



NetScientific plc
("NetScientific" or the "Company" or the "Group")

NetScientific Interim Results for the six months ended 30 June 2017

London, UK - 28 September 2017: NetScientific plc (AIM: NSCI), the transatlantic healthcare IP commercialisation Group, today announces its interim results for the six months ended 30 June 2017.

Operational highlights

- First successful exit for NetScientific following sale of portfolio company Wanda's stake in Oncoverse to BTG plc, representing an excellent return on NetScientific's initial investment
- Fundraise in June 2017 of £8.1m gross

Financial highlights

- Loss after tax of £5.2m (H1 2016: loss £6.4m) reflecting development stage of portfolio
- Available cash resources of £11.3m (at 31 December 2016: £9.5m)

Portfolio progress

- Vortex BioSciences
 - Introduced VTX-1 Liquid Biopsy System into the research market at the Molecular Medicine Tri Conference (Tri-Con) Annual Meeting 2017, with key placements including UCLA and Stanford University
 - Two proof of concept trials initiated in collaboration with UCLA, designed to validate the use of circulating tumour cell (CTC) evaluation to help identify suitable patients for immunotherapy treatment
 - Two high-impact papers, in collaboration with Stanford University and UCLA, published in *Nature Communications*. The papers add to a growing body of literature supporting the VTX-1 instrument's role in enhancing our understanding of cancer biology
- Glycotest
 - Continued development of non-invasive blood tests for liver cancers and fibrosis-cirrhosis
 - Working to secure a Series A financing in H2 2017
- ProAxis
 - Secured second licensing agreement with Queen's University Belfast for exclusive intellectual property rights to modifications of its ProteaseTag® technology, enabling measurement of active protease biomarkers of disease
 - Initiated a strategic partnership with Innovate UK, providing funding to further expand the ProteaseTag® technology platform to active pancreatic elastase and potential evaluation of pancreatic insufficiency
- Wanda
 - Stake in Oncoverse digital health product sold to BTG plc. The sale represented a good return on investment and a successful exit from Wanda's first downstream application
 - Despite market challenges, the focus continues on enhancing technical capabilities, analytical ability and customer support infrastructure
- PDS Biotechnology
 - Continued development of Versamune®, the synthetic T-cell activating nanoparticle platform, into potential ground-breaking treatments for pre-cancer, cervical cancer and head & neck cancers



Post period-end highlights

- Glycotest was awarded a European patent and patents in the United States and Australia have also been allowed. These patents significantly extend protection for Glycotest's core technology for early detection of life threatening liver disease
- PDS announced a commercial partnership with Merck & Co., Inc to evaluate its Versamune®-based PDS0101 immunotherapy treatment with Merck & Co., Inc.'s anti-PD-1 therapy, KEYTRUDA® (pembrolizumab) in a phase II clinical trial
- ProAxis appointed Diagenics Limited as the distributor for its ProteaseTag® Active Neutrophil Elastase Immunoassay in Great Britain and Ireland. The appointment is expected to accelerate the commercial uptake of ProAxis' technology, increasing near-term sales potential for ProAxis
- ProAxis signed a partnership agreement to develop activity-based immunoassays for two key respiratory proteases, utilising its novel ProteaseTag® technology. The unnamed partner is a large biotechnology company, headquartered in the US with a focus on developing new therapeutic options for patients with rare diseases
- ProAxis completed the product development process for NEATstik®, a novel point-of-care test for measuring active neutrophil elastase. Resultantly, ProAxis successfully registered the NEATstik® with a CE Mark and is now able to initiate sales throughout Europe

Francois R Martelet, CEO of NetScientific, said:

"All of our core portfolio companies continued to advance their commercial operations, positioning the portfolio for continued commercial momentum in H2 2017. In particular, we are delighted that PDS has announced a Phase IIb trial in partnership with Merck. The ProAxis CE mark represents a pivotal step in the commercial development of ProAxis, paving the way for increased future sales potential, whilst Glycotest was recently awarded a European patent, in addition to the two patents which have been allowed in Australia and the US, expanding the potential for Glycotest's future product commercial launch.

"We are pleased to have underpinned this operational progress with a successful £8.1m fundraise in June 2017 with the continued support of our existing investor base as well as new investors. Over the next six months we will focus on supporting our portfolio companies through these critical stages of commercialisation and development. We continue to see great commercial potential and inherent business value for each of our portfolio companies"

A presentation for analysts will be held at the offices of Consilium Strategic Communications at 41 Lothbury, London EC2R 7HG at 11.00am on 28 September 2017.

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About NetScientific Plc

NetScientific is an IP commercialisation group focused on healthcare with an investment strategy focused on sourcing, funding and commercialising technologies that significantly improve the health and well-being of people with chronic diseases.

For more information, please visit the website at www.netscientific.net

JOINT CHAIRMAN'S AND CHIEF EXECUTIVE OFFICER'S REVIEW

NetScientific is a transatlantic healthcare Intellectual Property (IP) commercialisation group with a differentiated investment strategy focused on building transformative businesses within the digital health, diagnostics and therapeutics sub-sectors. The Company's strategy is to source and invest in novel IP, then build disruptive healthcare technology companies, driving them through to commercialisation and maximising value for shareholders.

The Company's target healthcare sub-sectors are in attractive growth markets with large commercial potential, where demand from people living with chronic diseases is growing and the costs associated with dealing with such diseases are high. NetScientific is well placed amongst its peer group to benefit from the appreciation and understanding given extensive management experience of the sector. NetScientific is based in the UK, the global hub for IP commercialisation with transatlantic businesses selecting it as the leading destination, but is highly international in its approach and differentiated by its global network and majority shareholding positions in its portfolio assets.

During the period, the Group has continued to progress its breakthrough technologies towards commercialisation. Additionally, H1 2017 saw a successful fundraise of £8.1m (gross), demonstrating continued support for the business model and validation of the commercial progress made by the Group's portfolio companies.

Vortex Biosciences

In February 2017, Vortex introduced its VTX-1 Liquid Biopsy System, a fully automated benchtop system for collecting intact CTCs that are shed by tumours using microfluid technology, into the research market. Over the course of 2017, Vortex aims to complete two proof-of-concept trials (in collaboration with UCLA), for the biomarkers PD-L1 and EGFR based on CTCs rather than tumour biopsies. One trial, involving 60 lung cancer patients, aims to evaluate whether EGFR mutations (to target treatable patients) can be identified using CTCs collected by Vortex's VTX-1 system. A separate trial, also in partnership with UCLA, involving 100 patients, aims to determine whether CTCs isolated with the VTX-1 system can be evaluated for the PD-L1 biomarker, which can help identify suitable patients for immunotherapy treatment.

Following the introduction into the research market, areas for engineering optimisation were identified and progress has been made in resolving these. Vortex is focused on continuing to build relationships with commercial partners and investors, enhancing company value, in advance of targeting a Series A or commercial partnership, which we still aim to complete during H1 2018.

Glycotest

Glycotest is a US-based liver diagnostics company, seeking to commercialise new and unique blood tests for life threatening liver cancers and fibrosis-cirrhosis based on exclusive world-wide rights to over 50 patent-protected serum protein biomarkers. During the period, the Company continued development of its non-invasive blood tests and is in advanced discussions regarding a potential Series A financing, still targeted for execution in H2 2017. In July, Glycotest was awarded a European patent and patents in the United States and Australia have also been allowed. These patents significantly extend protection for Glycotest's core technology for early detection of life threatening liver disease.

ProAxis

ProAxis is a medical diagnostics company, based in Northern Ireland, developing a range of products for the capture, detection and measurement of active protease biomarkers of disease. During the period, the Company secured a second licencing agreement with The Queen's University Belfast for exclusive intellectual property rights for modifications to its ProteaseTag® technology, enabling measurement of active protease biomarkers of disease. In June ProAxis initiated a strategic partnership with Innovate UK, providing funding to further expand the ProteaseTag® technology platform to active pancreatic elastase and potential evaluation of pancreatic insufficiency.

Post period-end, we were delighted to announce that ProAxis achieved a number of positive developments. Diagenics Limited was appointed as the distributor for its ProteaseTag® Active Neutrophil Elastase Immunoassay in Great Britain and Ireland, a move expected to accelerate the commercial uptake of ProAxis' technology by building ProAxis near-term sales capabilities. In addition, ProAxis has signed a partnership agreement with a large biotechnology company based in the US, to develop activity-based immunoassays for two key respiratory proteases, utilising its novel ProteaseTag® technology. ProAxis also completed the product development process for NEATstik®, a novel point-of-care test for measuring active neutrophil elastase. Subsequently, ProAxis successfully registered the NEATstik® with a CE Mark, enabling sales throughout Europe. We expect to complete a Series A or financing in H2 2017 and are currently in talks with potential partners.

Wanda

Wanda is a US-based digital health company which provides a cloud-based clinical decision support software solution to help healthcare providers improve the quality of outpatient care and reduce the costs associated with managing chronic diseases. Although progress has been made in moving to a 'bring your own device model' and further developing broader analytical capabilities, operational and external fundraising challenges remain significant. The board is exploring all its options in relation to Wanda with a view to creating value for the Group over the medium term.

We therefore now expect Wanda to achieve a lower revenue projection for 2017 than previously guided. Wanda aims to achieve revenue traction going forward with a focused sales pipeline targeting Home Health and Hospital Systems via its growing network.

A Wanda client, HRS, provides hospitals, caregivers and patients with high-tech home healthcare solutions. The company is a private nursing and therapy agency based in Illinois, certified by the Centre for Medicare and Medicaid Services (CMS). HRS' goal is to provide a higher standard of care through data and outcome management, helped by Wanda's SaaS predictive analytics system.

H1 2017 saw Wanda successfully exit from its share in Oncoverse LLC, delivering a strong return on the investment and validating commercial success from the first downstream platform from Wanda. Importantly, this was also NetScientific's first portfolio exit and demonstrates the potential of the business model. Our focus and rationale remains to try and ensure an appropriate return is delivered to shareholders.

PDS Biotechnology

PDS Biotechnology, a US company developing a new generation of cancer and infectious disease immunotherapies, continued development of its T-cell activating technology platform, Versamune®. Versamune® combines three critical attributes for an effective immunotherapy: effective presentation of the disease-specific antigen (protein, DNA or RNA) to the immune system to prime both helper and killer T-cells, induction of T-cell activating stimuli, and reduced tumour immune suppression leading to a potent anti-tumour response without the conventional associated toxicities. PDS's oncology pipeline includes compounds for prostate, ovarian, breast and colorectal cancers, in addition to its lead PDS0101 programme for several HPV-related cancers and has made substantial progress towards lining up research partnerships for its PDS0102 and PDS0103 platforms with seven planned trials over the 2017-2020 period.

The Group highlights that PDS announced a commercial partnership with Merck & Co., Inc post the period end to evaluate its Versamune®-based PDS0101 immunotherapy treatment with Merck's anti-PD-1 therapy, KEYTRUDA® (pembrolizumab) in a Phase II clinical trial. This provides external validation of the Versamune® technology and raises the commercial profile of the PDS technology.

Conclusion

In summary, H1 2017 saw continued progress across most of the portfolio as the companies strengthened their commercial operations in order to position themselves for both revenue traction and successful external fundraising.

Financial Results

Revenue booked in the period of £164k (H1 2016: £359k) mainly constitutes sales made by Wanda to its associate Oncoverse (£95k). Other operating income of £222k (H1 2016: £4k) is mainly represented by research and development tax credit of £154k and grant income of £67k both in ProAxis Ltd.

Research and development expenditure for the period, which was largely by the subsidiary portfolio companies, was £3.0m (H1 2016: £3.7m). The reduction reflects the fact that Wanda has moved from a development to a commercial environment.

On 20th April 2017, the Group sold its entire shareholding of 35.9% in its associate Oncoverse LLP for £1,507k. Cost of £468k were incurred which includes the initial investment in Oncoverse LLP in 2016.

Other administrative costs include central costs incurred in managing the portfolio companies and pipeline investments, corporate costs and sales and marketing/administrative costs incurred by the portfolio companies. These costs for the period increased to £3.0m (H1 2016: £2.4m). The increase was due to development of sales, marketing and customer services departments in Wanda and Vortex. Share of loss in associates of £46k (H1 2016: £122k) represents the Group's share of Oncoverse's loss for the period, which incidentally principally arises from the supply of software by Wanda.

The cash balance as at 30 June 2017 was £11.3m (30 June 2016: £15.9m, 31 December 2016: £9.5m) and the cash inflow for the period was £2.0m (H1 2016 outflow: £7.6m). The successful placing in June of 17,962,362 shares raised £8.1m and incurred placing expenses of £0.6m. This is represented in the increased cash balance at end of June.

Going concern

The Directors have prepared and reviewed working capital projections which were initially approved by the board of directors at the board meeting of June 2017. The projection considered amongst other things the timing of the Series A funding rounds of the subsidiary companies, funds raised at the capital placing completed on 13 June 2017 and the cash position of the Group at the beginning of 2017. After due consideration of these forecasts and current cash resources, the Directors consider that the Group has adequate financial resources to continue in operational existence for the foreseeable future (being at least twelve months from the date of this report), and for this reason the financial statements have been prepared on a going concern basis.

Summary and Outlook

Over the six-month period under review, the Group made progress by completing its financing and progressing the portfolio companies. The finance raised will accelerate the investment into the portfolio. The Directors believe that there is significant embedded value within the Group, although the four majority held companies all require additional capital investment to reach value inflection points. Delivering near-term milestones remains a focus including: completing external financing for the four main portfolio companies, a product launch for ProAxis' NEATstik point-of-care device and for Vortex placing the first instruments with potential strategic partners.

Vortex was introduced into the research market over the period, with a view to gather further research data; a process which has identified that further engineering optimisation is required. As a result of this process we are hopeful a Series A or commercial partnership will close in the first half of 2018. We still believe in the commercial opportunity for Wanda and are focused on ensuring that we progress the commercial and sales operations of Wanda despite the challenges posed by a crowded market place and a difficult fund-raising environment for early stage companies like Wanda.

We believe that the Group is now well placed to see its portfolio companies succeed with Series A financings, commercial partnerships and in general to benefit from the fragmented nature of the IP commercialisation sector. NetScientific will continue to explore corporate development and M&A opportunities that will increase NetScientific's commercial capacity to deliver the next generation of healthcare opportunities. NetScientific's mission is to support life-changing innovation and deliver value to shareholders.

Sir Richard Sykes
Non-Executive Director and Chairman
28 September 2017

François R. Martelet, M.D.
Chief Executive Officer
28 September 2017

**CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2017**



		Unaudited Six months ended 30 June 2017 £000's	Unaudited Six months ended 30 June 2016 £000's	Audited Year ended 31 December 2016 £000's
Continuing Operations	Notes			
Revenue		164	359	518
Cost of sales		(131)	(149)	(255)
Gross profit		33	210	263
Other operating income		222	4	68
Research and development costs		(3,046)	(3,730)	(7,443)
Selling, general and administrative costs		(2,987)	(2,403)	(5,001)
Other costs		(384)	(141)	(316)
Loss from operations		(6,162)	(6,060)	(12,429)
Finance income		23	52	94
Finance expense		(5)	(3)	(8)
Gain on sale of associates	2	1,061	-	-
Share of loss of associate		(46)	(122)	(49)
Loss before taxation		(5,129)	(6,133)	(12,392)
Income Tax		(28)	12	(18)
Loss for the period from continuing operations		(5,157)	(6,121)	(12,410)
Discontinued Operations				
Loss for the period from discontinued operations		-	(258)	(666)
Loss for the period		(5,157)	(6,379)	(13,076)
Loss attributable to:				
Owners of the parent	3	(4,669)	(5,536)	(11,195)
Non-controlling interests		(488)	(843)	(1,881)
		(5,157)	(6,379)	(13,076)
Basic and diluted loss per share from continuing and discontinued operations attributable to owners of the parent during the period:				
Continuing operations		(8.8p)	(10.3p)	(20.8p)
Discontinued operations		-	(0.5p)	(1.1p)
From loss for the period	3	(8.8p)	(10.8p)	(21.9p)

The notes form part of these financial information

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2017**



	Notes	Unaudited Six months ended 30 June 2017 £000's	Unaudited Six months ended 30 June 2016 £000's	Audited Year ended 31 December 2016 £000's
Loss for the period		(5,157)	(6,379)	(13,076)
Items that may be subsequently reclassified to profit or loss:				
Exchange differences on translation of foreign operations		(217)	273	634
Total comprehensive loss for the period		(5,374)	(6,106)	(12,442)
Attributable to:				
Owners of the parent		(5,078)	(5,055)	(10,084)
Non-controlling interests		(296)	(1,051)	(2,358)
		(5,374)	(6,106)	(12,442)

All other comprehensive income will be reclassified to retained earnings on the ultimate sale of any relevant subsidiary company.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017**



	Notes	Unaudited 30 June 2017 £000's	Unaudited 30 June 2016 £000's	Audited 31 December 2016 £000's
Assets				
Non-current assets				
Property, plant and equipment		940	409	779
Investments in equity accounted associates	2	-	241	357
Available for sale investments	4	2,863	1,807	2,863
Derivative financial assets		18	-	18
Loans to non-group companies		-	1,178	-
Other receivables		68	-	37
Total non-current assets		3,889	3,635	4,054
Current assets				
Inventories		10	148	-
Trade and other receivables		1,119	808	1,578
Derivative financial assets		-	100	-
Cash and cash equivalents		11,311	15,932	9,456
Total current assets		12,440	16,988	11,034
Total assets		16,329	20,623	15,088
Liabilities				
Current liabilities				
Trade and other payables		(1,051)	(1,639)	(2,044)
Loans and borrowings		(123)	(103)	(128)
Total current liabilities		(1,174)	(1,742)	(2,172)
Non-current liabilities				
Loans and borrowings		(80)	-	(80)
Total non-current liabilities		(80)	-	(80)
Total liabilities		(1,254)	(1,742)	(2,252)
Net assets		15,075	18,881	12,836
Issued capital and reserves				
Attributable to the parent				
Called up share capital	5	3,452	2,554	2,554
Share premium account		53,839	47,233	47,233
Capital reserve account		237	237	237
Foreign exchange and capital reserve		1,393	1,172	1,802
Retained earnings		(39,672)	(29,766)	(35,115)
Equity attributable to the owners of the parent		19,249	21,430	16,711
Non-controlling interests		(4,174)	(2,549)	(3,875)
Total equity		15,075	18,881	12,836

The notes form part of these financial information

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2017**



	Shareholders' equity					Total £000's	Non- controlling interests £000's	Total equity £000's
	Share capital £000's	Share premium £000's	Capital reserve £000's	Retained earnings £000's	Foreign exchange and capital reserve £000's			
1 January 2016	2,554	47,233	237	(24,371)	691	26,344	(1,805)	24,539
Loss for the period	-	-	-	(5,536)	-	(5,536)	(843)	(6,379)
Other comprehensive income – foreign exchange differences	-	-	-	-	481	481	(208)	273
Total comprehensive income	-	-	-	(5,536)	481	(5,055)	(1,051)	(6,106)
Disposal of subsidiaries	-	-	-	-	-	-	308	308
Share-based payments	-	-	-	141	-	141	-	141
30 June 2016	2,554	47,233	237	(29,766)	1,172	21,430	(2,549)	18,881
Loss for the period	-	-	-	(5,659)	-	(5,659)	(1,038)	(6,697)
Other comprehensive income – foreign exchange differences	-	-	-	-	630	630	(269)	361
Total comprehensive income	-	-	-	(5,659)	630	(5,029)	(1307)	(6,336)
Decrease in subsidiary shareholding	-	-	-	39	-	39	(20)	19
Disposal of subsidiaries	-	-	-	171	-	171	-	171
Share-based payments	-	-	-	100	-	100	-	100
31 December 2016	2,554	47,233	237	(35,115)	1,802	16,711	(3,875)	12,836
Loss for the period	-	-	-	(4,669)	-	(4,669)	(488)	(5,157)
Other comprehensive income – foreign exchange differences	-	-	-	-	(409)	(409)	192	(217)
Total comprehensive income	-	-	-	(4,669)	(409)	(5,078)	(296)	(5,157)
Share capital issued	898	7,185	-	-	-	8,083	-	8,083
Cost of share capital issue	-	(579)	-	-	-	(579)	-	(579)
Change in shareholding in Subsidiary	-	-	-	3	-	3	(3)	-
Share-based payments	-	-	-	109	-	109	-	109
30 June 2017	3,452	53,839	237	(39,672)	1,393	19,249	(4,174)	15,075

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2017**



Notes	Unaudited Six months ended 30 June 2017 £000's	Unaudited Six months ended 30 June 2016 £000's	Audited Year ended 31 December 2016 £000's
Cash flows from operating activities			
Loss after income tax including discontinued operations	(5,157)	(6,379)	(13,076)
Adjustments for:			
Depreciation of property, plant and equipment	107	56	141
Amortisation of intangible assets	-	1	-
Loss/(Gain) on disposal of property, plant and equipment	2	(1)	(1)
Share of loss of associates and joint venture	46	131	49
Gain on sale of investments	(1,061)	-	-
Loss on disposal of subsidiaries	-	313	483
Provision against recoverability of loan	312	-	75
Share-based payments	109	140	241
Bad debt recovered	(36)	-	-
Foreign exchange gains	-	(139)	(121)
Finance income	(23)	(52)	(94)
Finance costs	5	2	8
R&D Tax Credit	(154)	(12)	-
Income Tax	28	-	18
	(5,822)	(5,940)	(12,277)
Changes in working capital			
Decrease / (increase) in trade and other receivables	229	(509)	(237)
Decrease in trade and other payables	(925)	(604)	(364)
Increase in inventories	(7)	(138)	-
Cash used in operations	(6,525)	(7,191)	(12,878)
Income tax (paid) / received	(46)	-	94
Net cash used in operating activities	(6,571)	(7,191)	(12,784)
Cash flows from investing activities			
Investment in associate	-	(346)	(363)
Proceeds from sale of investments	1,351	-	-
Purchase of property, plant and equipment	(300)	(158)	(470)
Proceeds from sale of property, plant and equipment	2	13	13
Interest received	7	32	46
Purchase of available for sale investments	-	-	(898)
Net cash from / (used) in investing activities	1,060	(459)	(1,672)
Cash flows from financing activities			
Proceeds from borrowings	-	50	50
Repayment of loan	(10)	-	-
Repayment of loan advanced	36	-	-
Proceeds on change in subsidiary shareholding	2	-	20
Proceeds from share issue	8,083	-	-
Share issue cost	(579)	-	-
Net cash from financing activities	7,532	50	70
Increase / (decrease) in cash and cash equivalents	2,021	(7,600)	(14,386)
Cash and cash equivalents at beginning of the period	9,456	23,239	23,239
Exchange gains on cash and cash equivalents	(166)	293	603
Cash and cash equivalents at end of the period	11,311	15,932	9,456

1. ACCOUNTING POLICIES

Basis of preparation

The interim financial information, which are unaudited, have been prepared on the basis of the accounting policies expected to apply for the financial year to 31 December 2017 and in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRSs) as endorsed by the European Union. The accounting policies applied in the preparation of these interim results are consistent with those used in the financial statements for the year ended 31 December 2016.

The financial information for the year ended 31 December 2016 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for the year ended 31 December 2016 have been filed with the Registrar of Companies. The Independent Auditor's Report on the Report and Financial Statements for the year ended 31 December 2016 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Going Concern

The Directors have prepared and reviewed financial forecasts. After due consideration of these forecasts and current cash resources the Directors consider that NetScientific has adequate financial resources to continue in operational existence for the foreseeable future (being at least twelve months from the date of this report), and for this reason the financial statements have been prepared on a going concern basis.

2. INVESTMENTS

Associates

On 20 April 2017, the Group's subsidiary company Wanda, Inc. disposed of its entire holding of 35.9% in Oncoverse LLC, a San Francisco digital health company. The holding was sold for £1,507k and total cost incurred was £468k which included the carrying value of the investment in OncoVerse.

3. LOSS PER SHARE

The basic and diluted loss per share is calculated by dividing the loss for the financial period by the weighted average number of ordinary shares in issue during the period. Potential ordinary shares from outstanding options at 30 June 2017 of 1,837,550 (30 June 2016: 3,522,161; 31 December 2016: 3,412,324) are not treated as dilutive as the group is loss making.

	Unaudited Six months ended 30 June 2017 £000's	Unaudited Six months ended 30 June 2016 £000's	Audited Year ended 31 December 2016 £000's
Loss attributable to equity holders of the Company			
Continuing operations	(4,669)	(5,271)	(10,623)
Discontinued operations	-	(265)	(572)
Total	(4,669)	(5,536)	(11,195)
Number of shares			
Weighted average number of ordinary shares in issue	52,862,007	51,075,695	51,075,695

4. AVAILABLE FOR SALE INVESTMENTS

Represents unquoted equity securities	Unaudited Six months ended 30 June 2017 £000's	Unaudited Six months ended 30 June 2016 £000's	Audited Year ended 31 December 2016 £000's
At 1 January	2,863	1,807	1,807
Warrant exercised	-	-	100
Additions	-	-	956
Net investment	-	-	1,056
Total	2,863	1,807	2,863

Name	Country of incorporation	% of issued share capital	Currency denomination	£000's
PDS Biotechnology Corporation	USA	17.2%	US\$	2,713
CytoVale, Inc.	USA	2.15%	US\$	150
				2,863

The shares in the above investments are not quoted in an active market. At present, there is a significant range of possible fair value estimates and the possibilities of the various estimates cannot be reliably measured. Therefore, the investment is reported at cost.

5. CALLED UP SHARE CAPITAL

The company issued and admitted an additional 17,962,362 shares of 5p each on the 13th June 2017.

INDEPENDENT REVIEW REPORT TO NETSCIENTIFIC PLC FOR THE SIX MONTHS ENDED 30 JUNE 2017

Introduction

We have been engaged by the Company to review the interim financial information in the interim results for the six months ended 30 June 2017 which comprises the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 5.

We have read the other information contained in the interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial information.

Directors' responsibilities

The interim results, including the financial information contained therein, is the responsibility of and has been approved by the directors. The Directors are responsible for preparing the interim results in accordance with the rules of the London Stock Exchange for companies trading securities on AIM which require that the interim results be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable such annual accounts.

Our responsibility

Our responsibility is to express to the Company a conclusion on the interim financial information in the interim results based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on AIM and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information in the interim results for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

*BDO LLP
Chartered Accountants and Registered Auditors
Southampton
United Kingdom*

13 September 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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