issued share capital, are as follows:

Participant	Role	Number of Share Awards
Lyn Rees	Chief Executive Officer	946,475
Steve Gibson	Chief Financial Officer	391,645
Dr Jo Mason	Chief Scientific Officer	465,078
Peter Coyne	Chief Operations Officer	244,778
Wendy Cox	Director of HR	190,927
Total		**2,238,903**

Conclusion

This report is intended to explain clearly the remuneration approach adopted by the Company and to enable Shareholders to appreciate how it underpins the Group's business growth and strategic objectives. The Board considers that the current remuneration policy is fair and is fully aligned with the interests of Shareholders.

Dr John Brown CBE FRSE
Chairman of the Remuneration Committee

Audit Committee Report

Key responsibilities

The audit committee administers the financial reporting of the company and related risks, internal controls, compliances, and ethics.

It must coordinate with management and the auditors to come up with financial reporting for the Group results that is compliant with International Financial Reporting Standards, as adopted by the EU, and French GAAP for the parent Company.

Ensuring the financial reports are accurate, the audit committee should be aware of the processes and internal controls put in place by the company's management.

The audit committee is responsible for appointing individual auditors, along with evaluating their performance and compensation. In some organisations, they may oversee the internal auditors as well.

The Audit Committee comprises at least two members, with at least one Non-Executive Director considered independent, including the Chairman.

In addition, the Chief Financial Officer and other members of the Company may be invited to attend as required.

Independent Non-Executive Director, Juliet Thompson, being a chartered accountant, acts as Chair of the Audit Committee, and its other member is Jean-Pierre Crinelli.

Summary of the role of the Audit Committee

The Audit Committee's primary responsibility is to monitor the quality of internal controls and ensure that the financial performance of the Group is properly measured and reported on.

It receives and reviews reports from the Executive team and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group.

The Audit Committee meets as appropriate, but not less than twice a year, and minutes are recorded for each meeting by the Chief Financial Officer.

The Audit Committee is able to call for information from the Executive team and has unrestricted access to the Company's external auditors.

The Audit Committee operates within specific terms of reference that include:

- Reviewing management procedures to monitor the effectiveness of the accounting systems, accounting policies and internal controls;
- Conducting a regular and ongoing process of risk assessment;
- Reviewing the scope and planning of the external audit;
- Reviewing the findings of the external auditor's and management's response;
- Reviewing the annual financial statements before their submission to the Board for approval;
- Making recommendations to the Board concerning the appointment and remuneration of the external auditor;
- Reviewing any profit forecasts or working capital statements published in any bid document or listing particulars as investigated and verified by the Company's auditor and/or reporting accountant;
- Reviewing from time to time the cost effectiveness of the audit including a review of the performance of the external auditor;
- Monitoring the fees paid to the external auditor and where the external auditor supplies a substantial volume of non-audit services to the Company, to keep the nature and extent of such services under review, in order to achieve a balance between objectivity and value for money; and
- Having the right to obtain outside legal help and any professional advice, at the Company's expense, which might be necessary for the fulfilment of its duties.

The Audit Committee is responsible for ensuring the "right tone at the top" and that the ethical and compliance commitments of the Executive team and other employees are understood throughout the Group.

External auditors

The Audit Committee is responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor and assesses annually the qualifications, expertise, resources, remuneration and independence of the external auditor. The Audit Committee receives reports on the external audit firm's own internal quality control procedures and confirmation of the auditor's independence. The Audit Committee ensures that appropriate plans are in place for the external auditor each annual cycle.

The Group's external auditors are Deloitte LLP and Alberis Audit. Under French law, the mandatory term for auditors is six years. Deloitte LLP was reappointed as external auditor during the AGM held in 2024 and has now been the auditor for thirteen years at the end of the audit of the annual accounts for the year ended 31 December 2024, in addition, Alberis Audit were appointed in 2021 for a period of six years to approve the financial statements up to the year ended 31 December 2026.

The Audit Committee annually reviews the effectiveness of the external auditor. This process involves overseeing the relationship with the Group's external auditor, including reporting to the Board each year whether it considers the audit contract should be put out to tender, adhering to any legal requirements for tendering or rotation of the audit services contract as appropriate, reviewing and monitoring the external auditor's objectivity and independence, agreeing the scope of their work and fees paid to them for audit, and assessing the effectiveness of the audit process. The external auditor presents to the Audit Committee the output of its detailed year-end work and the Audit Committee challenges significant judgements (if any). In making its assessment of external auditor effectiveness, the Audit Committee reviews the audit engagement letters before signature, reviews the external auditor's summary of Company issues, and conducts an overall review of the effectiveness of the external audit process and the external auditor. The Audit Committee reports its findings to the Board.

The Audit Committee and the Board have been satisfied with the performance of the external auditors during the year and with the policies and procedures they have in place to maintain their objectivity and independence. The Audit Committee also approves in advance any non-audit services to be performed by the auditor such as tax compliance and advisory work, audit related assurance services (e.g. reviews of internal controls and reviewing the Group's interim financial statements).

Any non-audit services that are to be provided by the external auditor are reviewed in order to safeguard auditor objectivity and independence. Accordingly, the Board can confirm that, during the reporting period, there have been no non-audit services that are considered to have impaired the objectivity and independence of the external auditor. A full breakdown of payments made to the external auditor during the financial year is disclosed within note 43 to the financial statements.

Work undertaken by the Audit Committee during the period

The Audit Committee met twice during the period. Details of meeting attendance are shown in the Corporate Governance Statement on page 50.

Deloitte LLP and Alberis Audit, as the auditors, were also present at one of the meetings.

The key matters considered by the Audit Committee whilst discharging its duties and responsibilities are set out below:

- Review of the Annual Report and Accounts for the year ended 31 December 2023;

Audit Committee Report

- Consideration and approval of the unaudited interim financial statements for the period ended 30 June 2024;
- Review of the financial integrity of the Group's financial statements including relevant corporate governance statements;
- Review of the Company's interim report for the six months ended 30 June 2024;
- Approval of the audit fees for the financial year ended 31 December 2024;
- Approval of non-audit work to be carried out by the auditor;
- Consideration of the independence and objectivity of the external auditor;
- Review of the internal controls and risk management systems within the Group;
- Consideration of the requirement for the Group to have an internal audit function;
- Review of the effectiveness of the external auditor, as more fully described above;
- Discussions with the auditor on the audit approach and strategy, the audit process, significant audit risks and key issues of focus for the annual audit;
- Review and approval of the continuing appointment of Deloitte LLP as the Group's auditor; and Alberis Audit as 2nd auditor.

The ultimate responsibility for reviewing and approving the financial statements in the interim and annual reports remains with the Board.

The Audit Committee, in conjunction with the auditor, has considered there are no significant issues relating to the preparation of the financial statements contained in this Annual Report.

Risk management and internal control

The Board has overall responsibility for the Group's system of internal control and for reviewing the effectiveness of internal control to safeguard Shareholders' investment and the Group's assets. There is an ongoing process for identifying, evaluating and managing the significant risks the Group faces. The Board regularly reviews the process, which has been in place throughout the period and up to the date of approval of the Annual Report and Accounts.

The Board's internal control and risk management review process (conducted with the assistance of the Audit Committee), is outlined on pages 64 to 71.

Internal audit

The Board has reviewed the need for a separate internal audit function and concluded that such a function is not currently appropriate for a size of company such as the Group, and because the internal audit principles already fall under the remit of the Audit Committee.

Going concern

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 2024 of £30,453,000;
- The business plan for the next 12 months;
- The working capital requirements of the business;
- No 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 2025 up until April 2026.

Juliet Thompson
Chair of the Audit Committee

Principle Risks and Risk Management

The Group's risk management strategy is a key responsibility of the Board of Directors. The Board ensures that all major risks are understood and appropriately managed in light of the Group's strategy and objectives and is satisfied that the Group's risk management and internal control systems are adequate.

Political pressures	At the time of writing, the global economy has been impacted by the US tariff implications being imposed by the US President. The tariff landscape is changing at a rapid pace and at present the true risks to a UK business is not quantifiable. The UK is an open and free trading island and the effect of global trade headwinds will affect us more than the direct tariffs applied to the UK by the US administration. We are keeping abreast of these changes and monitoring the potential impact and opportunities as this political and economic policy evolves.
The pace of development in the healthcare industry	The Group operates within the biotechnology sector, a complex area of the healthcare industry. Rapid scientific and technological change within the biotechnology sector could lead to other market participants creating approaches, products and services equivalent or superior to the diagnostic testing products and services offered by the Group, which could adversely affect the Group's performance and success. If the Group is unable to keep pace with these changes in the biotechnology sector and in the wider healthcare industry, the demand for its technological platforms and associated products and services could fall.
Competitive pressures	Companies operating within the biotechnology sector are subject to competitive forces that may result in price discounting and product obsolescence. Better resourced competitors may be able to devote more time and capital towards the R&D process, which, in turn, could lead to scientific and/or technological breakthroughs that may materially alter the outlook or focus for markets in which the Group operates. In addition, a certain number of the Group's competitors may have significantly greater financial and human resource capacity and, as such, better manufacturing capability or sales and marketing expertise. Competitors could also resort to price discounting or other sales and marketing strategies. Equally, new companies with alternative technologies and products may also emerge.
Geographic markets	The Group is largely based in the UK, and its products are distributed to and sold across multiple jurisdictions. In each of these jurisdictions, there may be a number of associated risks in respect of which the Group will have no, or limited, control. These may include: contract renegotiation, contract cancellation, economic, social or political instability or change, hyperinflation, currency non-convertibility or instability, and changes of laws affecting foreign ownership, taxation, working conditions, rates of exchange, exchange control and licensing.
Product development	Additional products and services developed through the element of the Group's strategy focused on R&D transformation will be required to drive the Group's growth. The development of such additional diagnostic testing products and services may take longer than expected or not be successful at all, which may adversely impact the Group's ability to generate revenues and achieve sustainable profitability. In addition, the value of additional diagnostics tests and products may not prove as robust as currently envisaged by the Group. Any delays or unbudgeted expenditures incurred by the Group could postpone or halt the commercialisation of particular diagnostics tests and products.

The Group's risk management framework supports the risk assessment procedure across the Group, with the objective of ensuring that the assessment of the strategic, operational, financial and external risks of the Group is approached consistently Group-wide.

At this stage of the Company's development, the Board does not consider it to be appropriate to establish an internal audit function, but this will be kept under review.

The principal risks faced by the Group are set out below.

Product liability claims	The Group faces an inherent risk of product liability and associated adverse publicity as a result of the sales of its products. Criminal or civil proceedings might be filed against the Group by patients, the regulatory authorities, pharmaceutical companies and any other third party using or marketing its products. Any such product liability claims may include allegations of defects in manufacturing, defects in design, negligence, strict liability, a breach of warranties and a failure to warn of dangers inherent in the product. If the Group cannot successfully defend itself against product liability claims, it may incur substantial liabilities or be required to limit commercialisation of its products, if approved. Even successful defence could require significant financial and management resources. Although the Group maintains a level of insurance that is customary for its industry to cover its current business, any claim that may be brought against the Group could result in a court judgement or settlement in an amount that is not covered, in whole or in part, by its insurance or that is in excess of the limits of its insurance coverage. Its insurance policies also have various exclusions and the Group may be subject to a product liability claim for which the Group has no coverage.

Principle Risks and Risk Management

Reliance on sole suppliers	Due to the specific and innovative nature of some of the Group's products, there may only be a single supplier of goods or services to the Group in respect of those products or services, which may or may not be pursuant to the terms of exclusive supplier agreements. The Group's purchases may be delayed if that single supplier, in respect of any one product or service, has its own manufacturing difficulties or is not able to meet the purchase requirements of the Group within a reasonable time frame. Further, any exclusive supplier arrangements may be terminated by either the supplier or the Company on notice. In the event of serious delays or non-performance by such suppliers, or upon such arrangements being terminated, the Group's own stock levels could diminish or be exhausted. The Group may consider expanding its current supplier base to reduce the reliance on certain suppliers. However, there is no guarantee that they will be successful in doing so in a manner that complies with regulatory requirements.
Reliance on third-party distributors	The Group uses third-party distributors in a number of its business areas. Although the Group enters into agreements with such distributors, it cannot ultimately control their actions and they may underperform or not act in the best interests of the Group. Furthermore, the distribution agreements may be terminated by the distributors or the Group. If so, and if appropriate from the Group's strategy at that time, the Group may seek to find a replacement distributor but there can be no guarantee that they will be successful in doing so.
Acquisition strategy	A core part of the Group's strategy is to undertake acquisitions that are strategically complementary to its existing businesses. The success of such a strategy will depend on the Group's ability to identify potential targets, complete the acquisition of such targets on favourable terms, including securing appropriate financing, and to generate value from the acquired targets. This strategy may not be successful under all or any market conditions. The Group may not be able to acquire targets on attractive terms or to generate resulting returns for Shareholders and prospective investors.
Litigation and arbitration	From time to time, the Group may be subject to litigation arising from its operations, distribution and sales. Damages claimed, awarded, settled or paid under any litigation or arbitration may be material or may be indeterminate, and the outcome of such litigation or arbitration may have a material adverse effect on the Group's business, financial condition, capital resources, results and/or future operations.
Key personnel	The Group depends on the services of its key personnel, which includes a number of individuals some of whom are currently on a short notice period of three months or less. The Group's ability to manage its R&D and product development activities, wider operations and financing will depend in large part on the efforts of its key personnel. The loss of services of key personnel, the inability to attract, retain and integrate suitably qualified personnel or delays in hiring required personnel, could delay the achievement of the Group's objectives and strategy.
Tenders	A proportion of the Group's revenues stem from tenders awarded to the Group and it is not possible to control and/or predict the outcomes of these tender processes. The success of such tender awards is based upon the ability of the organisation or country to finance tenders, and then it is based upon the historical performance, price and quality of the competitors who have been invited to participate in the tender process. The Group may not be successful in future tender processes. The failure to gain new business through the award of tender contracts may have a material adverse effect on the Group's business, financial condition, capital resources, results and/or future operations.
Regulatory environment	The Group's products are subject to various laws, regulations and standards in each of the jurisdictions in which products are manufactured and distributed. These laws, regulations and standards may change and, if the Group fails to meet those regulatory or other requirements, it could face delays or prohibitions on the operation of its business. The Group's ability to conduct business is predicated on being in compliance with all licence requirements as specified by each relevant jurisdiction. The Group may not continue to hold all of the necessary consents, approvals and licences required to conduct its business, and where new permissions are required, these may be delayed or not forthcoming. If any new approvals or licences are required in order for the Group to carry on its business, the Group could face delays or prohibitions on the development, manufacture, sale or distribution of its products, which may have a material adverse effect on the Group's business, financial condition, capital resources, results and/or future operations.

Principle Risks and Risk Management

IVDR regulations	The entire IVD industry within the EU has undergone a significant regulatory transition from the In Vitro Diagnostic Directive ("IVDD") (98/79/EC) to the new In Vitro Diagnostic Regulation ("IVDR") (2017/746). The In Vitro Diagnostic Regulation (IVDR) transition period, originally set to end on 26 May 2025, has been extended, with deadlines varying based on device risk class: Class D devices have until 31 December 2027, Class C until 31 December 2028, and Class B and A (sterile) until 31 December 2029. The cumulative effect of the introduction of the new regulation has significantly increased burden on the resources of IVD manufacturers to maintain regulatory compliance, and this may have resulted in older products, or those with lower revenue, being discontinued due to increased cost of compliance and the increased scrutiny by notified bodies. The IVDR applies to any products sold in Europe. The review periods are long due to limited notified bodies but we have now had three products that have been through the IVDR pathway and received IVDR certification minimising the risk for future products.The biggest challenge and risk is that significant changes to the products cannot be made during the transition period until the products are compliant to IVDR standard, and even then the approval time for a significant change is potentially prohibitive, slowing down innovation. The UK, in turn, is applying its own regulatory regime to IVDDs, which will involve applying a UKCA certification mark for any products sold in the UK and this increases the regulatory burden. Novacyt group currently has three products that have received IVDR accreditation.
Employment laws	The Group is also subject to various UK and US regulations governing the Group's relationship with employees, including such matters as the treatment of part-time or agency workers, employers' National Insurance contributions, overtime and other working conditions. A failure to comply with one or more regulations could result in the imposition of sanctions, including the closing of facilities for an indeterminate period of time or third-party litigation.
European General Data Protection Regulation	The Group is committed to ensuring compliance with European General Data Protection Regulation ("GDPR"). Failure to demonstrate appropriate actions to comply with GDPR could result in a one-off discretionary caution or can escalate to a fine of up to 4% of annual global turnover.
Information technology	The Group is heavily reliant upon its information technology systems to enable it to manage a growing business and to service its customers online. Information systems are used across all aspects of the Group's business, including R&D, product development, sales, production, stock control, distribution, and accounting and finance. The Group's business would be adversely affected by a material or sustained breakdown in its key computer and communication systems. In addition, the Group may face online security breaches, including hacking and vandalism. The Group cannot guarantee absolute protection against unauthorised attempts to access its information technology and communication systems, including malicious third-party applications that may interfere with or exploit security flaws in its products and services.
Protection of intellectual property rights	The Group's ability to compete depends, in part, upon the successful protection of its intellectual property, in particular its patents, trademarks, know-how and trade secrets. The Group seeks to protect its intellectual property through the filing of worldwide patent and trademark applications, as well as robust confidentiality obligations on its employees (and any contractors). Despite these precautions that may be taken by the Group to protect its intellectual technology and products, unauthorised third parties may attempt to copy, or obtain and use, its technology and products. A third party may infringe upon the Group's intellectual property, release information considered confidential about the Group's intellectual property and/or claim technology that is registered to the Group. In addition, the Group may fail to discover infringement of its intellectual property, and/or any steps taken or that will be taken by it may not be sufficient to protect its intellectual property rights or prevent others from seeking to invalidate its intellectual property, or block sales of its products by alleging a breach of their intellectual property. Applications filed by the Group in respect of new patents and trademarks may also not be granted. The Directors intend to defend the Group's intellectual property vigorously through litigation and other means.

Principle Risks and Risk Management

Infringement of third-party patents and other intellectual property rights	The Group's products may infringe or may be alleged to infringe existing patents or patents that may be granted in the future, which may result in costly litigation and could result in the Group having to pay substantial damages or limit the Group's ability to commercialise its products. If the Group is sued for patent infringement, the Group would need to demonstrate that its products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid, and the Group may not be able to do this. If the Group is found to have infringed a third-party's patent, the Group could be required to obtain a licence from such third party to continue developing and marketing its products and technology or the Group may elect to enter into such a licence in order to settle litigation or in order to resolve disputes prior to litigation. However, the Group may not be able to obtain any required licence on commercially reasonable terms or at all. Even if the Group is able to obtain a licence, it could be non-exclusive, thereby giving its competitors access to the same technologies licensed to the Group, and could require the Group to make substantial royalty payments. The Group could also be forced, including by court order, to cease commercialising the infringing technology or products. A finding of infringement could prevent the Group from commercialising its products or force the Group to cease some of its business operations, which could materially harm its business. Claims that the Group has misappropriated the confidential information or trade secrets of third parties could have a similarly negative impact on its business.
Protection of trademarks	The Group owns certain trademarks that are important to its business and competitive position. Third parties may infringe or misappropriate these rights by, for example, imitating the Group's products, asserting rights in, or ownership of, the Group's trademarks or other intellectual property rights or in trademarks that are similar to trademarks that the Group owns. In addition, the Group may fail to discover infringement of its intellectual property, and/or any steps taken or that will be taken by it may not be sufficient to protect its intellectual property rights or prevent others from seeking to invalidate its trademarks by alleging a breach of their trademarks and intellectual property. Applications filed by the Group in respect of new trademarks may not be granted. In addition, some of the Group's intellectual property may not be capable of being registered as belonging to the Group in all types of trademarks and all classes and the Group may, therefore, have difficulty protecting such intellectual property. Further, the Group may not be able to prevent others from using its brands (or other intellectual property that is not registered as belonging to the Group) at all or in a particular market. If the Group is unable to protect its intellectual property rights against infringement or misappropriation, or if others assert rights in or seek to invalidate its intellectual property rights, this could have a material adverse effect on the Group's business, financial condition, capital resources, results and/or future operations.
Customer concentration	There was no single customer that contributed 10% or more to the Group's revenue in 2024.
Bad debts	The Group sells to companies of all sizes from small to medium-sized enterprises to blue-chip institutions, and operates in emerging markets, such as the Middle East, Asia-Pacific, Africa and South America. Whilst the Group has, to date, successfully managed the risk of being paid for products and services sold into these companies and regions, as the Group grows and its customer base and distribution channels expands, there could be a higher risk that new customers do not pay in a timely manner and that bad debt increases.
Foreign exchange rates	The Group operates on a global basis and it has exposure to foreign exchange risk on purchases and sales that are denominated in currencies other than the Pound Sterling, Euro and US Dollar, which are the currencies of most of its receivables, expenditures, cash reserves and borrowings. The Pound Sterling, Euro and US Dollar exchange rates have fluctuated significantly in the past and may do so in the future. Consequently, revenue, expenditure, cash and borrowings may be higher or lower than anticipated by the Group. In addition, the financial statements of the Group are denominated in Pounds Sterling which, therefore, give further exposure to foreign exchange rate fluctuations and may impact the financial results reported to its Shareholders, particularly as profits and losses arising from foreign currency transactions and on settlement of amounts receivable and payable in foreign currency are dealt with through the profit and loss statement.

Financial Statements

Company law requires the Directors to prepare Group and parent company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards, as adopted by the EU, and applicable law, and have elected to prepare the parent company financial statements under French GAAP.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that period.

In preparing each of the Group and parent company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- Prepare the financial statement on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the Group's financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Statutory auditors report on the consolidated financial statements

For the year ended 31 December 2024

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by French law, such as verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial Statements

To the Shareholders' meeting of Novacyt S.A.

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Novacyt S.A. for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from 1 January 2024 to the date of our report.

Justification of assessments

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill

Goodwill was subject to impairment tests according to the procedures described in the "Business combinations and measurement of goodwill" note to the consolidated financial statements. We reviewed the procedures used to implement these tests as well as the cash flow forecasts and assumptions used for this purpose, and we verified that the notes "Measurement of goodwill", "Impairment testing" and Note 16 "Goodwill" provided appropriate disclosures.

Specific verifications

We have also performed in accordance with professional standards applicable in France the specific vérifications required by law and regulations of the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The consolidated financial statements were approved by the Board of Directors.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- identifies and assesses the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Cergy and Paris-La Défense, 29 May 2025

The Statutory Auditors
French original signed by

Alberis Audit
Deloitte & Associés

Guillaume TURCHI
Benoit PIMONT

Accounts and Notes

Consolidated income statement for the years ended 31 December 2024 and 31 December 2023

Amounts in £'000	Notes	Year ended 31 December 2024	Year ended 31 December 2023 (*)
Continuing Operations			
Revenue	6	19,630	10,621
Cost of sales	8	12,444	-7,130
Gross profit		**32,074**	**3,491**
Sales, marketing and distribution expenses	9	-5,493	-3,593
Research and development expenses	10	-2,767	-2,850
General and administrative expenses	11	-40,239	-12,709
Governmental subsidies		–	154
Operating loss before other operating income/expense		**-16,425**	**-15,507**
Other operating income	12	128	31
Other operating expenses	12	-21,046	-9,973
Operating loss after other operating income/expense		**-37,343**	**-25,449**
Financial income	13	3,034	3,421
Financial expense	13	-5,121	-2,436
Loss before tax		**-39,430**	**-24,464**
Tax income	14	732	353
Loss after tax from continuing operations		**-38,698**	**-24,111**
Loss from discontinued operations	37	-3,060	-4,181
Loss after tax attributable to owners of the Company (**)		**-41,758**	**-28,292**
Loss per share (£)	15	-0.59	-0.40
Diluted loss per share (£)	15	-0.59	-0.40
Loss per share from continuing operations (£)	15	-0.55	-0.34
Diluted loss per share from continuing operations (£)	15	-0.55	-0.34
Loss per share from discontinued operations (£)	15	-0.04	-0.06
Diluted loss per share from discontinued operations (£)	15	-0.04	-0.06

* The 2023 consolidated income statement has been restated to reflect the impact of the application of IFRS 5 relative to discontinued operations, by stating the IT-IS International activity on a single line 'Loss from discontinued operations'.

** There are no non-controlling interests.

Consolidated statement of comprehensive income for the years ended 31 December 2024 and 31 December 2023

Amounts in £'000	Notes	Year ended 31 December 2024	Year ended 31 December 2023 (*)
Loss for the period recognised in the income statement		**-41,758**	**-28,292**
Items that may be subsequently reclassified to profit or loss:			
Translation reserves	34	1,873	363
Total comprehensive loss		**-39,885**	**-27,929**
Comprehensive loss attributable to owners of the Company (**) from:			
Continuing operations		-36,825	-23,748
Discontinued operations		-3,060	-4,181

* The 2023 consolidated statement of comprehensive income has been restated to reflect the impact of the application of IFRS 5 relative to discontinued operations, by stating the IT-IS International activity on a single line 'Loss from discontinued operations'.

** There are no non-controlling interests.

Statement of financial position as of 31 December 2024 and 31 December 2023

Amounts in £'000	Notes	Year ended 31 December 2024	Year ended 31 December 2023
Goodwill	16	2,669	21,446
Other intangible assets	17	17,575	10,232
Property, plant and equipment	18	2,407	4,183
Right-of-use assets	19	8,294	11,036
Non-current financial assets		25	57
Deferred tax assets	20	286	413
Total non-current assets		**31,256**	**47,367**
Inventories and work in progress	21	2,269	3,022
Trade and other receivables	22	4,717	36,034
Tax receivables	28	477	728
Prepayments and short-term deposits	23	1,452	2,601
Investments short-term		8	9
Cash and cash equivalents	24	30,453	44,054
Total current assets		**39,376**	**86,448**
Total assets		**70,632**	**133,815**

Statement of financial position as of 31 December 2024 and 31 December 2023 (continued)

Amounts in £'000	Notes	Year ended 31 December 2024	Year ended 31 December 2023
Lease liabilities short-term	25	1,257	1,209
Contingent consideration short-term	27	–	193
Provisions short-term	29	748	19,988
Trade and other liabilities	30	3,767	7,183
Tax liabilities		47	65
Other current liabilities	31	401	927
Total current liabilities		**6,220**	**29,565**
Net current assets		**33,156**	**56,883**
Lease liabilities long-term	25	10,621	12,495
Contingent consideration long-term	27	–	722
Provisions long-term	29	1,466	1,547
Deferred tax liabilities	20	4,445	2,241
Other long-term liabilities		–	3
Total non-current liabilities		**16,532**	**17,008**
Total liabilities		**22,752**	**46,573**
Net assets		**47,880**	**87,242**
Share capital	32	4,053	4,053
Share premium account	33	50,671	50,671
Own shares		-113	-138
Other reserves	34	3,810	1,599
Equity reserve	35	1,155	1,155
Retained earnings	36	-11,696	29,902
Total equity – owners of the Company		**47,880**	**87,242**
Total equity		**47,880**	**87,242**

Statement of changes in equity for the years ended 31 December 2024 and 31 December 2023

Amounts in £'000	Share capital	Share premium	Own shares	Equity reserves	Other Group reserves: Other	Other Group reserves: Translation reserve	Other Group reserves: OCI on retirement benefits	Other Group reserves: Total	Retained earnings	Total equity
Balance at 1 January 2023	**4,053**	**50,671**	**-91**	**1,155**	**-2,407**	**398**	**-8**	**-2,017**	**61,445**	**115,216**
Translation differences	–	–	–	–	–	363	–	363	–	363
Loss for the period	–	–	–	–	–	–	–	–	-28,292	-28,292
Total comprehensive income / (loss) for the period	**–**	**–**	**–**	**–**	**–**	**363**	**–**	**363**	**-28,292**	**-27,929**
Own shares acquired / sold in the period	–	–	-47	–	–	–	–	–	–	-47
Other	–	–	–	–	3,253	–	–	3,253	-3,251	2
Balance at 31 December 2023	**4,053**	**50,671**	**-138**	**1,155**	**846**	**761**	**-8**	**1,599**	**29,902**	**87,242**
Translation differences	–	–	–	–	–	1,873	–	1,873	–	1,873
Loss for the period	–	–	–	–	–	–	–	–	-41,758	-41,758
Total comprehensive loss for the period	**–**	**–**	**–**	**–**	**–**	**1,873**	**–**	**1,873**	**-41,758**	**-39,885**
Own shares acquired / sold in the period	–	–	25	–	–	–	–	–	–	25
Payment in shares	–	–	–	–	338	–	–	338	–	338
Other	–	–	–	–	–	–	–	–	160	160
Balance at 31 December 2024	**4,053**	**50,671**	**-113**	**1,155**	**1,184**	**2,634**	**-8**	**3,810**	**-11,696**	**47,880**

The Other Group reserves in column 'Other' shows the reserve related to the acquisition of Primerdesign shares and the reserve for payment in shares. The 2023 movement of £3,253k is a result of the acquisition of Yourgene Health.

The 2024 movement of £338k is related to the Long-Term Incentive Plan (LTIP) implemented in 2024.

Statement of cash flows for the years ended 31 December 2024 and 31 December 2023

Amounts in £'000	Notes	Year ended 31 December 2024	Year ended 31 December 2023 (*)
Net cash used in operating activities	**39**	**-9,823**	**-25,446**
Operating cash flows from discontinued operations		*-674*	*-3,069*
Operating cash flows from continuing operations		*-9,149*	*-22,377*
Investing activities			
Acquisition / sale of subsidiary net of cash acquired		-1,093	-15,429
Purchases of patents and trademarks		-580	-154
Purchases of property, plant and equipment		-1,281	-517
Sales of property, plant and equipment		22	26
Variation of deposits		-67	116
Interest received		1,139	2,023
Net cash used in investing activities		**-1,860**	**-13,935**
Investing cash flows from discontinued operations		*15*	*96*
Investing cash flows from continuing operations		*-1,875*	*-14,031*
Financing activities			
Repayment of lease liabilities		-1,862	-1,110
Repayment of bank loans		–	-2,355
Purchase of own shares – net		25	-47
Net cash used in financing activities		**-1,837**	**-3,512**
Financing cash flows from discontinued operations		*-91*	*-419*
Financing cash flows from continuing operations		*-1,746*	*-3,093*
Net decrease in cash and cash equivalents		**-13,520**	**-42,893**
Cash and cash equivalents at beginning of year		**44,054**	**86,973**
Effect of foreign exchange rate changes		-81	-26
Cash and cash equivalents at end of year		**30,453**	**44,054**

* The 2023 statement of cash flows has been restated to reflect the impact of the application of IFRS 5 relative to discontinued operations, by stating the IT-IS International activity under 'cash flows from discontinued operations'.

Notes to the Annual Accounts

1. Corporate information

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 financial information contained in this report comprises the consolidated financial statements of the Company and its subsidiaries (hereinafter referred to collectively as the "Group"). The figures in the tables are prepared and presented in Great British Pounds ("GBP"), rounded to the nearest thousand ("£'000s").

The 2024 consolidated financial statements were approved by the Board of Directors on 29 April 2025.

2. Adoption of new standards and amendments to existing standards

– Standards, interpretations and amendments to standards with mandatory application for the period beginning on or after 1 January 2024 had no material impact on Novacyt's consolidated financial statements at 31 December 2024. These are:

- Amendment to IAS 1 – Presentation of Financial Statements – This amendment introduces new requirements for classifying liabilities as current or non-current and lists the information to disclose;
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments – Disclosure – These amendments require information to be disclosed regarding supplier finance arrangements;
- Amendment to IFRS 16 – Leases – This amendment concerns the accounting for rental debts in a sale-and-leaseback transaction.

– Standards or interpretations not mandatorily applicable in 2024 that would be available for an early application.

These new texts have not been applied in advance by the Group or are not applicable:

- Amendment to IFRS 10 and IAS 28 – Sale or contribution of assets between an investor and its associate/ joint venture;
- Amendments to IAS 21 – Lack of exchangeability – Assessment of a currency exchangeability and determination of a spot exchange rate.

3. Summary of accounting policies applied by the Group

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards), as adopted by the European Union.

The financial information has been prepared on the historical cost basis except in respect of those financial instruments that have been measured at fair value. Historical cost is based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial information is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

The areas where assumptions and estimates are material in relation to the financial information are the measurement of goodwill (see note 16), the carrying amounts and useful lives of the other intangible assets (see note 17), deferred taxes (see note 20), trade receivables (see note 22) and provisions for risks and other provisions related to the operating activities (see note 29).

The accounting policies set out below have been applied consistently to all periods presented in the financial information.

Basis of consolidation

The financial information includes all companies over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The Group does not exercise joint control or have significant influence over other companies. Subsidiaries are consolidated from the date on which the Group obtains effective control.

Controlled companies are consolidated by the full consolidation method with recognition of non-controlling interests. Under IFRS 10, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Notes to the Annual Accounts

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. The Group's scope of consolidation included the following companies, all fully consolidated when included in the scope.

		At 31 December 2024		At 31 December 2023	
Companies & Country		**Interest percentage**	**Consolidation method**	**Interest percentage**	**Consolidation method**
Biotec Laboratories Ltd	UK	–	–	100%	FC
IT-IS International Ltd	UK	100%	DO	100%	DO
Lab21 Healthcare Ltd	UK	100%	DO	100%	DO
Novacyt US Inc	USA	100%	FC	100%	FC
Novacyt Inc	USA	100%	FC	100%	FC
Microgen Bioproducts Ltd	UK	100%	DO	100%	DO
Novacyt SA	France	100%	FC	100%	FC
Novacyt Asia Ltd	Hong Kong	100%	FC	100%	FC
Novacyt China Ltd	China	–	–	100%	FC
Novacyt UK Holdings Ltd	UK	100%	FC	100%	FC
Primerdesign Ltd	UK	100%	FC	100%	FC
Yourgene Health Ltd	UK	100%	FC	100%	FC
Yourgene Health UK Ltd	UK	100%	FC	100%	FC
Yourgene Genomic Services Ltd	UK	100%	FC	100%	FC
Yourgene Health SASU	France	100%	FC	100%	FC
Yourgene Health Inc	USA	100%	FC	100%	FC
Yourgene Health GmbH	Germany	100%	FC	100%	FC
Yourgene Health Canada Holdings Ltd	Canada	100%	FC	100%	FC
Yourgene Health Canada Investments Ltd	Canada	100%	FC	100%	FC
Yourgene Health Canada Inc	Canada	100%	FC	100%	FC
Yourgene Health (Singapore) Pte. Ltd	Singapore	100%	FC	100%	FC
Yourgene Health (Taiwan) Co. Ltd*	Taiwan	–	–	100%	FC
Elucigene Ltd	UK	100%	FC	100%	FC
Delta Diagnostics Ltd	UK	100%	DO	100%	FC

FC: Full consolidation DO: Discontinued operation

Biotec Laboratories Ltd was dissolved on 20 February 2024.
Novacyt China Ltd was dissolved on 22 July 2024.

*On 1 July 2024, Novacyt disposed of Yourgene Health (Taiwan) Co. Ltd.

Consolidation methods

The consolidated historical financial information is prepared using uniform accounting policies for transactions and other similar events in similar circumstances.

- **Elimination of intercompany transactions**

The intercompany balances arising from transactions between consolidated companies, as well as the transactions themselves, including income, expenses and dividends, are eliminated.

- **Translation of accounts denominated in foreign currency**

The historical financial information is presented in £'000 GBP. The financial statements of companies whose functional currency is not GBP are translated into GBP as follows:

- Items in the statement of financial position are translated at the closing exchange rate, excluding equity items, which are stated at historical rates; and
- Transactions in the income statement and statement of cash flows are translated at the average annual exchange rate.

Translation differences on earnings and equity are recognised directly in other comprehensive income under "Translation reserves" for the portion attributable to the Group. On disposal of a foreign company, the translation differences relating thereto and recognised in other comprehensive income are reclassified to profit or loss.

Exchange differences arising from intragroup balances are recognised as exchange losses or gains in the consolidated income statement.

Discontinued operations and assets held for sale

A discontinued operation is a component that either has been disposed of, or is classified as held for sale, and

(a) represents a separate major line of business or geographical area of operations,

(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or

(c) is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are presented in the consolidated income statement as a single amount comprising the total of:

- The post-tax profit or loss of the discontinued operation,
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, and
- The post-tax gain or loss recognised on the disposal of assets or the disposal group making up the discontinued operation.

Notes to the Annual Accounts

Where material, the analysis of the single amount is presented in the relevant note (see note 37).

In the statement of cash flows the net cash flow attributable to the operating, investing and financing activities of discontinued operations have been disclosed separately.

No adjustments have been made in the statement of financial position.

Comparatives for discontinued operations are restated.

Going concern

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 2024 of £30,453k;
- The business plan for the next 12 months;
- The working capital requirements of the business;
- No 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 2025 up until April 2026.

Business combinations and measurement of goodwill

- **Business combinations**

Business combinations are accounted for using the purchase method (see IFRS 3).

Each time it acquires a company or group of companies constituting a business, the Group identifies and measures the assets acquired and liabilities assumed, most of which are carried at fair value. The difference between the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree, and the net amount recognised in respect of the identifiable assets acquired and liabilities assumed measured at fair value, is recognised as goodwill.

Pursuant to IFRS 3, the Group applies the following principles:

- Transaction costs are recognised immediately as operating expenses when incurred;
- Any purchase price adjustment of an asset or a liability assumed is estimated at fair value at the acquisition date, and the initial assessment may only subsequently be adjusted against goodwill in the event of new information related to facts and circumstances existing at the acquisition date if this assessment occurs within the 12-month allocation period after the acquisition date. Any adjustment of the financial liability recognised in respect of an additional price subsequent to the intervening period or not meeting these criteria is recognised in the Group's comprehensive income;
- Any negative goodwill arising on acquisition is immediately recognised as income; and
- For step acquisitions, the achievement of control triggers the remeasurement at fair value of the interest previously held by the Group in profit or loss. Loss of control results in the remeasurement of the possible residual interest at fair value in the same way.

For companies acquired during the year, only the results for the period following the acquisition date are included in the consolidated income statement. For the financial year 2023, this applies to Yourgene Health Ltd (formerly PLC) and its subsidiaries, which were acquired on 8 September 2023.

- **Measurement of goodwill**

Goodwill is broken down by cash-generating unit ("CGU") or group of CGUs, depending on the level at which goodwill is monitored for management purposes. In accordance with IAS 36, none of the CGUs or groups of CGUs defined by the Group are greater in size than an operating segment.

- **Impairment testing**

Goodwill is not amortised but is subject to impairment testing when there is an indication of loss of value, and at least once a year at the reporting date.

Such testing consists of comparing the carrying amount of an asset to its recoverable amount. The recoverable amount of an asset, a CGU or a group of CGUs is the greater of its fair value less costs to sell and its value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset, a CGU or a group of CGUs in an arm's length transaction between well-informed, willing parties, less the costs of disposal. Value in use is the present value of future cash flows expected to arise from an asset, a CGU or a group of CGUs.

It is not always necessary to determine both the fair value of an asset less costs to sell and its value in use. If either of these amounts exceeds the carrying amount of the asset, the asset is not impaired and it is not necessary to estimate the other amount.

Intangible fixed assets

- **Customer relationships**

In accordance with IFRS 3, the Group's acquisition of Primerdesign and Yourgene Health resulted in the recognition of the value of the acquired customer base on the statement of financial position. The value of these assets was determined by discounting the additional margin generated by customers after remuneration of the contributing assets.

Customer relationships are amortised on a straight-line basis over nine years, unless they are deemed to be impaired.

- **Trademark**

The acquisition price of Primerdesign and Yourgene Health by the Group has led to the recognition of a number of trademarks. The value of these assets has been determined by discounting the cash flows that could be generated by licensing the trademark, estimated as a percentage of revenue derived from information available on comparable assets.

Trademarks are amortised on a straight-line basis over nine years, unless they are deemed to be impaired.

Notes to the Annual Accounts

- **Other intangible assets**

Intangible assets include licences and patents recognised at cost and amortised over useful lives of between 7 and 20 years.

Property, plant and equipment

Items of property, plant and equipment are recognised at their acquisition cost (purchase price plus incidental expenses and acquisition costs).

Depreciation and amortisation

Property, plant and equipment and intangible assets are depreciated or amortised on a straight-line basis, with major components identified separately where appropriate, based on the following estimated useful lives:

– Leasehold improvements:	Straight-line basis – 2 to 15 years
– Trademarks:	Straight-line basis – 9 years
– Customer relationships:	Straight-line basis – 9 years
– Patents:	Straight-line basis – 10 years
– Plant and machinery:	Straight-line basis – 3 to 6 years
– General fittings, improvements:	Straight-line basis – 3 to 5 years
– Transport equipment:	Straight-line basis – 5 years
– Office equipment:	Straight-line basis – 3 years
– Computer equipment:	Straight-line basis – 2 to 4 years

Any leased buildings, equipment or other leases that fall under the scope of IFRS 16 have been capitalised as a right-of-use asset and will be depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

The depreciation or amortisation of property, plant and equipment begins when they are ready for use and ceases at their disposal, scrapping or reclassification as assets held for sale in accordance with IFRS 5.

Given the nature of its assets, the Group does not recognise residual value on the items of property, plant and equipment it uses.

Depreciation and amortisation methods and useful lives are reviewed at each reporting date and revised prospectively if necessary.

Asset impairment

Depreciable and non-depreciable assets are subject to impairment testing when indications of loss of value are identified. In assessing whether there is any indication that an asset may be impaired, the Group considers the following external and internal indicators:

External indicators:

- Drop in the market value of the asset (to a greater extent than would be expected solely from the passage of time or the normal use of the asset);
- Significant changes with an adverse effect on the entity, either having taken place during the period or expected to occur in the near future, in the technical, economic or legal environment in which the Group operates or in which the asset is used; and
- Increases in market interest rates or other market rates of return during the year when it is likely that such increases will significantly reduce the market value and/or value in use of the asset.

Internal indicators:

- Existence of indication of obsolescence or physical damage of an asset unforeseen in the depreciation or amortisation schedule;
- Significant changes in the way the asset is used;
- Weaker-than-expected performance by the asset; and
- Significant reduction in the level of cash flow generated by the asset.

If there is an indication of impairment, the recoverable amount of the asset is compared with its carrying amount. The recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of future cash flows expected to flow from an asset over its estimated useful life.

The recoverable amount of assets that do not generate independent cash flows is determined by that of the CGU to which it belongs; a CGU being the smallest homogeneous group of identifiable assets generating cash flows that are largely independent of other assets or groups of assets.

The carrying amount of an asset is its gross value less accumulated depreciation, for depreciable property, plant and equipment, and impairment losses.

In the event of loss of value, an impairment charge is recognised in the income statement. Impairment is reversed in the event of a change in the estimate of the recoverable value or if indications of loss of value disappear. Impairment is recognised under “Depreciation, amortisation and provisions for impairment of property, plant and equipment and intangible assets” in the income statement.

Intangible assets not subject to amortisation are tested for impairment at least once a year.

Leases

The Group assesses whether a contract is or contains a lease, at the inception of the contract. The Group recognises a right-of-use asset and a lease liability at lease commencement for all lease arrangements in which it is the lessee, except for short-term leases and leases of low-value assets.

- The Group records right-of-use assets at cost at the commencement date of the lease, which is the date the underlying asset is available for use, less any accumulated depreciation and impairment losses, and adjusted for subsequent remeasurement of lease liabilities. Cost includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. The Group charges depreciation to the income statement on a straight-line basis over the shorter of the estimated useful life and the lease term.
- The lease liability is initially measured at the present value of the future lease payments discounted using the discount rate implicit in the lease (or if that rate cannot be readily determined, the lessee’s incremental borrowing rate). Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

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Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes materials and supplies, and, where applicable, direct labour costs incurred in transforming them into their current state. It is calculated using the weighted average cost method. The recoverable amount represents the estimated selling price less any marketing, sales and distribution expenses.

The gross value of goods and supplies includes the purchase price and incidental expenses.

A provision for impairment, equal to the difference between the gross value determined in accordance with the above terms and the current market price or the realisable value less any proportional selling costs, is recognised when the gross value is greater than the other stated item.

Trade receivables

The Group has an established credit policy under which the credit status of each new customer is reviewed before credit is advanced, including external credit evaluations where possible. Credit limits are established for all significant or high-risk customers, which represent the maximum amount permitted to be outstanding without requiring additional approval from the appropriate level of senior management. Outstanding debts are continually monitored by each division. Credit limits are reviewed on a regular basis, and at least annually. Customers that fail to meet the Group's benchmark creditworthiness may only transact with the Group on a prepayment basis.

Trade receivables are recorded initially at fair value and subsequently measured at amortised cost. This generally results in their recognition at nominal value less an allowance for any doubtful debts. Trade receivables in foreign currency are transacted in their local currency and subsequently revalued at the end of each reporting period, with any foreign exchange differences being recognised in the income statement as an income/expense.

The allowance for doubtful debts is recognised based on Management's expectation of losses without regard to whether an impairment trigger happened or not (an "expected credit loss" model). Through implementation of IFRS 9, the Group concluded that no real historical default rate could be determined due to a low level of historical write-offs across the business. The Group therefore recognises an allowance for doubtful debts on the basis of invoice ageing. Once an invoice is overdue from its due date, based on agreed credit terms, by more than 90 days, this invoice is then more likely to default than those invoices operating within 90 days of their due date. As such, these invoices will be provided for in full as part of an expected credit loss model, except where Management have reviewed and judged otherwise.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there may be no reasonable expectation of recovery may include the failure of the debtor to engage in a payment plan, and failure to make contractual payments within 365 days of the original due date.

Cash and cash equivalents

Cash equivalents are held to meet short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent, it must be readily convertible into a known amount of cash and be subject to an insignificant risk of change in value. Cash and cash equivalents comprise cash funds, current bank accounts and marketable securities (cash Undertakings for Collective Investment in Transferable Securities ("UCITS"), negotiable debt securities, etc) that can be liquidated or sold within a very short time (generally with original maturities of three months or less) and which have a negligible risk of change in value. All such items are measured at fair value, with any adjustments recognised in the income statement.

Financial liabilities

The Group records bank and other borrowings initially at fair value, which equals the proceeds received, net of direct issue costs, and subsequently at amortised cost. The Group accounts for finance charges, including premiums payable on settlement or redemption and direct issue costs, using the effective interest rate method.

- **Trade payables**

Trade payables are obligations to provide cash or other financial assets. They are recognised in the statement of financial position when the Group becomes a party to a transaction generating liabilities of this nature. Trade and other payables are recognised in the statement of financial position at fair value on initial recognition, except if settlement is to occur more than 12 months after recognition. In such cases, they are measured using the amortised cost method. The use of the effective interest rate method will result in the recognition of a financial expense in the income statement. Trade and other payables are eliminated from the statement of financial position when the corresponding obligation is discharged.

Trade payables have not been discounted, because the effect of doing so would be immaterial.

Provisions

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognised when the Group has a current obligation as of the reporting date in respect of a third party and it is probable or certain that there will be an outflow of resources to this third party, without at least equivalent consideration from the said third party. Provisions for risks and charges cover the amount corresponding to the best estimate of the future outflow of resources required to settle the obligation.

The provisions are for the restoration of leased premises, risks related to litigations and product warranties.

Contingent consideration

The Group recognises a contingent consideration resulting from an acquisition of assets or securities at their fair value at the acquisition date. Subsequently, the amount of the contingent consideration classified as a financial liability is adjusted to reflect their fair value as of each reporting period and this adjustment is recognised in the consolidated income statement. If the contingent consideration is equity, it is not remeasured.

Long-Term Incentive Plan (LTIP)

The LTIP share-based scheme is accounted for in accordance with IFRS 2 – Share-based Payment.

Share-based awards granted are measured at fair value on grant date, and the value is recognised as share-based compensation expense over the vesting period. The fair values of LTIP share schemes are determined by an external valuer using the Monte Carlo simulation model. Share-based compensation expense, when recognised, is charged to the consolidated income statement with the corresponding entry to reserve or liability, depending on the settlement method of the LTIP schemes within different periods.

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In February 2022, a Performance Share Awards programme for executive management was created as part of its new LTIP. This LTIP replaced the previous phantom share award scheme which ended in November 2020.

The 2022 Performance Share Awards programme was structured as nil-cost options, giving a right to acquire a specified number of shares at a nil exercise price per share (i.e. for no payment) in accordance with the rules, governed by sections L-225-197-1 and seq. of the French Commercial Code ("actions gratuites").

The awards vested over a three-year performance period, starting 1 January 2022 and ending on 31 December 2024, and were subject to the Company achieving certain total shareholder return growth conditions. The baseline for total shareholder return was based on the average closing price of the Company's shares in December 2021, which was £3.54. This was compared to the equivalent figure in December 2024 and as the conditions were not met, no awards were issued.

In April 2024, a new Performance Share Awards programme for executive management was announced. The 2024 Performance Share Awards programme is structured as nil-cost options, giving a right to acquire a specified number of shares at a nil exercise price per share (i.e. for no payment) in accordance with the rules, governed by sections L-225-197-1 and seq. of the French Commercial Code ("actions gratuities").

The awards will vest over a three-year performance period, starting 1 January 2024 and ending on 31 December 2026, subject to the Company achieving certain total shareholder return growth conditions. The baseline for total shareholder return is based on the average closing price of the Company's shares in December 2023, which was £0.63. This will then be compared to the equivalent figure in December 2026.

Consolidated revenue

IFRS 15 "Revenue from Contracts with Customers" establishes a principles-based approach to recognising revenue only when performance obligations are satisfied, and control of the related goods or services is transferred. It addresses items such as the nature, amount, timing and uncertainty of revenue, and cash flows arising from contracts with customers. IFRS 15 applies a five-step approach to the timing of revenue recognition and applies to all contracts with customers except those in the scope of other standards:

- Step 1 – Identify the contract(s) with a customer
- Step 2 – Identify the performance obligations in the contract
- Step 3 – Determine the transaction price
- Step 4 – Allocate the transaction price to the performance obligations in the contract
- Step 5 – Recognise revenue when (or as) the entity satisfies a performance obligation

The Group principally satisfies its performance obligations at a point in time and revenue recognised relating to performance obligations satisfied over time is not significant. As such, revenue is generally recognised at the point of sale, with little judgement required in determining the timing of transfer of control.

Some contracts with customers contain a limited assurance warranty that is accounted for under IAS 37 (see Provisions accounting policy). If a repair or replacement is not possible under the assurance warranty, a full refund of the product price may be given. The potential refund liability represents variable consideration.

Under IFRS 15.53, the Group can use either:

- The expected value (sum of probability weighted amounts); or
- The most likely amount (generally used when the outcomes are binary).

The method used is not a policy choice. Management use the method that it expects will best predict the amount of consideration based on the terms of the contract. The method is applied consistently throughout the contract. Variable revenue is constrained if appropriate. IFRS 15 requires that revenue is only included to the extent that it is highly probable that there will not be a significant reversal in future periods.

In making this assessment, Management have considered the following factors (which are not exclusive):

- If the amount of consideration is highly susceptible to factors outside the Group's influence;
- Whether the uncertainty about the amount of consideration is not expected to be resolved for a long period of time;
- The Group's experience (or other evidence) with similar types of contract;
- The Group has a practice of either offering a broad range of price concessions or changing the payment terms and conditions of similar contracts in similar circumstances; and
- The contract has a large number and broad range of possible consideration amounts.

The decision as to whether revenue should be constrained is considered to be a significant judgement as the term 'highly probable' is not defined in IFRS 15. Management consider highly probable to be significantly more likely than probable.

- **Yourgene Health**

Yourgene Health is an international genomics technology and services business, focused on delivering molecular diagnostic and screening solutions, across reproductive health and precision medicine.

Revenue is recognised upon delivery of products sold and, where appropriate, after formal customer acceptance. Services revenue is recognised upon completion of the performance obligation. Warranty related revenue is recognised over the term of the agreement.

- **Primerdesign**

Primerdesign Ltd is a designer, manufacturer and marketer of molecular 'real-time' qPCR testing devices and reagents in the area of infectious diseases based in Eastleigh, UK.

Revenue is recognised upon delivery of products sold and, where appropriate, after formal customer acceptance.

- **IT-IS International**

IT-IS International Ltd was a diagnostic instrument development and manufacturing company specialising in the development of PCR devices for the life sciences and food testing industry.

Revenue was recognised upon delivery of products sold and, where appropriate, after formal customer acceptance.

IT-IS International ceased trading during 2024 and is being treated as a discontinued operation.

Taxation

Income tax on profit or loss for the period comprises current and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is the result of the Group's judgement based on the advice of external tax professionals and supported by previous experience in respect of such activities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences in the near-term.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered in the near-term.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in the income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Research and development tax credits

Primerdesign Ltd and Yourgene Health UK Ltd benefit from tax credits in respect of some of their research activities. The tax credit is calculated per financial year and deducted from the tax payable by the company in respect of the year during which research expenses were incurred. Tax credits that cannot be deducted from the tax expense are surrendered for a repayable tax credit and treated as a governmental subsidy in the income statement.

Pillar Two global minimum taxation

The OECD Pillar II framework regarding the minimum effective tax rate does not apply to the Novacyt group as total revenues are below the threshold of €750,000k.

Profit/loss per share

The Group reports basic and diluted profit/loss per ordinary share. Basic profit/loss per share is calculated by dividing the profit/loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted profit/loss per share is determined by adjusting the profit/loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding, taking into account the effects of all potential dilutive ordinary shares, including options.

Other operating income and expenses

Other operating income and expenses are those incomes or costs that, in the view of the Board of Directors, require separate disclosure by virtue of their size or incidence, and are charged or credited in arriving at operating profit on the face of the consolidated income statement.

4. Critical accounting judgements and key sources of estimate uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

- **Deferred taxes**

Deferred tax assets are only recognised to the extent that it is considered probable that the Group will have future taxable profits against which the corresponding temporary difference can be offset. Deferred tax assets are reviewed at each reporting date and derecognised if it is no longer probable there will be taxable profits against which the deductible temporary differences can be utilised.

For deferred tax assets on tax losses carried forward, the Group uses a multi-criteria approach that takes into account the recovery timeframe based on the strategic plan, but which also factors in the strategy for the long-term recovery of tax losses in each country.

Deferred tax liabilities relate to the assets acquired as part of the Yourgene Health acquisition and accelerated capital allowances.

- **Trade and other receivables**

An estimate of the risks of non-receipt based on commercial information, current economic trends and the solvency of individual customers is made to determine the need for impairment on a customer-by-customer basis. Management use significant judgement in determining whether a credit loss provision is required.

At the year end, the Group had trade receivables of £3,540k against which a credit loss provision of £302k has been applied.

- **Provisions**

The carrying value of provisions at 31 December 2024 and 2023 are as per the table below:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Provision for restoration of premises	1,692	1,576
Provision for litigation	500	157
Provision for product warranty	15	19,795
Provision for retirement benefits	7	7
Total provisions	**2,214**	**21,535**

- **Provisions for restoration of premises**

The Group has recognised provisions for the estimated costs of restoring leased premises to their original condition at the end of lease agreements, in accordance with the terms of the respective lease contracts. These provisions are based on management's best estimate of the costs required, taking into account factors such as the condition of the premises, the nature of the lease terms, and the expected timeframe for restoration. Where possible, Management use external expert estimates to support a provision value. The estimation process involves a degree of judgement, as there may be uncertainties regarding the timing, extent of restoration work required, and changes in external factors such as market conditions, regulatory requirements, and inflation. The eventual settling of such property-related provisions will be dependent on negotiations with the relevant landlord. As such, the provision is reviewed at each reporting period and adjusted as necessary to reflect the most current information available.

- **Provisions for product warranty**

The Group recognises provisions for product warranties based on the estimated costs of fulfilling warranty obligations for products sold that remain in warranty at the end of the reporting period. The provision is calculated using historical warranty claim data notably the average warranty claim rate and the cost of repair. Management exercises significant judgement in estimating the expected future warranty costs, as the actual costs may vary depending on factors such as the nature of defects, product performance, and customer usage. The warranty provision is reviewed regularly, with adjustments made as necessary to reflect updated expectations of the costs to be incurred. As a result, there is inherent uncertainty in the estimation process, and actual warranty claims may differ from the provision recognised. Product warranty provisions are only included if it is considered to be probable that an outflow of economic benefit will be required. Determination of probable is a significant judgement.

The provision for product warranty at 31 December 2024 is £15k (2023: £19,795k), with the decrease from 2023 primarily relating to the release of the DHSC-related product warranty provision (see note 5 and note 29).

Key sources of estimation uncertainty

- **Measurement of goodwill**

Goodwill is tested for impairment on an annual basis. The recoverable amount of goodwill is determined mainly on the basis of forecasts of future cash flows. The total amount of anticipated cash flows reflects Management's best estimate of the future benefits and liabilities expected for the relevant CGU. The assumptions used and the resulting estimates sometimes cover very long periods, taking into account the technological, commercial and contractual constraints associated with each CGU. These estimates are mainly subject to assumptions in terms of volumes, selling prices and related production costs, and the exchange rates of the currencies in which sales and purchases are denominated. They are also subject to the discount rate used for each CGU.

The value of the goodwill is tested whenever there are indications of impairment and reviewed at each annual closing date or more frequently should this be justified by internal or external events.

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The carrying amount of goodwill in the statement of financial position and related impairment loss over the period is shown below:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Goodwill Primerdesign	5,979	6,255
Cumulative impairment of goodwill	-3,922	-4,103
Net value	2,057	2,152
Goodwill IT-IS International	9,437	9,437
Cumulative impairment of goodwill	-9,437	-9,437
Net value	–	–
Goodwill Yourgene Health (*)	11,852	19,294
Cumulative impairment of goodwill	-11,240	–
Net value	612	19,294
Total goodwill	**2,669**	**21,446**

(*) See notes 16 and 38

Sensitivity analysis has been performed on the goodwill balance and is presented in note 16.

- **Measurement and useful lives of intangible assets**

Other intangible assets (except for goodwill) are considered to have a finite economic useful life. They are amortised over their estimated useful lives that are reviewed at each reporting date. In the event of impairment, an estimate of the asset's recoverable amount is made (see note 17).

The main intangible assets requiring estimates and assumptions are the trademarks and the customer relationships identified as a result of the acquisition of Primerdesign and Yourgene Health.

The value of the intangible assets is tested whenever there are indications of impairment and reviewed at each annual closing date or more frequently should this be justified by internal or external events.

- **Trademarks**

The value of these assets was determined by discounting the cash flows that could be generated by licensing the trademark, estimated as a percentage of revenue derived from information available on comparable assets.

Trademarks are amortised on a straight-line basis over a period of nine years, estimated as their useful life. They are also tested for impairment at least annually. Their recoverable amount is determined using forecasts of future cash flows. The total amount of anticipated cash flows reflects Management's best estimate of the future benefits and liabilities expected from the operation of the trademark. The resulting estimates are subject to discount rate, percentage of revenue and useful life assumptions.

The carrying amount of trademarks at 31 December 2024 is £1,447k (2023: £100k). The amortisation charge for the period is £309k and the cumulative amortisation is £1,615k (2023: £1,329k).

- **Customer relationships**

The value of these assets was determined by discounting the additional margin generated by customers after remuneration of the contributing assets.

Customer relationships are amortised on a straight-line basis over a period of nine years, estimated as their useful life. They are also tested for impairment at least annually. Their recoverable amount is determined using forecasts of future cash flows over an estimated period of time. The total amount of anticipated cash flows reflects Management's best estimate of the future benefits and liabilities expected from customer relationships. The resulting estimates are subject to assumptions in respect of the discount rate, additional margin generated by customers after remuneration of contributing assets and useful lives.

The carrying amount of customer relationships at 31 December 2024 is £12,281k (2023: £5,715k). The amortisation charge for the period is £2,189k and the cumulative amortisation is £6,404k (2023: £4,425k).

- **Patents**

These assets were predominantly acquired through the acquisition of Yourgene Health and have been measured at fair value at the date of acquisition.

Patents are amortised on a straight-line basis over a period of 10 years, estimated as their useful life. They are also tested for impairment at least annually. Their recoverable amount is determined using forecasts of future cash flows over an estimated period of time. The total amount of anticipated cash flows reflects Management's best estimate of the future benefits and liabilities expected from patents. The resulting estimates are subject to discount rate, projected revenue and useful life assumptions.

The carrying amount of patents at 31 December 2024 is £2,907k (2023: £3,552k). The amortisation charge for the period is £563k and the cumulative amortisation is £747k (2023: £265k).

- **Litigations**

The Group may be party to regulatory, judicial or arbitration proceedings which may have an impact on the Group's financial position.

The Group's Management regularly reviews current proceedings, their progress and assesses the need to establish appropriate provisions or to change their amount if the occurrence of events during the course of the proceedings necessitates a reassessment of the risk. Internal or external advisors are involved in determining the costs that may be incurred.

The decision to set aside provisions to cover a risk and the amount of such provisions are based on the risk assessment on a case-by-case basis, Management's assessment of the unfavourable nature of the outcome of the proceeding in question (probability) and the ability to reliably estimate the associated amount.

Notes to the Annual Accounts

5. Main event of the period – Department of Health and Social Care 'DHSC' settlement impact

During 2021, the Group received notification of a contract dispute between its subsidiary, Primerdesign Ltd, and the DHSC. The total amount of revenue in dispute was £130,642k (£156,770k including VAT) in respect of performance obligations satisfied in 2020.

As a result, an invoice for a total of £19,964k (£23,957k including VAT) in respect of products delivered in 2020 was outstanding and its recovery was contingent on the outcome of the dispute. A product warranty provision totalling £19,753k was also booked in 2020.

In 2021, additional invoices totalling £49,034k (including VAT) were included in the dispute. In accordance with IFRS 15 "Revenue from Contracts with Customers", this amount was reversed from revenue. No bad debt provision was recognised.

On 25 April 2022, legal proceedings were issued against Novacyt and Primerdesign Ltd and on 30 January 2023, the UK High Court directed Novacyt that the hearing of the case had been listed to commence on 10 June 2024.

On 11 June 2024, the Group reached a settlement with the DHSC on terms that the Group pays £5,000K to the DHSC.

Consequently, from an income statement perspective, the transactions resulted in a net loss of circa £5,000k:

i) The December 2020 outstanding DHSC invoice for £19,964k (excluding £3,993k VAT) was written off as a bad debt (see note 11 'General and administrative expenses' and note 22 'Trade and other receivables').

ii) The product warranty provision for £19,753k was reversed and the unutilised allowance was released to cost of sales in the income statement (see note 8 'Cost of sales' and note 29 'Provisions').

iii) The settlement fee of £5,000k (gross) is shown in other operating expenses.

From a cash flow perspective:

i) The Group paid £5,000k inclusive of all taxes, to the DHSC in July 2024 (visible in other operating expenses in the income statement and in "Net cash used in operating activities" in the statement of cash flows).

ii) The Group was able to reclaim circa £12,200k VAT paid to HMRC relating to the uncollectible DHSC invoices, and the cash was received in late 2024 (visible in note 22 'Trade and other receivables' and in "Net cash used in operating activities" in the statement of cash flows).

Legal and professional fees incurred in defending the claim along with product storage costs are shown in note 12 'Other operating income and expenses'.

6. Revenue

The table below shows revenue on a geographical basis:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Geographical area		
United Kingdom	4,428	3,334
France	2,547	1,011
Europe (excluding UK and France)	3,578	1,443
America	2,678	1,494
Asia-Pacific	5,120	2,478
Middle East	758	433
Africa	521	428
Total revenue	**19,630**	**10,621**

Revenue has increased resulting from the inclusion of sales from Yourgene Health post-acquisition, noting that 2024 has twelve months of Yourgene Health trading activity versus only four months in 2023 (8 September onwards).

A portion of the Group's revenue is generated in foreign currencies (particularly in Euros and US Dollars). The Group has not hedged against the associated currency risk.

The breakdown of revenue by operating segment and geographical area is presented in note 7.

7. Operating segments

Segment reporting

Pursuant to IFRS 8, an operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the Group's Chief Executive to make decisions regarding the allocation of resources to the segment and to assess its performance; and
- for which discrete financial information is available.

The Group has identified three operating segments, whose performance and resources are monitored separately. Following the Group's decision to discontinue the IT-IS International business in 2024, it has been treated as a discontinued operation for 2024 and the 2023 comparative period.

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- **Yourgene Health**

This segment represents the activities of Yourgene Health and its subsidiaries, a genomics technology and services business, focused on delivering molecular diagnostic and screening solutions, across reproductive health and precision medicine, based throughout the world but with its headquarters in Manchester, UK.

- **Primerdesign**

This segment represents the activities of Primerdesign Ltd, which is a designer, manufacturer and marketer of molecular 'real-time' qPCR testing devices and reagents in the area of infectious diseases based in Eastleigh, UK. The operations of the business were moved to Manchester in early 2025.

- **IT-IS International**

This segment represents the activities of IT-IS International Ltd, a diagnostic instrument development and manufacturing company that specialised in the development of PCR devices for the life sciences and food testing industry, that was based in Stokesley, UK. As this business ceased trading in late 2024, this segment is being treated as a discontinued operation.

The Group's central/corporate costs that are not allocated to individual operating segments are shown below under Corporate. Where appropriate, costs are recharged to individual operating segments via a management recharge process.

Intercompany eliminations represent intercompany transactions across the Group that have not been allocated to an individual operating segment. It is not a discrete segment.

The Chief Operating Decision Maker is the Chief Executive Officer.

Headcount

The average headcount by segment is presented in the table below:

Segment	2024	2023
Yourgene Health	148	149
Primerdesign	48	74
IT-IS International	19	24
Corporate	19	23
Total headcount	**234**	**270**

The reduction in Primerdesign and IT-IS International headcount reflects the impact of redundancy programmes on the businesses.

Breakdown of revenue by operating segment and geographical area

- **Year ended 31 December 2024**

Amounts in £'000	Primerdesign	Yourgene Health	Total
Geographical area			
United Kingdom	1,102	3,326	4,428
France	333	2,214	2,547
Europe (excluding UK and France)	699	2,879	3,578
America	772	1,906	2,678
Asia-Pacific	851	4,269	5,120
Middle East	235	523	758
Africa	354	167	521
Total revenue	**4,346**	**15,284**	**19,630**

- **Year ended 31 December 2023**

Amounts in £'000	Primerdesign	Yourgene Health	Total
Geographical area			
United Kingdom	1,415	1,919	3,334
France	268	743	1,011
Europe (excluding UK and France)	628	815	1,443
America	1,076	418	1,494
Asia-Pacific	1,029	1,449	2,478
Middle East	211	222	433
Africa	360	68	428
Total revenue	**4,987**	**5,634**	**10,621**

Notes to the Annual Accounts

Breakdown of result by operating segment

- **Year ended 31 December 2024**

Amounts in £'000	Primerdesign	Yourgene Health	Corporate	Intercompany eliminations	Total
Revenue	4,346	15,284	–	–	19,630
Cost of sales	19,030	-6,634	–	48	12,444
Sales and marketing costs	-1,150	-4,035	-317	9	-5,493
Research and development	-745	-1,759	-263	–	-2,767
General and administrative	-22,665	-9,783	-390	-43	-32,881
Earnings before interest, tax, depreciation and amortisation as per management reporting	**-1,184**	**-6,927**	**-970**	**14**	**-9,067**
Depreciation and amortisation					-7,358
Operating loss before other operating income/expenses					**-16,425**
Other operating income					128
Other operating expenses					-21,046
Operating loss after other operating income/expenses					**-37,343**
Financial income					3,034
Financial expenses					-5,121
Loss before tax					**-39,430**

- **Year ended 31 December 2023**

Amounts in £'000	Primer Design	Yourgene Health	Corporate	Intercompany eliminations	Total
Revenue	4,987	5,634	–	–	10,621
Cost of sales	-3,978	-3,282	–	130	-7,130
Sales and marketing costs	-2,447	-1,105	-41	–	-3,593
Research and development	-1,846	-1,004	–	–	-2,850
General and administrative	-6,030	-2,254	-716	27	-8,973
Governmental subsidies	154	–	–	–	154
Earnings before interest, tax, depreciation and amortisation as per management reporting	**-9,160**	**-2,011**	**-757**	**157**	**-11,771**
Depreciation and amortisation					-3,736
Operating loss before other operating income/expenses					**-15,507**
Other operating income					31
Other operating expenses					-9,973
Operating loss after other operating income/expenses					**-25,449**
Financial income					3,421
Financial expenses					-2,436
Loss before tax					**-24,464**

Assets and liabilities are not reported to the Chief Operating Decision Maker on a segmental basis and are therefore not disclosed.

In accordance with IFRS 5, the results of the IT-IS International segment for 2024 and 2023 have been reported on a separate line 'Loss from discontinued operations' in the consolidated income statement, which is shown below loss before tax and thus is not reported in the table above.

Notes to the Annual Accounts

Breakdown of non-current assets by geographical area

The tables below exclude financial instruments and deferred tax assets.

- **Year ended 31 December 2024**

Amounts in £'000	United Kingdom	Rest of Europe	America	Asia-Pacific	Total
Goodwill	2,669	–	–	–	2,669
Other intangible assets	15,666	–	1,909	–	17,575
Property, plant and equipment	2,004	300	88	15	2,407
Right-of-use assets	7,940	255	72	27	8,294
Total	**28,279**	**555**	**2,069**	**42**	**30,945**

- **Year ended 31 December 2023**

Amounts in £'000	United Kingdom	Rest of Europe	America	Asia-Pacific	Total
Goodwill	9,674	4,604	6,964	204	21,446
Other intangible assets	5,585	1,285	3,358	4	10,232
Property, plant and equipment	2,948	268	514	453	4,183
Right-of-use assets	9,392	348	351	945	11,036
Total	**27,599**	**6,505**	**11,187**	**1,606**	**46,897**

8. Cost of sales

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Cost of inventories recognised as an expense	11,390	6,686
Change in stock provision	-5,790	-989
Freight costs	24	41
Direct labour	1,535	1,363
Product warranty	-19,738	–
Other	135	29
Total cost of sales	**-12,444**	**7,130**

Cost of sales is a credit balance as a result of releasing the DHSC-related product warranty provision for £19,753k, following the settlement.

In 2024, the stock provision has decreased by a net £5,790k (2023: decreased by £989k). Stock, which had previously been provided for, has been written off and disposed of during 2024 following the DHSC settlement (see note 5), with the cost being charged to 'Cost of inventories recognised as an expense' and a corresponding release of the stock provision being made.

9. Sales, marketing and distribution expenses

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Advertising expenses	337	260
Distribution expenses	465	215
Employee compensation and social security contributions	4,206	2,751
Travel and entertainment expenses	329	203
Other sales and marketing expenses	156	164
Total sales, marketing and distribution expenses	**5,493**	**3,593**

The key driver for labour costs increasing in 2024 is that it has twelve months of Yourgene staff costs compared to four months (8 September onwards) in 2023.

10. Research and development expenses

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Employee compensation and social security contributions	2,292	1,843
Other expenses	475	1,007
Total research and development expenses	**2,767**	**2,850**

The key driver for labour costs increasing in 2024 is that it has twelve months of Yourgene staff costs compared to four months (8 September onwards) in 2023.

Other expenses, which include R&D consumables and non-capitalised development costs have fallen year-on-year as external expenditure was scaled back.

Notes to the Annual Accounts

11. General and administrative expenses

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Purchases of non-stored raw materials and supplies	583	301
Lease and similar payments	284	336
Maintenance and repairs	931	443
Insurance premiums	786	741
Legal and professional fees	1,811	1,707
Banking services	61	48
Employee compensation and social security contributions	6,552	4,196
Depreciation and amortisation of property, plant and equipment and intangible assets	7,358	3,737
DHSC bad debt write-off	19,964	–
Management fees revenue to discontinued activities	-296	-673
Other general and administrative expenses	2,205	1,873
Total general and administrative expenses	**40,239**	**12,709**

The main driver for the year-on-year increase in general and administrative expenses relates to the bad debt write-off of £19,964k in relation to the DHSC December 2020 invoice that, as per the terms of the settlement agreement in June 2024, will not be paid.

Labour costs have increased year-on-year due to the inclusion of a full twelve months of Yourgene staff costs compared to four months (8 September onwards) in 2023, which have been partially offset by restructuring savings.

Depreciation and amortisation of property, plant and equipment and intangible assets increased in 2024 due to the inclusion of a full twelve months of Yourgene charges compared to four months (8 September onwards) in 2023.

Legal and professional fees include advisors' fees, audit fees and legal fees.

Other general and administrative expenses include building rates, regulatory fees, loss on disposal of fixed assets and IT expenses.

12. Other operating income and expenses

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Other operating income	128	31
Total other operating income	**128**	**31**
Impairment of Yourgene Health goodwill	-11,240	–
Impairment of Primerdesign goodwill	–	-4,113
DHSC contract dispute costs	-7,273	-1,862
Restructuring expenses	-1,242	-1,593
Acquisition related expenses	-67	-1,705
Loss on disposal of Taiwan subsidiaries	-861	-349
Other expenses	-363	-351
Total other operating expenses	**-21,046**	**-9,973**

Operating expenses

Following the conclusion of the purchase price allocation process, the goodwill balance attributable to the acquisition of Yourgene was impaired by £11,240k as part of the annual impairment review process.

DHSC contract dispute costs relate to legal and professional fees and product storage costs incurred in the resolution of the commercial dispute. The settlement figure of £5,000k agreed with the DHSC is included within this category.

Restructuring expenses in 2024 relate to Group-wide restructuring charges, as the Group continues to reduce its cost base.

2023 acquisition related expenses were associated with the acquisition of Yourgene Health plc.

Notes to the Annual Accounts

13. Financial income and expense

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Financial foreign exchange gains	1,611	576
Interest received from discontinued operations	215	820
Other financial income	1,208	2,025
Total financial income	**3,034**	**3,421**
Interest on IFRS 16 liabilities	-677	-446
Financial foreign exchange losses	-4,304	-1,608
Discount of financial instruments	-84	-32
Interest paid to discontinued operations	-15	-227
Other financial expense	-41	-123
Total financial expense	**-5,121**	**-2,436**

Financial foreign exchange gains and losses are driven by revaluations of bank and intercompany accounts held in foreign currencies.

Interest received from or paid to discontinued operations relates to interest on intercompany balances with Microgen Bioproducts Ltd, Lab21 Healthcare Ltd and IT-IS International Ltd.

Other financial income relates to interest received on cash balances.

14. Tax income/(expense)

The 2024 financials have been calculated using a UK corporation tax rate of 25%.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The Group's tax charge is the sum of the total current and deferred tax.

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Current tax		
Current year income	137	217
Deferred tax		
Deferred tax income	595	136
Total taxation income in the income statement	**732**	**353**

The tax income for the period can be reconciled to the loss before tax as follows:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023 (*)
Loss before taxation	**-39,430**	**-24,464**
Tax at the UK corporation tax rate (2024: 25% - 2023: 23.5%)	9,858	5,749
Effect of different tax rates of subsidiaries operating in other jurisdictions	-19	47
Change of the tax rate for the calculation of the deferred tax	-60	133
Effect of non-deductible expenses and non-taxable income	-4,551	-1,743
Recognition/(derecognition) of deferred tax assets	-4,612	274
Change in unrecognised deferred tax assets	–	-4,433
Other adjustments	116	326
Total taxation income for the year	**732**	**353**

* The 2023 consolidated income statement is presented to reflect the impact of the application of IFRS 5 relative to discontinued operations.

At 31 December 2024, the Group has unused tax losses of £165,670k (2023: £133,739k) available for offset against future relevant profits.

The key item making up the non-deductible expenses in 2024 and 2023 is the impairment of goodwill.

Notes to the Annual Accounts

15. Loss per share

The loss per share is calculated based on the weighted average number of shares outstanding during the period. The diluted loss per share is calculated based on the weighted average number of shares outstanding and the number of shares issuable as a result of the conversion of dilutive financial instruments. At 31 December 2024 there are no outstanding dilutive instruments.

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Net loss attributable to owners of the Company	-41,758	-28,292
Impact of dilutive instruments	–	–
Net diluted loss attributable to owners of the Company	-41,758	-28,292
Weighted average number of shares (actual amount)	70,626,248	70,626,248
Impact of dilutive instruments	–	–
Weighted average number of diluted shares	70,626,248	70,626,248
Loss per share (£)	**-0.59**	**-0.40**
Diluted loss per share (£)	**-0.59**	**-0.40**
Loss per share from continuing operations (£)	-0.55	-0.34
Diluted loss per share from continuing operations (£)	-0.55	-0.34
Loss per share from discontinued operations (£)	-0.04	-0.06
Diluted loss per share from discontinued operations (£)	-0.04	-0.06

16. Goodwill

Goodwill is the difference recognised, upon consolidation of a company, between the fair value of the purchase price of its shares and the net assets acquired and liabilities assumed, measured in accordance with IFRS 3.

Cost	£'000
At 1 January 2023	31,502
Acquisition of the Yourgene Health Group of companies (*)	19,542
Disposal of Cambridge Genomics Corporation and Yourgene Biosciences Co. Ltd	-276
Exchange differences	-419
At 31 December 2023	50,349
Adjustment to the Yourgene Health goodwill resulting from the completion of the purchase price allocation process (*)	-7,475
Exchange differences	-919
At 31 December 2024	**41,955**
Accumulated impairment losses	
At 1 January 2023	-24,856
Impairment of the Primerdesign goodwill	-4,113
Impairment of the IT-IS International goodwill	-262
Exchange differences	328
At 31 December 2023	-28,903
Impairment of the Yourgene Health goodwill	-11,240
Exchange differences	857
At 31 December 2024	**-39,286**
Carrying value	
At 31 December 2023	21,446
At 31 December 2024	**2,669**

(*) See additional information in note 38

Notes to the Annual Accounts

Primerdesign

The impairment testing of the CGU as at 31 December 2024 was carried out using the DCF method, with the key assumptions as follows:

- Five-year business plan;
- Extrapolation of cash flows beyond five years based on a growth rate of 1.5%; and
- Discount rate corresponding to the expected rate of return on the market for a similar investment, regardless of funding sources, equal to 15.1%.

The implementation of this approach demonstrated that the value in use amounted to £6,323k, which is higher than the carrying amount of all the operating assets in the CGU. As such, no impairment charge was recognised in the year ended 31 December 2024.

Sensitivity of the value derived from the discounted cash flow model to changes to the assumptions used for the Primerdesign acquisition.

		Terminal growth rates						
WACC rates	6,323	0.0%	0.5%	1.0%	1.5%	2.0%	2.5%	3.0%
	10.0%	8,981	9,326	9,709	10,138	10,619	11,165	11,789
	11.0%	8,155	8,429	8,732	9,066	9,437	9,852	10,318
	12.0%	7,466	7,689	7,932	8,199	8,491	8,815	9,175
	13.0%	6,884	7,068	7,267	7,483	7,718	7,976	8,260
	14.0%	6,386	6,539	6,704	6,882	7,074	7,284	7,512
	15.1%	5,915	6,041	6,177	6,323	6,480	6,649	6,833
	16.0%	5,578	5,687	5,804	5,929	6,063	6,207	6,362
	17.0%	5,245	5,339	5,439	5,546	5,659	5,781	5,911
	18.0%	4,950	5,031	5,118	5,209	5,306	5,409	5,519

This sensitivity table shows the difference in the recoverable amounts of the Enterprise Value depending on changes in the discount rate (WACC) and the terminal growth rate. The sensitivity analysis shows that an increase of 1% in the WACC would not result in the need to book an impairment charge.

Yourgene Health

The impairment testing of the CGU as at 31 December 2024 was carried out using the DCF method, with the key assumptions as follows:

- Five-year business plan;
- Extrapolation of cash flows beyond five years based on a growth rate of 0.75%; and
- Discount rate corresponding to the expected rate of return on the market for a similar investment, regardless of funding sources, equal to 15.2%.

The implementation of this approach demonstrated that the value in use amounted to £23,935k, which is lower than the carrying amount of all the operating assets in the CGU. As such, an impairment charge of £11,240k was recognised in the year ended 31 December 2024.

Sensitivity of the value derived from the discounted cash flow model to changes to the assumptions used for the Yourgene Health acquisition.

		Terminal growth rates						
WACC rates	23,935	0.0%	0.3%	0.5%	0.75%	1.0%	2.0%	3.0%
	10.0%	45,138	46,352	47,631	48,979	50,401	56,981	65,440
	11.0%	39,012	39,974	40,981	42,038	43,147	48,200	54,517
	12.0%	33,973	34,747	35,555	36,400	37,282	41,253	46,107
	13.0%	29,766	30,399	31,057	31,743	32,456	35,636	39,452
	14.0%	26,211	26,735	27,278	27,842	28,427	31,013	34,069
	15.2%	22,621	23,044	23,482	23,935	24,404	26,457	28,846
	16.0%	20,559	20,929	21,311	21,705	22,113	23,889	25,939
	17.0%	18,286	18,601	18,926	19,261	19,606	21,101	22,810
	18.0%	16,299	16,569	16,847	17,133	17,428	18,698	20,137

This sensitivity table shows the difference in the recoverable amounts of the Enterprise Value depending on changes in the discount rate (WACC) and the terminal growth rate. The sensitivity analysis shows that an increase of 1% in the WACC would result in the need to book an impairment charge.

Notes to the Annual Accounts

17. Other intangible assets

Amounts in £'000	Customer relationships	Trademarks	Development costs	Patents	Software	Other	Total
Cost							
At 1 January 2023	4,621	1,427	197	309	351	–	6,905
Acquisitions	–	–	48	61	45	–	154
Business combinations	5,548	14	1,419	3,569	69	–	10,619
Other disposals	–	–	-490	-157	–	–	-647
Foreign exchange impact	-28	-12	–	36	-2	–	-6
At 31 December 2023	10,141	1,429	1,174(*)	3,818	463	–	17,025
Acquisitions	–	–	–	60	51	467	578
Business combinations	8,731	1,658	–	–	–	–	10,389
Other disposals	–	–	-732	-58	-146	–	-936
Reclassification	–	–	-7	–	–	7	–
Foreign exchange impact	-186	-26	–	-166	3	–	-375
At 31 December 2024	**18,686**	**3,061**	**435**	**3,654**	**371**	**474**	**26,681**
Amortisation							
At 1 January 2023	-2,733	-636	-174	-74	-167	–	-3,784
Amortisation for the year	-851	-160	-404	-209	-97	–	-1,721
Impairment loss	-878	-542	–	–	–	–	-1,420
Other disposals	–	–	68	30	–	–	98
Foreign exchange impact	36	9	–	-11	–	–	34
At 31 December 2023	-4,426	-1,329	-510(*)	-264	-264	–	-6,793
Amortisation for the year	-2,121	-309	-292	-563	-146	–	-3,431
Other disposals	–	–	735	55	135	–	925
Foreign exchange impact	142	24	–	26	1	–	193
At 31 December 2024	**-6,405**	**-1,614**	**-67**	**-746**	**-274**	**–**	**-9,106**
Net book value							
At 1 January 2023	1,888	791	23	235	184	–	3,121
At 31 December 2023	5,715	100	664	3,554	199	–	10,232
At 31 December 2024	**12,281**	**1,447**	**368**	**2,908**	**97**	**474**	**17,575**

(*) Figures in 2023 have been restated to reflect the correct cost and amortisation amounts of the other disposals line item. This did not impact the net book value as at 31 December 2023.

The key driver for the movement in intangible assets is the completion of the purchase price allocation process as per IFRS 3 which, due to the amount, has been reflected in the current year and not retrospectively (see note 38).

18. Property, plant and equipment

Amounts in £'000	Leasehold improvements	Plant and machinery	Office equipment	Total
Cost				
At 1 January 2023	750	3,909	513	5,172
Acquisitions	58	433	26	517
Business combinations	1,208	1,411	225	2,844
Other disposals	-134	-745	-173	-1,052
Foreign exchange impact	15	91	6	112
At 31 December 2023 (*)	1,897	5,099	597	7,593
Acquisitions	288	905	88	1,281
Disposal of businesses	-269	-253	-13	-535
Other disposals	-146	-1,015	-119	-1,280
Foreign exchange impact	-50	-130	-8	-188
At 31 December 2024	**1,720**	**4,606**	**545**	**6,871**
Depreciation				
At 1 January 2023	-440	-1,631	-350	-2,421
Depreciation for the year	-317	-1,108	-155	-1,580
Other disposals	135	385	165	685
Foreign exchange impact	-5	-84	-5	-94
At 31 December 2023 (*)	-627	-2,438	-345	-3,410
Depreciation for the year	-697	-1,623	-77	-2,397
Disposal of businesses	35	43	4	82
Other disposals	120	925	93	1,138
Foreign exchange impact	93	98	-68	123
At 31 December 2024	**-1,076**	**-2,995**	**-393**	**-4,464**
Net book value				
At 1 January 2023	310	2,278	163	2,751
At 31 December 2023	1,270	2,661	252	4,183
At 31 December 2024	**644**	**1,611**	**152**	**2,407**

(*) Figures in 2023 have been restated to reflect the property, plant and equipment acquired in business combinations at their initial fair value at acquisition date.

The increase in property, plant and equipment in 2023 was driven by the assets acquired through the 2023 acquisition of Yourgene Health. The decrease in property, plant and equipment in 2024 mainly results from the depreciation for the year, including a full year's depreciation on the assets acquired from the Yourgene acquisition, and the disposal of Yourgene Health (Taiwan) Co. Ltd in July 2024.

Other disposals in 2024 relate to the disposal of assets as part of site consolidations across the Group.

Notes to the Annual Accounts

19. Right-of-use assets

Amounts in £'000	Land and buildings	Plant and machinery	Motor vehicles	Total
Cost				
At 1 January 2023	1,469	19	–	1,488
Additions	306	–	54	360
Business combinations	10,300	674	6	10,980
Other disposals	-632	-11	–	-643
Foreign exchange impact	31	5	–	36
At 31 December 2023 (*)	11,474	687	60	12,221
Additions	326	–	–	326
Disposals of businesses	-868	–	–	-868
Other disposals	-672	-28	-6	-706
Foreign exchange impact	-103	-17	–	-120
At 31 December 2024	**10,157**	**642**	**54**	**10,853**
Depreciation				
At 1 January 2023	-951	-16	–	-967
Depreciation for the year	-778	-73	-3	-854
Other disposals	632	11	–	643
Foreign exchange impact	-7	–	–	-7
At 31 December 2023 (*)	-1,104	-78	-3	-1,185
Depreciation for the year	-2,013	-187	-22	-2,222
Disposals of businesses	112	–	–	112
Other disposals	672	29	6	707
Foreign exchange impact	25	4	–	29
At 31 December 2024	**-2,308**	**-232**	**-19**	**-2,560**
Net book value				
At 1 January 2023	518	3	–	521
At 31 December 2023	10,370	609	57	11,036
At 31 December 2024	**7,849**	**410**	**35**	**8,294**

(*) Figures in 2023 have been restated to reflect the right-of-use assets acquired in business combinations at their proper values at acquisition date.

The increase in right-of-use assets in 2023 was predominantly driven by the leased premises acquired through the 2023 acquisition of Yourgene Health. The decrease in right-of-use assets in 2024 mainly results from the depreciation for the year, including a full year's depreciation on the assets acquired from the Yourgene acquisition, and the disposal of Yourgene Health (Taiwan) Co. Ltd in July 2024.

20. Deferred tax assets and liabilities

The table below shows the movements in deferred tax assets and liabilities during the reporting period:

Amounts in £'000	Accelerated capital allowances	Intangible assets	Tax losses	Total
At 1 January 2023	-646	-395	624	-417
Business combinations	–	-1,938	6	-1,932
Credit / (charge) to income statement	239	509	-217	531
Impact of FX variation	–	-10	–	-10
At 31 December 2023	-407	-1,834	413	-1,828
Business combinations	–	-2,963	–	-2,963
Credit / (charge) to income statement	127	595	-127	595
Impact of FX variation	–	37	–	37
At 31 December 2024	**-280**	**-4,165**	**286**	**-4,159**

At 31 December 2024, deferred tax liabilities amounting to £280k (2023: £407k) reflect the tax advantage from investments in fixed assets that is obtained in advance of depreciation charges.

At 31 December 2024, deferred tax liabilities amounting to £4,165k (2023: £1,834k) result from the recognition of brand and customer relationships intangible assets as part of the Yourgene Health acquisition in September 2023.

Deferred tax assets and liabilities are recognised on the statement of financial position as follows:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Deferred tax assets	286	413
Deferred tax liabilities	-4,445	-2,241
Net deferred tax (liabilities) / assets	**-4,159**	**-1,828**

Notes to the Annual Accounts

The following table shows the deferred tax assets not presented in the statement of financial position, that are mainly made up of unused tax losses:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Novacyt SA	2,197	1,993
Novacyt UK Holdings	5,748	4,506
IT-IS International	1,880	1,268
Primerdesign	12,791	12,281
Yourgene Health Ltd	10,373	13,450
Yourgene Health UK	4,146	3,427
Yourgene Genomic Services	924	672
Yourgene Health Canada Holdings	989	850
Yourgene Health Singapore	573	503
Yourgene Health France	1,586	764
Delta Diagnostics	15	61
Total unrecognised deferred tax assets	**41,222**	**39,775**

21. Inventories and work in progress

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Raw materials	5,003	10,691
Work in progress	1,803	1,751
Finished goods	3,065	3,631
Stock provisions	-7,602	-13,051
Total inventories and work in progress	**2,269**	**3,022**

Total inventories and work in progress has decreased in the year with the main driver being providing for or writing off all remaining IT-IS International stock following its closure.

The main driver for the stock provision reduction in 2024 is due to disposing of stock that had previously been fully provided for.

22. Trade and other receivables

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Trade and other receivables	3,540	27,509
Expected credit loss provision	-302	-223
Tax receivables – Value Added Tax	1,004	8,541
Other receivables	475	207
Total trade and other receivables	**4,717**	**36,034**

Trade and other receivables has fallen since December 2023 predominantly as a result of the DHSC settlement, whereby the December 2020 unpaid invoice for £23,957k has been written off as it will no longer be paid, as per the terms of the settlement agreement.

The 'Tax receivables – Value Added Tax' balance has reduced following the successful reclaim of VAT paid in the UK on sales invoices that will no longer be paid by the DHSC, as per the terms of the settlement agreement.

Trade receivables balances are due within one year. Once an invoice is more than 90 days overdue, it is deemed more likely to default and as such, these invoices have been provided for in full as part of an expected credit loss model, except where Management have reviewed and judged otherwise.

The movement in the expected credit loss provision is shown below:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Balance at the beginning of the period	223	214
Impairment losses recognised	569	260
Amounts written off during the year as uncollectible	-11	-98
Impairment losses derecognised	-40	-120
Amounts recovered during the year	-446	-36
Impact of foreign exchange	7	3
Balance at the end of the period	**302**	**223**

The split by maturity of the clients' receivables is presented below:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Less than one month	2,848	2,579
Between one and three months	389	575
Between three months and one year	278	75
More than one year	25	24,280
Balance at the end of the period	**3,540**	**27,509**

Notes to the Annual Accounts

23. Prepayments and short-term deposits

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Liquidity contract	2	2
Short-term deposits	174	107
Prepaid expenses	1,276	2,492
Total prepayments and short-term deposits	**1,452**	**2,601**

Prepaid expenses include the annual Group commercial insurance, rent, rates and support costs, of which a number decreased year-on-year.

24. Cash and cash equivalents

The net cash available to the Group includes the following items:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Available cash	30,453	44,054
Total cash and cash equivalents	**30,453**	**44,054**

Cash and cash equivalents comprise bank and cash balances, call deposits and short-term notice accounts with original maturities of three months or less, with a number of them earning interest.

The carrying amount of cash and cash equivalents approximates fair value.

25. Lease liabilities

The following tables show lease liabilities carried at amortised cost.

- Maturities

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Lease liabilities – Less than 1 year	1,257	1,209
Lease liabilities – Between 1 and 5 years	3,011	4,664
Lease liabilities – More than 5 years	7,610	7,831
Total lease liabilities	**11,878**	**13,704**

- Change in lease liabilities in 2024 and 2023

Amounts in £'000	Opening	Business combinations	Repayment	Non-cash movements	Sale of businesses	Closing
Changes in 2023	872	13,283	-1,110	659	–	13,704
Changes in 2024	13,704	–	-1,862	787	-751	11,878

The main liabilities relate to Skelton House and City Labs, two premises in Manchester, UK, that have multi-year leases.

26. Reconciliation of the movements of the borrowings and lease liabilities with the statement of cash flows

Repayment of borrowings and lease liabilities in 2024

Note 25 – Lease liabilities	£'000
Change in lease liabilities in 2024: repayment	-1,862
Total repayments in 2024 as per note 25	-1,862
Statement of cash flows for the year 2024	
Cash used in financing activities: repayment of lease liabilities	-1,862

Repayment of borrowings and lease liabilities in 2023

Note 25 – Lease liabilities	£'000
Change in lease liabilities in 2023: repayment	-1,110
Total repayments in 2023 as per note 25	-1,110
Statement of cash flows for the year 2023	
Cash used in financing activities: repayment of lease liabilities	-1,110

Notes to the Annual Accounts

27. Contingent consideration

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Contingent consideration short-term	–	193
Contingent consideration long-term	–	722
Total contingent consideration	**–**	**915**

The balance at 31 December 2023 related to the Yourgene Health acquisition of Coastal Genomics Inc. (subsequently renamed Yourgene Health Canada Inc) in Canada in 2020. This balance represented an earn-out milestone payment contingent upon achieving revenue targets, which was paid in 2024 following a settlement deal being agreed.

28. Tax receivables

The main items making up the 2024 tax receivable balance of £477k relates to research and development tax credits (SME regime) accruals covering 2023 and 2024.

The main items making up the 2023 tax receivable balance of £728k relates to research and development tax credits (SME regime) accruals covering 2022 and 2023.

29. Provisions

The table below shows the nature of and changes in provisions for risks and charges for the period from 1 January 2024 to 31 December 2024:

Amounts in £'000	At 1 January 2024	Increases	Reversals	Reclass	Sales of businesses	Impact of foreign exchange	At 31 December 2024
Provision for retirement benefits	7	–	–	–	–	–	7
Provisions for restoration of premises	1,540	84	-20	-92	-45	-8	1,459
Provisions long-term	**1,547**	**84**	**-20**	**-92**	**-45**	**-8**	**1,466**
Provisions for restoration of premises	36	141	-36	92	–	–	233
Provision for litigation	157	500	-157	–	–	–	500
Provisions for product warranty	19,795	15	-19,795	–	–	–	15
Provisions short-term	**19,988**	**656**	**-19,988**	**92**	**–**	**–**	**748**

The table below shows the nature of and changes in provisions for risks and charges for the period from 1 January 2023 to 31 December 2023:

Amounts in £'000	At 1 January 2023	Business Combinations	Increases	Reversals	Impact of foreign exchange	At 31 December 2023
Provision for retirement benefits	–	7	–	–	–	7
Provisions for restoration of premises	95	1,407	51	-15	2	1,540
Provisions long-term	**95**	**1,414**	**51**	**-15**	**2**	**1,547**
Provisions for restoration of premises	330	–	–	-294	–	36
Provision for litigation	157	–	–	–	–	157
Provisions for product warranty	19,813	–	–	-18	–	19,795
Provisions short-term	**20,300**	**–**	**–**	**-312**	**–**	**19,988**

Provisions short-term have fallen since December 2023 predominantly as a result of the DHSC settlement, whereby the product warranty provision made in relation to the dispute, totalling £19,753k, has been reversed.

Provisions chiefly cover:

- Risks related to litigations;
- The restoration expenses of the premises as per the lease agreements; and
- Product assurance warranties.

The provisions for the restoration of premises are an estimation of amounts payable to cover dilapidations at the end of the rental periods, thus at the following dates:

- Primerdesign Ltd: November 2025;
- IT-IS International Ltd: December 2025;
- Yourgene Health: January 2026, August 2026, January 2028, September 2029, and February 2037 as there are multiple sites that do not have co-terminus leases.

Notes to the Annual Accounts

30. Trade and other liabilities

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Trade payables	462	2,311
Accrued invoices	2,433	3,585
Payroll related liabilities	665	1,114
Tax liabilities – Value Added Tax	195	159
Other liabilities	12	14
Total trade and other liabilities	**3,767**	**7,183**

At 31 December 2023, there were a number of high-value accruals/trade payables outstanding, such as legal fees associated with defending the DHSC dispute, which are not present at December 2024.

31. Other current liabilities

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Deferred income and advance payments received from customers	401	927
Total other current liabilities	**401**	**927**

Other current liabilities has decreased since December 2023 due to a reduction in payments received from customers in advance of receiving the products or service.

32. Share capital

As of 31 December 2024 and 2023, the Company's share capital of €4,708,416.54 was divided into 70,626,248 shares with a par value of 1/15th of a Euro each.

The Company's share capital consists of one class of share. All outstanding shares have been subscribed, called and paid.

	Amount of share capital £'000	Amount of share capital €'000	Unit value per share €	Number of shares issued
Balance at 1 January 2023	**4,053**	**4,708**	**0.07**	**70,626,248**
Balance at 31 December 2023	**4,053**	**4,708**	**0.07**	**70,626,248**
Balance at 31 December 2024	**4,053**	**4,708**	**0.07**	**70,626,248**

33. Share premium account

Amounts in £'000	
Balance at 1 January 2023	**50,671**
Balance at 31 December 2023	**50,671**
Balance at 31 December 2024	**50,671**

34. Other reserves

Amounts in £'000	
Balance at 1 January 2023	**-2,017**
Transfer reserve payment in shares from "retained earnings"	3,253
Translation differences	363
Balance at 31 December 2023	**1,599**
Reserve payment in shares from "retained earnings"	338
Translation differences	1,873
Balance at 31 December 2024	**3,810**

35. Equity reserve

Amounts in £'000	
Balance at 1 January 2023	**1,155**
Balance at 31 December 2023	**1,155**
Balance at 31 December 2024	**1,155**

This reserve represents the equity component of warrants and loans.

Notes to the Annual Accounts

36. Retained earnings/losses

Amounts in £'000	
Balance at 1 January 2023	**61,445**
Loss for the year	-28,292
Transfer reserve payment in shares to "other reserves"	-3,253
Other	2
Balance at 31 December 2023	**29,902**
Loss for the year	-41,758
Other	160
Balance at 31 December 2024	**-11,696**

37. Discontinued operations

During 2024, Novacyt commenced a strategic review of the business, which included a review of the IT-IS International business. The outcome of the review resulted in the closure of IT-IS International as the PCR instrumentation market had become saturated, and the business had experienced several consecutive loss-making years.

In accordance with IFRS 5, the net result of the IT-IS International segment has been reported in the line 'Loss from discontinued operations' on the consolidated income statement.

The table below presents the detail of the loss generated by the business as of 31 December 2024 and 2023:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Discontinued operations		
Revenue	546	958
Cost of sales	-862	-719
Gross profit	**-316**	**239**
Sales, marketing and distribution expenses	-181	-357
Research and development expenses	-309	-378
General and administrative expenses	-1,333	-1,815
Governmental subsidies	5	-29
Operating loss before other operating income/expenses	**-2,134**	**-2,340**
Other operating income	–	–
Other operating expenses	-805	-1,755
Operating loss after other operating income/expenses	**-2,939**	**-4,095**
Financial income	116	219
Financial expenses	-237	-720
Loss before tax	**-3,060**	**-4,596**
Taxation (expense) / income	–	415
Loss after tax from discontinued operations	**-3,060**	**-4,181**

Notes to the Annual Accounts

38. Business combinations

Acquisition of Yourgene Health Ltd (formerly PLC)

On 8 September 2023, Novacyt UK Holdings Limited, a wholly-owned subsidiary of Novacyt SA, completed the purchase of the entire share capital of Yourgene Health Ltd (formerly PLC), an international molecular diagnostic group. The acquisition was implemented by way of a UK scheme of arrangement between Yourgene Health and its shareholders under Part 26 of the UK Companies Act 2006.

The acquisition combines highly complementary technologies and services, with the enlarged Group able to leverage mutual research and development capabilities for ongoing product development and portfolio enhancement to improve the customer offering.

The purchase price was £16,670k, and was settled in full in cash.

IFRS 3 provides for a period of twelve months from acquisition to complete the measurement of the fair value of assets acquired and liabilities assumed. Following completion of this activity, the main amendment is that there has been a change in the split of the intangible assets (reported preliminary fair value of £10,618k) and goodwill (reported preliminary fair value of £19,542k). The adjustments during the measurement period have been reflected in the current period and not retrospectively applied.

As a result, the fair value of the assets acquired and the liabilities assumed are now as follows:

Intangible assets	£21,000k
Property, plant and equipment	£2,844k
Right-of-use assets	£10,980k
Inventory	£2,542k
Trade receivables	£2,473k
Other current assets	£4,237k
Cash	£1,289k
Lease liabilities	-£13,283k
Bank borrowings	-£2,355k
Contingent liabilities (note 27)	-£1,020k
Deferred tax liabilities	-£4,898k
Trade payables and accruals	-£13,353k
Other current liabilities	-£5,913k
Fair value of assets acquired and liabilities assumed	**£4,542k**
Goodwill	**£12,128k**

The table on the previous page shows how the goodwill figure of £12,128k is arrived at after allocating the purchase price across all the assets and liabilities acquired. The subsequent sale of the Taiwanese entities reduced this initial goodwill amount by £276k to £11,852k. The residual goodwill arising from the acquisition reflects the future growth expected to be driven by new and existing customers, the value of the workforce, patents and know-how.

Goodwill is a residual component calculated as the difference between the purchase price for the acquisition of control and the fair value of the assets acquired and liabilities assumed. It includes unrecognised assets such as the value of the personnel and know-how of the acquiree.

The total amount of goodwill that is expected to be deductible for tax purposes is nil.

39. Notes to the cash flow statement

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Loss for the year	**-41,758**	**-28,292**
Loss from discontinued operations	*-3,060*	*-4,181*
Loss from continuing operations	*-38,698*	*-24,111*
Adjustments for:		
Depreciation, amortisation, impairment loss and provisions	-202	9,643
Unwinding of discount	84	31
Losses on disposal of assets	681	1,195
Charges related to payment in shares (LTIP)	338	–
Other revenues and charges without cash impact	697	270
Income tax charge / (credit)	-732	-893
Operating cash flows before movements of working capital	**-40,892**	**-18,046**
Decrease in inventories (*)	660	2,554
Decrease in receivables	32,383	3,769
Decrease in payables	-1,209	-12,680
Cash used in operations	**-9,058**	**-24,403**
Income taxes received	373	980
Finance costs	-1,138	-2,023
Net cash used in operating activities	**-9,823**	**-25,446**
Operating cash flows from discontinued operations	*-674*	*-3,069*
Operating cash flows from continuing operations	*-9,149*	*-22,377*

(*) The variation of the inventories' value results from the following movements:

Notes to the Annual Accounts

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Decrease in the gross value of inventories	6,045	3,351
Variation of the stock provision	-5,385	-797
Total variation of the net value of inventories	**660**	**2,554**

The details for the change in the stock provision are covered in notes 8 and 21.

40. Leases

In application of IFRS 16, the Group has recognised on the statement of financial position some 'right-of-use' assets and lease liabilities.

Primerdesign Ltd

The York House leased premises is used for office, storage and laboratory purposes. The annual charge for the site (including service charges) is £262k, with all leases running to November 2025.

IT-IS International Ltd

Units 1, 3 and 4 Wainstones Court leased premises have a mixed use for office, storage and production purposes. The leases commenced in October 2022 and were terminated in February 2025. The annual charge for the site was £34k (including service charges).

In December 2023 the company renewed the lease for MMC House, for mixed use of office, storage and production purposes. The lease will run to December 2025, with an annual charge of £60k.

Yourgene Health

In February 2022 Yourgene Health Ltd took out a new leased premise, Skelton House, based in Manchester, UK, which has mixed use for office, storage, production and laboratory purposes. The annual charge for the site (including car park rent) will be £999k after the rent-free period ended in August 2024. The lease runs to February 2037.

Yourgene Health Ltd has a second leased site in Manchester, UK, which is vacant, having moved its operations to Skelton House in 2022. The annual charge for the site is £276k (including service charges). This lease runs to September 2029.

In September 2021 Yourgene Health Canada Inc took out a leased site, Broadway, used mainly for storage and production purposes. The annual charge for the site is £106k. The lease runs to August 2026.

Yourgene Health Canada Inc has a second leased site, Nanaimo Unit 206, used as office space. The annual charge for the site is £16k. This lease was renewed in December 2023 and runs to January 2028.

Yourgene Health Canada Inc took out a third leased site, Nanaimo Unit 207, used as office space. The annual charge for the site is £9k and runs to January 2028.

Yourgene Health (Singapore) Pte Ltd has a three-year office space lease at Galaxis Workloft, Singapore, with an annual charge of £27k (including service charges). This lease runs until January 2026.

The table below shows the impact of the leases in the consolidated income and cash flow statements for the financial years 2024 and 2023:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Cash outflows for leases accounted for as per IFRS 16	-1,862	-1,110
Expenses related to short-term and low-value leases	-290	-340
Total cash outflows for leases	**-2,152**	**-1,450**

41. Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern whilst maximising the return to shareholders through the optimisation of debt and equity balances. The Group's overall strategy is to ensure there is sufficient working capital to optimise the performance of the business.

The capital structure of the Group consists of net debt (comprising debt less cash and cash equivalents) and equity of the Group (comprising issued capital, reserves and retained earnings in notes 32 to 36).

The Group is not subject to any externally imposed capital requirements.

The Group is focused on cash management and this is reviewed on a regular basis by the Group Financial Controller and the Chief Financial Officer. The funding mix of the business is reviewed and managed by the Chief Financial Officer and the Chief Executive Officer.

Gearing ratio

The gearing ratio at the year-end is as follows:

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Debt (lease liabilities)	11,878	13,704
Cash and cash equivalents	30,453	44,054
Net (cash) / debt	**-18,575**	**-30,350**
Equity	**47,880**	**87,242**
Net (cash) / debt to equity ratio	**-39%**	**-35%**

Notes to the Annual Accounts

Debt is defined as long-term and short-term borrowings and lease liabilities (excluding derivatives and financial guarantee contracts) as detailed in notes 25 and 26.

For both years, 2024 and 2023, debt in the table on the previous page relates to IFRS 16 lease liabilities.

Equity includes all capital, premiums and reserves of the Group that are managed as capital.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the bases for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

Categories of financial instruments

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Financial assets		
Cash and cash equivalents (note 24)	30,453	44,054
Short-term investments and receivables	3,923	27,669
Financial liabilities		
Fair value through profit and loss	–	915
Amortised cost	14,992	20,332

Financial risk management objectives

The Group's finance function is responsible for managing the financial risks relating to the running of the business. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

If a material risk is identified then the Group would look to mitigate that risk through the appropriate measure, such as hedging against currency fluctuations.

The Group does not use complex derivative financial instruments to reduce its economic risk exposures.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

There has been no change to the Group's exposure to market risks or the way these risks are managed and measured.

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not managed utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	At 31 December 2024			At 31 December 2023		
Amounts in £'000	Assets	Liabilities	Net Exposure	Assets	Liabilities	Net Exposure
EUR	18,689	-2,275	16,414	16,702	-2,081	14,621
USD	9,567	-2,458	7,109	4,290	-2,823	1,467
CAD	738	-390	347	607	-429	178
SGD	455	-274	182	130	-178	-48
TWD	24	-24	–	268	-258	10

Foreign currency sensitivity analysis

The Group is mainly exposed to the Euro and US Dollar currencies.

The following table details the Group's sensitivity to a 5% increase and decrease in GBP against the relevant foreign currencies. 5% represents Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number below indicates an increase in profit and other equity.

	Net assets and liabilities	
Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
EUR	16,414	14,567
Conversion rate	1.20579	1.15270
Impact GBP strengthening: FX + 5%	-782	-694
Impact GBP weakening: FX - 5%	864	767
USD	7,109	1,467
Conversion rate	1.25456	1.27313
Impact GBP strengthening: FX + 5%	-339	-70
Impact GBP weakening: FX - 5%	374	77

Notes to the Annual Accounts

	Income statement	
Amounts in £'000	**Year ended 31 December 2024**	**Year ended 31 December 2023**
EUR	4,848	379
Conversion rate	1.18130	1.14993
Impact GBP strengthening: FX + 5%	-135	-17
Impact GBP weakening: FX - 5%	361	21
USD	742	-31
Conversion rate	1.27809	1.24026
Impact GBP strengthening: FX + 5%	-48	1
Impact GBP weakening: FX - 5%	25	-2

Currencies AUD, CAD, SGD and TWD have not been modelled as their impact is immaterial.

Interest rate risk management

The Group is debt free and therefore it is not exposed to significant interest rate risk.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy 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.

Trade receivables generally consists of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The carrying amount of the financial assets recorded in the historical financial information, which is net of impairment losses, represents the Group's maximum exposure to credit risk as no collateral or other credit enhancements are held.

Reliance on major customers and concentration risk

In 2024 and 2023 the Group was not dependent on one particular customer and there were no customers generating sales accounting for over 10% of revenue.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	£'000	£'000	£'000	£'000	£'000	£'000
31 December 2024							
Variable interest rate instruments	–	–	–	–	–	–	**–**
Fixed interest rate instruments	5.5	158	316	1,397	5,811	8,086	**15,768**
31 December 2023							
Variable interest rate instruments	–	–	–	–	–	–	**–**
Fixed interest rate instruments	4.0	1,476	4,940	2,121	6,804	9,617	**24,958**

The table on the following page details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including any interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Notes to the Annual Accounts

	Effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total
	%	£'000	£'000	£'000	£'000	£'000
31 December 2024						
Non-interest bearing	–	10,023	460	800	50	**11,333**
Variable interest rate instruments	3.9	46	18,050	4,947	–	**23,043**
31 December 2023						
Non-interest bearing	–	14,803	434	589	24,692	**40,518**
Variable interest rate instruments	4.3	3,936	27,268	–	–	**31,204**

Fair value measurements

The information set out below provides information about how the Group determines fair values of various financial assets and financial liabilities.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31/12/24	31/12/23				
Contingent consideration in relation to the Yourgene Health acquisition of Coastal Genomics (current and non-current portion)	–	915	2	Settled during 2024	–	–

Fair value measurements recognised in the statement of financial position

Year ended 31 December 2024

Amounts in £'000	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Contingent consideration	–	–	–	–
Total liabilities at FVTPL	**–**	**–**	**–**	**–**

Year ended 31 December 2023

Amounts in £'000	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Contingent consideration	–	915	–	915
Total liabilities at FVTPL	**–**	**915**	**–**	**915**

There were no transfers between levels during the current or prior year.

The table above only shows the fair value of the financial liabilities as the fair value of the applicable financial assets are not materially different from their carrying value.

Fair value of financial liabilities that are not measured at fair value (but fair value disclosures are required)

There are no financial liabilities in the statement of financial position at 31 December 2024 or 31 December 2023 that are not measured at fair value but for which fair value must be disclosed.

42. Related parties

Parties related to Novacyt SA are:

- the managers, whose compensation is disclosed below; and
- the Directors of Novacyt SA.

Remuneration of key management personnel

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Fixed compensation and company cars	1,264	1,176
Variable compensation	160	57
Social security contributions	147	158
Contributions to supplementary pension plans	57	33
Cash based payment benefits – LTIP	15	–
Total remuneration	**1,643**	**1,424**

Notes to the Annual Accounts

Aggregate Directors' remuneration

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Fixed compensation and company cars	962	726
Variable compensation	90	–
Social security contributions	140	115
Contributions to supplementary pension plans	28	4
Total remuneration	**1,220**	**845**

Other related party transactions

Yourgene Health invoiced £48k (excluding VAT) in 2024 for goods and services to MyHealthChecked plc, a company for which Lyn Rees is a non-executive Director.

43. Audit fees

Amounts in £'000	Year ended 31 December 2024	Year ended 31 December 2023
Fees payable to the Company's Auditor and its associates in respect of the audit		
Group audit of these financial statements	198	208
Audit of the Company's subsidiaries' financial statements	160	351
Total audit remuneration	**358**	**559**
Fees payable to the Company's Auditor and its associates in respect of non-audit-related services		
Audit-related assurance services	–	–
All other services	–	–
Total non-audit-related remuneration	**–**	**–**

Audit fees in 2024 have decreased as 2023 included additional one-off first year audit costs following the acquisition of Yourgene Health.

44. Subsequent events

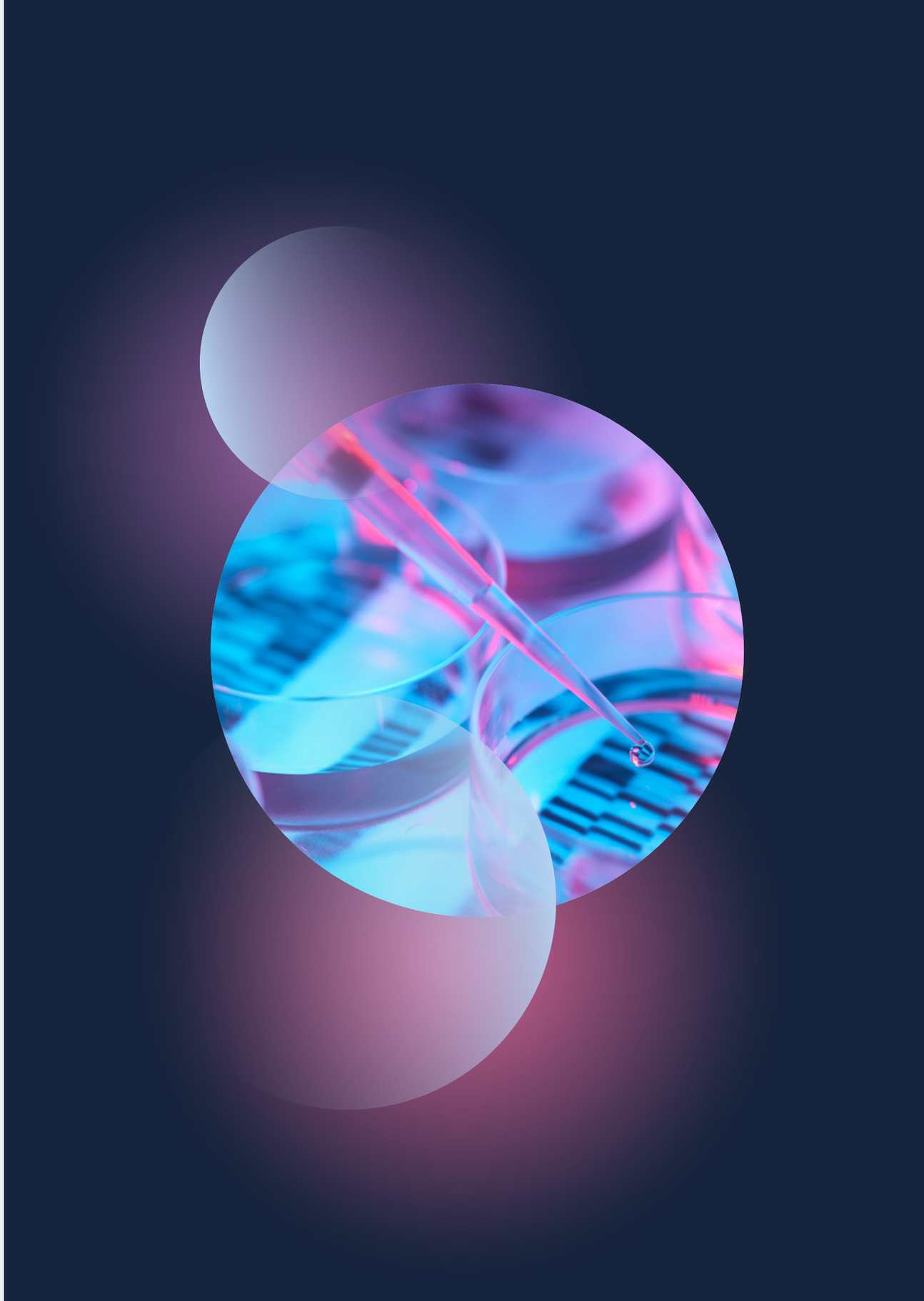
There are no material subsequent events to report.

Company Information

Directors	Dr John Brown CBE FRSE Lyn Rees Juliet Thompson Jean-Pierre Crinelli Dr Ian Gilham Steve Gibson Dr Jo Mason
Company Secretary	Steve Gibson
Registered office	**Novacyt S.A.** 131 Boulevard Carnot 78110 Le Vésinet France
Registered number	491 062 527 (France)
Company website	www.novacyt.com
Nominated Advisor and Joint Broker	**S.P. Angel Corporate Finance LLP** Prince Frederick House 35-39 Maddox Street London W1S 2PP United Kingdom
Joint Broker	**Deutsche Numis** The London Stock 45 Gresham Street London, EC2V 7BF United Kingdom
French Listing Sponsor	**Allegra Finance** 213 Boulevard Saint-Germain 75007 Paris France

Legal advisers to the Company	**English law:** **Stephenson Harwood LLP** 1 Finsbury Circus London, EC2M 7SH United Kingdom **Broadfield LLP** The Anchorage 34 Bridge Street Reading, RG1 2LU United Kingdom **French law:** **Frieh Brault & Associes** 9 Rue Alfred de Vigny 75008 Paris France
French Auditors	**Deloitte & Associés** 6 place de la Pyramide 92908 Paris-La Défense Cedex France **Alberis Audit** 2 rue Colmar 92400 Courbevoie France
UK Auditors	**Constantin Limited** Statutory Auditor 25 Hosier Lane London, EC1A 9LQ United Kingdom
Bankers	**Banque Populaire Val de France** Accueil Entreprises Trs 2 Avenue De Milan 37924 Tours Cedex 9 **Barclays Bank plc** 48a-50 Lord Street Liverpool, L2 1TD United Kingdom

Bankers	**National Westminster Bank plc** Floor 1 NatWest House Templars Way Chandlers Ford Eastleigh SO53 3UD **Investec Bank plc** 30 Gresham Street London EC2V 7QP United Kingdom **HSBC** Bonham Strand Commercial Service Centre 35-45 Bonham Strand Sheung Wan Hong Kong **Credit Industriel et Commercial** CIC Saint Quentin Entreprises 15 Rue Joel le Theule 78180 Montigny Le Bretonneux France **Royal Bank of Canada** Royal Bank Plaza 200 Bay Street Toronto Ontario M5J 2J5 Canada



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