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

NetScientific Interim Results for the six months ended 30 June 2018


Financial highlights

• Loss after tax of £4.6m (H1 2017: loss £5.2m) reflecting development stage of portfolio
• Fundraise in April 2018 of £5m (gross) to:
  o Continue the development of its actively managed portfolio companies;
  o Progress towards the completion of external series A fundraisings and, ultimately, potential exit opportunities;
  o Explore potential transformational acquisition opportunities for the Company with a view to gaining critical mass in the IP commercialisation sector
• Available cash resources at 30 June 2018 of £7.1m (at 31 December 2017: £6.9m)

Operational Highlights

• Vortex Biosciences
  o Presented compelling new data at the American Association for Cancer Research (AACR) Annual Meeting which advocate for Vortex’s non-invasive technology in the characterisation of circulating tumour cells (CTCs) for epidermal growth factor receptor (EGFR) and Programmed death-ligand 1 (PD-L1) biomarkers in non-small cell lung cancer (NSCLC)
  o Publication in Nature Scientific Reports provided validation of Vortex’s technology in capturing CTCs and assessing levels of PD-L1 expression
  o Announced collaboration with BioView Ltd to identify clinical biomarkers on CTCs and create integrated workflows to allow the collection of intact CTCs from blood samples
  o Robert Englert, formerly CTO of Vortex since June 2016, appointed to the position of CEO

• Glycotest
  o Successfully completed clinical evaluation of its diagnostic panel to screen for hepatocellular carcinoma (HCC), achieving a 93% sensitivity and a 92% specificity in a sample of 75 HCC-positive and 74 non-HCC control patients
  o Ongoing intensive business development activities with leading global healthcare providers to advance the development of the HCC Panel and other pipeline assays

• ProAxsis
  o Successfully registered CE Mark for ProteaseTag® Active Plasmin Immunoassay, which has potential application in a broad range of disease indications including lung disorders such as Idiopathic Pulmonary Fibrosis (IPF)
  o NEATstik® point-of-care test for measuring neutrophil elastase registered first sale to a research laboratory conducting a respiratory clinical trial for a pharmaceutical company
  o New data demonstrating NEATstik® ability to identify elevated active neutrophil elastase concentrations presented at the annual American Thoracic Society (ATS) conference
  o Additional non-dilutive grant funding from Invest Northern Ireland awarded to support development of ProteaseTag® technology to identify and quantify active protease biomarkers as part of a £150,000 project

• Wanda
  o New extended partnership with Health Resource Solutions (HRS) expands the use of Wanda’s Telehealth and Predictive Analytics into orthopaedics, with initial pilot studies demonstrating a decrease in hospital length of stay (LOS)
  o Reported a 46% reduction in readmissions in high-risk Congestive Heart Failure patient population in Health Resource Solutions (HRS) pilot-study, with real-time technology allowing for detection of adverse events up to 7 days prior to their occurrence
  o On-going business development activities aiming at securing other contract agreements in home health agencies sector and accountable care organisations

• PDS Biotechnology
  o Continued development of Versamune®, a synthetic T-cell activating nanoparticle platform, into potential ground-breaking treatments for pre-anal and pre-cervical cancers in HIV-positive patients, stage III cervical cancer, and recurrent head & neck cancer
Post period-end highlights

- Wanda completed significant enhancements of its Patient Management Platform to improve adherence to care plans through personalised reminders and alerts, and launched its new digital health app, Wanda CareLink™, with enhanced real-time capabilities on iOS and Android devices.
- ProAxsis strengthened its respiratory portfolio by receiving a CE Mark for its novel ProteaseTag® Active Proteinase-3 Immunoassay and realised its first sale to a large US-based biotechnology company.
- ProAxsis also announced that two immunoassays, the ProteaseTag® Active NE Immunoassay, and NEATstik®, were products selected for inclusion in the BRIDGE study, a major upcoming clinical trial funded by the European Respiratory Society (ERS).

François R. Martelet, CEO of NetScientific, said:

“We are pleased with the progress our portfolio companies have made in the first half of this year, and expect several key value inflection points to occur in the next 12 months. In particular, we are very encouraged by the recognition ProAxsis is gaining through both awards and grants, and by the excellent data achieved by Wanda which validates use of the technology. Vortex is aiming to become the ‘state of the art’ microfluidics and instrumentation technology in the liquid biopsy space. Glycotest continues to produce compelling data and to advance steadily towards full commercialisation, and we expect significant progress for these two companies in the coming months.”

“We conducted a bridge raise of £5m in April 2018 to assist our portfolio companies through key developmental milestones and to help explore potential M&A transactions. Much potential remains to be unlocked in each of the companies and we look forward to seeing substantial value creation in the next 12 months.”

Expected upcoming newsflow

- Glycotest – closure of Series A fundraising
- Vortex – progress discussions with potential investors
- Wanda – expanded partnership deal and new commercial deals
- ProAxsis – initiate new immunoassay tests
- PDS – financing and initiation of further clinical trials

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/ Laura Thornton
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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 STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2018**

**JOINT CHAIRMAN’S AND CHIEF EXECUTIVE OFFICER’S REVIEW**

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. NetScientific is based in London, the global hub for IP commercialisation due to the strength of the peer group and understanding of the sector among investors but is transatlantic in its approach and differentiated by its global network and majority shareholding positions in its portfolio assets.
In 2015, NetScientific’s core portfolio was strategically rationalised to six core companies. Over the course of 2017, all core portfolio companies have continued to make significant progress in driving their breakthrough technologies towards and beyond commercialisation.

During 2018, three portfolio companies; ProAxis, Vortex and Wanda, have just reached commercial stage, de-risking NetScientific’s portfolio from a development standpoint which in itself is a significant achievement for the Company.

During the year the Group has seen continued progress across the portfolio as the companies continued to strengthen their position in their respective markets, work toward raising new funds and develop new commercial and research partnerships with industry leaders. In addition, NetScientific continues to explore potential transformational M&A opportunities with a view to gaining critical mass in the IP commercialisation sector, gaining access to new shareholders, and adding additional investments to its current portfolio.

Our portfolio

**ProAxis Ltd (“ProAxis”)**

ProAxis, a medical diagnostics company based in Belfast, Northern Ireland, is developing a range of products for the capture, detection and measurement of active protease biomarkers of diseases.

ProAxis made significant operational progress during the first half of 2018, successfully registering a CE Mark for its ProteaseTag® Active Plasmin Immunoassay. The assay, currently being investigated in lung disorders such as Chronic Obstructive Pulmonary Disorder (COPD) and bronchiectasis, has potential applications in a broad range of pathologies in which this protease is believed to be involved.

NEATstik®, the company’s point-of-care test for measuring active neutrophil elastase, was launched in 2018 and registered its first R&D sale to a research laboratory conducting a respiratory clinical trial for a pharmaceutical company early in the year, marking a key milestone for ProAxis as its portfolio moves into commercialisation. In May, NEATstik’s potential was validated by new data presented at the annual American Thoracic Society (ATS) conference, where it was shown that the technology can successfully identify patients with elevated concentrations of active neutrophil elastase, which may be a causative link to the development of bacterial infections which exacerbate lung disease.

ProAxis also secured additional non-dilutive grant funding from Invest Northern Ireland to support further research and development of its ProteaseTag® technology to identify and quantify active protease biomarkers as part of a £150,000 project. The project will have a particular research focus on the detection and quantification of deubiquitinases (DUBs), which play a pivotal role in protein degradation pathways through the ubiquitin-proteasome system, and are thought to be involved in the pathogenesis of neurodegenerative disorders as well as several types of oncological malignancies. Due to this, DUBs have received increasingly more attention from the pharmaceutical industry and are an attractive pharmacological target.

Finally, ProAxis was the proud recipient of the Innovative Business of the Year Award at the Business Eye First Trust Awards (BEFTAs), which recognise high-performing small businesses in Northern Ireland. The award, issued by First Trust Bank, saw ProAxis emerge the elected winner amongst a group of over 50 companies from diverse sectors.

**Glycotest, Inc. (“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.

In the first half of 2018 Glycotest successfully completed a clinical evaluation of its diagnostic panel to detect hepatocellular carcinoma (HCC), the most prevalent form of liver malignancy, in 149 patients in China. In a blind evaluation of 75 HCC positive patients and 74 control samples, Glycotest’s HCC Panel achieved an AUROC* of 0.97 and exhibited 93% sensitivity** at 92% specificity***, which indicates a high predictability on a statistical basis as to whether HCC is present in patients or not.

In the cohort of HCC patients whose tumours had not been detected by an alpha-fetoprotein (AFP) blood test, the most common blood test used for initial liver cancer diagnosis, the HCC Panel was able to identify 86% of patients with liver cancer. In an early-stage cohort of patients with HCC, the HCC Panel was able to identify 78% of patients with liver cancer undetected by AFP.

Glycotest holds exclusive world-wide rights to over 50 patent-protected serum protein biomarkers and during the year successfully expanded its IP portfolio. The Company now has 13 issued or allowed patents protecting multiple aspects of Glycotest’s proprietary liver disease diagnostic platform.
Additionally, Glycotest is carrying out intensive business development activities with the aim of advancing the development of the HCC Panel as well as that of its fibrosis test and cholangiocarcinoma panel.

* Receiver operating characteristic (ROC) curves compare sensitivity versus specificity across a range of values for the ability to predict a dichotomous outcome. Area under the ROC curve (AUROC) is a measure of test performance.
** Sensitivity: the ability of a test to correctly identify those with disease (true positive rate)
*** Specificity: ability of the test to correctly identify those without the disease (true negative rate)

**Vortex Biosciences, Inc. ("Vortex")**

Vortex Biosciences is a leader in liquid biopsy solutions with a mission to revolutionize cancer diagnosis, monitoring and treatment by replacing tissue biopsies with simple blood tests. Vortex’s VTX-1 instrument harvests intact circulating tumour cells (CTCs) from whole blood samples for use in downstream research and clinical applications such as patient stratification, monitoring of disease progression and drug treatment effectiveness.

In March 2018, Vortex announced a collaboration with BioView Ltd, a provider of automated cell imaging and analysis solutions, to develop an integrated workflow and identify biomarkers on CTCs from blood samples. The main purpose of this collaboration is to provide deeper insight into cancer biology for clinicians and to establish CTCs as validated biomarkers of disease. This represents a first step for Vortex as it transitions towards being able to address the clinical market through diagnostic insights.

Vortex has continued to produce and publish data that underscore the potential value of its technology in the diagnosis and treatment of cancer patients. In April, new data from studies presented in collaboration with UCLA (University of California, Los Angeles) at the American Association for Cancer Research (AACR) Annual Meeting supported the use of Vortex’s technology in the characterisation of CTCs for EGFR and PD-L1 biomarkers, which are known to play important roles in the pathogenesis of certain types of non-small cell lung cancer.

The studies presented at AACR built on previous work that was published in Nature Scientific Reports in February, entitled “Evaluation of PD-L1 expression on vortex-isolated circulating tumor cells in metastatic lung cancer”, which outlines the use of the technology to capture and analyse CTCs for the presence of PD-L1 in metastatic NSCLC.

Finally, Robert Englert took over as Chief Executive Officer in June 2018. Having previously held the position of Chief Technology Officer at Vortex, Bob brings over 25 years of global experience in medical devices and life sciences, with a focus on in vitro diagnostics, point-of-care, and digital health solutions.

**Wanda, Inc. ("Wanda")**

Wanda is a San Francisco-based digital health company commercialising advanced clinical decision support software. Wanda aims to significantly reduce hospitalisation risk and re-hospitalisation risk post-discharge, and improve the quality of life for people with chronic conditions, initially focused on congestive heart failure (CHF). Wanda is dedicated to advancing the effectiveness and efficiency of medicine by using machine learning and modern software applications that empower payers and providers to better manage the risk and care of patients dramatically lowering the cost of care and improving outcomes.

In March 2018, a new partnership with Health Resource Solutions (“HRS”) saw expanded use of Wanda’s Telehealth and Predictive Analytics into orthopaedics. HRS identified gaps in clinical information that were not being reported to orthopaedic surgeons and their clinical teams during the critical time frame from 3 to 14 days of post-operative care. Initial pilot results demonstrated a decrease in cost per case of 18% compared to cases not involved in the pilot, and a decrease in hospital length of stay (LOS) from 19.4 days to 11.5 days. Such patients achieved desired outcomes 41% quicker than prior to the pilot.

In May 2018, Wanda announced that in conjunction with HRS it had successfully achieved a reduction of 46% in the number of hospitals readmissions in their high-risk Congestive Heart Failure patient population. Wanda’s real-time technology continuously assessed patient status and allowed for detection of adverse events up to 7 days in advance of their occurrence, which has a significant and positive impact on patients’ lives and provides a strong rationale for rolling out the system to more patients beyond the 576 HRS patients enrolled to date. Wanda is continuing its intensive business development activities and expects to announce more key pilots soon. During the year its operations were reviewed and streamlined, reducing costs significantly.

**PDS Biotechnology Corporation ("PDS")**

PDS is a clinical stage immunotherapy company developing a next-generation of simpler, safer and more effective immunotherapies for cancer. PDS continued to see strong progress with its T-cell activating technology platform, Versamune®, which combines three critical attributes for an effective immunotherapy: T-cell induction, reduced tumour suppression and priming of a potent anti-tumour response without the conventional associated toxicities.

PDS plans to advance its assets through the pipeline and is maintaining ownership and control of all its partnered trials. PDS is in the midst of a bridge financing round, having raised $1.2m this year. This price of recent investment has been used to re-
value the Group’s equity holding in PDS; increasing the valuation from £2.7m to £6.2m. A secondary financing will be sought, to advance the assets through phase II. The Group’s interest in PDS Biotechnology is non-controlling.

**Early stage Investments Portfolio**

During the year the Group reviewed its five early stage investments (the ‘Early Stage Portfolio’). The review concluded that there were no plans to invest additional funds in the Early Stage Portfolio because it does not fit with the firm’s investment strategy of gaining majority control in early stage companies. Limited investment has been made to date, mostly in the form of convertible loans. Nevertheless, these investments are reviewed periodically in tandem with the Group’s business plans and progress.

**Finance**

The Group recorded a reduced loss of £4.6m (30 June 2017: £5.2m, 31 December 2017: £9.4m) for the period.

The loss reflects the business model, developing and commercialising new technologies and since the core portfolio companies are mainly subsidiaries, losses are consolidated. During 2018, three portfolio companies reached commercial stage, thus reducing research and development costs to £1.9m (30 June 2017: £3.0m, 31 December 2017: £5.2m). Selling, general and admin costs reduced to £2.3m (30 June 2017: £3.0m, 31 December 2017: £5.3m). This is in line with streamlining of costs both centrally and in Wanda.

Revenue is lower at £0.1m (30 June 2017: £0.2m, 31 December 2017: £0.4m) as 2017 included sales to its associate OncoVerse of £0.1m.

Other operating income of £133k (H1 2017: £222k) includes £40k loan recoverable which was previously fully provided for, grant income of £32k (H1 2017: £67k) and £61k rental from sub lease of office space. H1 2017 included research and development tax credits of £154k which are included under tax in 2018.

Merger and acquisition costs represent £0.5m of transaction fees incurred from exploring a potential M&A opportunity.

Income tax representing tax credits is lower in line with reduced research and development costs.

The Group ended the period with net assets of £14.7m an increase from the position at 31 December 2017 (£10.8m). The increase in net assets resulted from unrealised fair value gains of £3.8m, upon application of IFRS 9 Financial Instruments, from Group’s equity investments and a successful equity placing in March 2018 raising net funds of £4.6m offset by the loss in the period. Cash at 30 June 2018 was £7.1m (30 June 2017: £11.3m, 31 December 2017: £6.9m). Cash used in operations during the period was £4.5m (30 June 2017: £6.6m). The Group gained cash in April from placing a further 9,523,809 shares raising net funds of £4.6m.

Significant movements in consolidated statement of financial position are:

Equity investments and derivative financial instruments were fair valued upon application of IFRS 9 Financial Instruments, increasing the carrying value of the holdings by £3.8m at the date of initial application (1 January 2018). Equity investments were revalued to £6.6m (30 June and 31 December 2017: £2.9m, measured at historical cost). £3.6m of the increase is attributable to PDS. The gain on transition has been recognised directly in equity. The equity investments are not quoted in an active market and fair value has been established using inputs other than quoted prices that are observable; i.e. the price of recent investment by a third party. The transaction for PDS was an investment of $1.2m, which was restricted to a small group of sophisticated investors. Following this bridge round PDS will seek a larger financing round to continue the development of its assets through phase II. If the fair value of the investment and derivative financial assets were to decrease by 50%, the net assets figure would decrease by £3.2m with a corresponding increase if the inputs were to increase by 50%.

Increase in inventory is due to increase of VTX-1 machines in Vortex to 10 from 2 last year.

**Going concern**

The Group and parent company are subject to a number of risks that are characteristic of IP commercialisation and early-stage healthcare companies due to the probabilistic nature of the industry. These risks include, amongst others, uncertainties inherent to R&D, trials, and regulatory approvals of pipeline assets. Ultimately, the attainment of a successful IP commercialisation model and the future viability of the Group are contingent on future uncertain events such as the ability to obtain adequate financing to conduct the Group’s R&D and commercial activities, and the ability to successfully dispose of current subsidiary companies to obtain capital to support further development of pipeline assets and achieve a level of funding
that is adequate to support the Group’s cost structure and finance operations. The Group’s failure to raise capital as and when needed could have a negative impact on its financial condition and ability to pursue its business strategies.

The Group has historically experienced net losses and significant cash outflows from cash used in operating activities, which reflect the development and early commercialisation stage of the portfolio. As at 30 June 2018, the Group had total equity of £20.0m, which included an accumulated deficit of £47.3m. The Group incurred a net loss for the 6 months 30 June 2018 of £4.6m, and used cash in operating activities of £4.5m for the same period. As at 30 June 2018, the Group had cash and cash equivalents of £7.1m.

The Directors have prepared cash flow forecasts and considered the cash flow requirement for the Group for the next 15 months. These forecasts show that to continue funding new development, further financing is likely to be required over the course of the next 12 months, assuming, inter alia, that all portfolio company development programmes and future financings continue as currently planned. This requirement for additional financing represents a material uncertainty that may cast significant doubt upon the Group’s and parent company’s ability to continue as a going concern.

If the Directors conclude that such financing is unlikely to be available within the required timeframe, options available to the company include selling one or more of the portfolio companies and delaying expenditure, particularly in respect of the development programmes, thereby extending the cash runway beyond the period of twelve months from the date of approval of these financial statements. Therefore, after considering the uncertainties, the Directors consider it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

**Summary and Outlook**

The Group has continued to see good development of its core portfolio companies during the first half of 2018.

The focus of the Group during H2 2018 will be to continue progress across its core portfolio companies to reach key value inflection points.

- ProAxsis is to initiate the development of a number of new immunoassay tests and pursue the development of NEATstik®
- Glycotest is expecting closure of the $10m Series A fundraising to bring HCC Panel, a biomarker panel driven by a proprietary algorithm for curable early-stage hepatocellular carcinoma (HCC), towards commercialisation in the US and to advance pipeline assets in liver fibrosis and bile duct cancer
- Vortex is aiming to progress discussions with potential investors
- Wanda is looking to expand with HRS into other US states and to add new commercial deals
- PDS anticipates that it will complete a further financing round to fund and initiate further clinical trials

Corporate governance remains a priority of the NetScientific board, who are keen for NetScientific to operate at a standard appropriate for a public company of its size and complexity. From September 2018, all AIM quoted companies will be required to publicly state on their website which recognised corporate governance code they adhere to and to explain any instances of non-compliance. On 21 June 2018 the NetScientific board approved the use of the Quoted Companies Alliance (“QCA”) Corporate Governance Code, which is the standard deemed appropriate by independent bodies for small and mid-size quoted companies in the UK. We are currently reviewing NetScientific’s practices against QCA’s governance principles and will provide an update on our website detailing any changes in our governance procedures as a result of such review.

Looking further ahead, NetScientific believes that its portfolio companies continue to hold a great deal of potential which the Group will look to unlock. Cash forecasts show that further financing of the core portfolio will be required over the course of the next 12 months. The Group believes that backed by validated science and technology and strong management teams, it will be able to attract external capital and corporate partnerships with leading companies. NetScientific will continue to explore corporate development and M&A opportunities at the Group and portfolio level to reach critical mass and access new portfolio companies. Continued support from our investors and the Board and management team bolster NetScientific’s overall goal of supporting life-changing innovation and delivering value to its shareholders.

Brexit poses two potential areas of impact. One is foreign exchange, as the Group raises money in sterling but most of its expenditure is in dollars. The second impact is the increased difficulty of accessing EU research grants. The Group seeks to reduce the foreign exchange risk by hedging its US dollar position. The Government increasing access to grant funding in the UK will minimise the impact of grant funding from the EU.

Sir Richard Sykes
Non-Executive Director and Chairman
27 September 2018

François R. Martelet, M.D.
Chief Executive Officer
27 September 2018
CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th></th>
<th>Unaudited Six months ended 30 June 2018</th>
<th>Unaudited Six months ended 30 June 2017</th>
<th>Audited Year ended 31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes</td>
<td>£000's</td>
<td>£000's</td>
<td>£000's</td>
</tr>
<tr>
<td>Revenue</td>
<td>126</td>
<td>164</td>
<td>386</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(60)</td>
<td>(131)</td>
<td>(245)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td><strong>66</strong></td>
<td><strong>33</strong></td>
<td><strong>141</strong></td>
</tr>
<tr>
<td>Other operating income</td>
<td>133</td>
<td>222</td>
<td>238</td>
</tr>
<tr>
<td>Research and development costs</td>
<td>(1,944)</td>
<td>(3,046)</td>
<td>(5,177)</td>
</tr>
<tr>
<td>Selling, general and administrative costs</td>
<td>(2,321)</td>
<td>(2,987)</td>
<td>(5,281)</td>
</tr>
<tr>
<td>Merger and acquisition costs</td>
<td>2</td>
<td>(524)</td>
<td>-</td>
</tr>
<tr>
<td>Other costs</td>
<td>(43)</td>
<td>(384)</td>
<td>(514)</td>
</tr>
<tr>
<td><strong>Loss from operations</strong></td>
<td>(4,633)</td>
<td>(6,162)</td>
<td>(10,593)</td>
</tr>
<tr>
<td>Finance income</td>
<td>22</td>
<td>23</td>
<td>43</td>
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<tr>
<td>Finance expense</td>
<td>(6)</td>
<td>(5)</td>
<td>(11)</td>
</tr>
<tr>
<td>Gain on sale of associate</td>
<td>-</td>
<td>1,061</td>
<td>1,026</td>
</tr>
<tr>
<td>Share of loss of associate</td>
<td>-</td>
<td>(46)</td>
<td>(45)</td>
</tr>
<tr>
<td><strong>Loss before taxation</strong></td>
<td>(4,617)</td>
<td>(5,129)</td>
<td>(9,580)</td>
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<tr>
<td>Income Tax</td>
<td>22</td>
<td>(28)</td>
<td>202</td>
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<tr>
<td><strong>Loss for the period</strong></td>
<td><strong>(4,595)</strong></td>
<td><strong>(5,157)</strong></td>
<td><strong>(9,378)</strong></td>
</tr>
</tbody>
</table>

Loss attributable to:
- Owners of the parent: 4 (4,078) (4,669) (8,318)
- Non-controlling interests: (517) (488) (1,060)

Loss per share attributable to owners of the parent during the period:
- Basic and diluted: 4 (5.6p) (8.8p) (13.6p)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th></th>
<th>Unaudited Six months ended 30 June 2018</th>
<th>Unaudited Six months ended 30 June 2017</th>
<th>Audited Year ended 31 December 2017</th>
</tr>
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<tbody>
<tr>
<td>Notes</td>
<td>£000's</td>
<td>£000's</td>
<td>£000's</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>(4,595)</td>
<td>(5,157)</td>
<td>(9,378)</td>
</tr>
</tbody>
</table>
| Items that may be subsequently reclassified to profit or loss in subsequent periods:
  - Exchange differences on translation of foreign operations | 61                                     | (217)                                  | (374)                             |
Items not reclassified to profit or loss in subsequent periods:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total comprehensive loss for the period</td>
<td>(4,534)</td>
<td>(5,374)</td>
<td>(9,752)</td>
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</table>

**Attributable to:**

<table>
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<tr>
<th>Description</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners of the parent</td>
<td>(3,888)</td>
<td>(5,078)</td>
<td>(9,057)</td>
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<tr>
<td>Non-controlling interests</td>
<td>(646)</td>
<td>(296)</td>
<td>(695)</td>
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</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>(4,534)</td>
<td>(5,374)</td>
<td>(9,752)</td>
</tr>
</tbody>
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018
## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Notes</th>
<th>Shareholders' equity</th>
<th>Unaudited 30 June 2018 £000's</th>
<th>Unaudited 30 June 2017 £000's</th>
<th>Audited 31 December 2017 £000's</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Share capital</td>
<td>2,554</td>
<td>47,233</td>
<td>237</td>
</tr>
<tr>
<td></td>
<td>Share premium</td>
<td>35,115</td>
<td>1,802</td>
<td>16,711</td>
</tr>
<tr>
<td></td>
<td>Capital reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Equity investment reserve</td>
<td>-</td>
<td>(4,669)</td>
<td>(4,669)</td>
</tr>
<tr>
<td></td>
<td>Retained earnings</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Foreign exchange and capital reserve</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1,802</td>
<td>16,711</td>
<td>(3,875)</td>
</tr>
<tr>
<td></td>
<td>Non-controlling interests</td>
<td>(4,669)</td>
<td>(4,669)</td>
<td>(488)</td>
</tr>
<tr>
<td></td>
<td>Total equity</td>
<td>14,745</td>
<td>15,075</td>
<td>10,798</td>
</tr>
</tbody>
</table>

* Fair value through other comprehensive income

---

### Assets

#### Non-current assets
- Property, plant and equipment: £795
- Equity investments classified as FVTOCI*: £6,607
- Derivative financial assets: £69
- Other receivables: £68

#### Total non-current assets: £7,471

#### Current assets
- Inventories: £331
- Trade and other receivables: £1,057
- Cash and cash equivalents: £7,068

#### Total current assets: £8,456

#### Total assets: £15,927

### Liabilities

#### Current liabilities
- Trade and other payables: £(978)
- Loans and borrowings: £(134)

#### Total current liabilities: £(1,112)

#### Non-current liabilities
- Loans and borrowings: £(70)

#### Total non-current liabilities: £(70)

#### Total liabilities: £(1,182)

#### Net assets: £14,745

### Issued capital and reserves

#### Attributable to the parent
- Called up share capital: 6
- Share premium account: £58,006
- Capital reserve account: £237
- Equity investment reserve: £3,795
- Foreign exchange and capital reserve: £1,253
- Retained earnings: £(47,255)

#### Equity attributable to the owners of the parent: £19,964

#### Non-controlling interests: £(5,219)

#### Total equity: £14,745

---

* Fair value through other comprehensive income
### Other comprehensive income – foreign exchange differences

<table>
<thead>
<tr>
<th></th>
<th>30 June 2017</th>
<th>31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital issued</td>
<td>898</td>
<td>3,452</td>
</tr>
<tr>
<td>Cost of share capital issue</td>
<td>(579)</td>
<td>3,795</td>
</tr>
<tr>
<td>Issue of shares to a non-controlling interest</td>
<td>3</td>
<td>3,795</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>109</td>
<td>3,795</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td><strong>(4,669)</strong></td>
<td><strong>3,795</strong></td>
</tr>
</tbody>
</table>

### Share capital issued

<table>
<thead>
<tr>
<th></th>
<th>30 June 2017</th>
<th>31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue of Shares to a non-controlling interest</td>
<td>2</td>
<td>3,795</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>109</td>
<td>3,795</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td><strong>(3,659)</strong></td>
<td><strong>3,795</strong></td>
</tr>
</tbody>
</table>

### Change on initial application of IFRS 9 Financial Instruments (see note 1)

<table>
<thead>
<tr>
<th></th>
<th>30 June 2017</th>
<th>31 December 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2018 (as restated)</td>
<td>3,452</td>
<td>3,452</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>(3,659)</td>
<td>(4,078)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign exchange differences</td>
<td>190</td>
<td>190</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td><strong>(4,078)</strong></td>
<td><strong>3,795</strong></td>
</tr>
</tbody>
</table>

### CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2018
### Cash flows from operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss after income tax</td>
<td>(4,595)</td>
<td>(5,157)</td>
<td>(9,378)</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation of property, plant and equipment</td>
<td>123</td>
<td>107</td>
<td>221</td>
</tr>
<tr>
<td>Loss on disposal of property, plant and equipment</td>
<td>-</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Share of loss of associate</td>
<td>-</td>
<td>46</td>
<td>45</td>
</tr>
<tr>
<td>Gain on sale of associate</td>
<td>-</td>
<td>(1,061)</td>
<td>(1,026)</td>
</tr>
<tr>
<td>Provision against recoverability of loan</td>
<td>(40)</td>
<td>312</td>
<td>306</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>43</td>
<td>109</td>
<td>208</td>
</tr>
<tr>
<td>Bad debt recovered</td>
<td>-</td>
<td>(36)</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange (loss) / gain</td>
<td>-</td>
<td>-</td>
<td>103</td>
</tr>
<tr>
<td>Finance income</td>
<td>(22)</td>
<td>(23)</td>
<td>(43)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>6</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Income Tax</td>
<td>(22)</td>
<td>(126)</td>
<td>(202)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(4,507)</td>
<td>(5,822)</td>
<td>(9,755)</td>
</tr>
</tbody>
</table>

### Changes in working capital

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease in trade and other receivables</td>
<td>37</td>
<td>229</td>
<td>308</td>
</tr>
<tr>
<td>Increase / (decrease) in trade and other payables</td>
<td>186</td>
<td>(925)</td>
<td>(1,158)</td>
</tr>
<tr>
<td>Increase in inventories</td>
<td>(232)</td>
<td>(7)</td>
<td>(87)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(4,516)</td>
<td>(6,525)</td>
<td>(10,692)</td>
</tr>
</tbody>
</table>

### Net cash used in operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>(4,470)</td>
<td>(6,571)</td>
<td>(10,621)</td>
</tr>
</tbody>
</table>

### Cash flows from investing activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of investments</td>
<td>-</td>
<td>1,351</td>
<td>1,477</td>
</tr>
<tr>
<td>Costs on sale of associate</td>
<td>-</td>
<td>-</td>
<td>(167)</td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(13)</td>
<td>(300)</td>
<td>(399)</td>
</tr>
<tr>
<td>Proceeds from sale of property, plant and equipment</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Interest received</td>
<td>10</td>
<td>7</td>
<td>21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(3)</td>
<td>1,060</td>
<td>934</td>
</tr>
</tbody>
</table>

### Net cash (used in) / from in investing activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>(3)</td>
<td>1,060</td>
<td>934</td>
</tr>
</tbody>
</table>

### Cash flows from financing activities

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repayment of loan</td>
<td>-</td>
<td>(10)</td>
<td>(20)</td>
</tr>
<tr>
<td>Repayment of loan advanced</td>
<td>-</td>
<td>36</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds on change in subsidiary shareholding</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Proceeds from share issue</td>
<td>5,000</td>
<td>8,083</td>
<td>8,083</td>
</tr>
<tr>
<td>Share issue cost</td>
<td>(357)</td>
<td>(579)</td>
<td>(579)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,643</td>
<td>7,532</td>
<td>7,486</td>
</tr>
</tbody>
</table>

### Increase / (decrease) in cash and cash equivalents

<table>
<thead>
<tr>
<th>Description</th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase / (decrease) in cash and cash equivalents</td>
<td>170</td>
<td>2,021</td>
<td>(2,201)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of the period</td>
<td>6,868</td>
<td>9,456</td>
<td>9,456</td>
</tr>
<tr>
<td>Exchange differences on cash and cash equivalents</td>
<td>30</td>
<td>(166)</td>
<td>(387)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,068</td>
<td>11,311</td>
<td>6,868</td>
</tr>
</tbody>
</table>

### NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2018

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 2018 and in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRSs) as endorsed by the European Union.

The financial information for the year ended 31 December 2017 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for the year ended 31 December 2017 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 2017 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 Group and parent company are subject to a number of risks that are characteristic of IP commercialisation and early-stage healthcare companies due to the probabilistic nature of the industry. These risks include, amongst others, uncertainties inherent to R&D, trials, and regulatory approvals of pipeline assets. Ultimately, the attainment of a successful IP commercialisation model and the future viability of the Group are contingent on future uncertain events such as the ability to obtain adequate financing to conduct the Group’s R&D and commercial activities, and the ability to successfully dispose of current subsidiary companies to obtain capital to support further development of pipeline assets and achieve a level of funding that is adequate to support the Group’s cost structure and finance operations. The Group’s failure to raise capital as and when needed could have a negative impact on its financial condition and ability to pursue its business strategies.

The Group has historically experienced net losses and significant cash outflows from cash used in operating activities, which reflect the development and early commercialisation stage of the portfolio. As at 30 June 2018, the Group had total equity of £20.0m, which included an accumulated deficit of £47.3m. The Group incurred a net loss for the 6 months to 30 June 2018 of £4.6m, and used cash in operating activities of £4.5m for the same period. As at 30 June 2018, the Group had cash and cash equivalents of £7.1m.

The Directors have prepared cash flow forecasts and considered the cash flow requirement for the Group for the next 15 months. These forecasts show that to continue funding new development, further financing is likely to be required over the course of the next 12 months, assuming, inter alia, that all portfolio company development programmes and future financings continue as currently planned. This requirement for additional financing represents a material uncertainty that may cast significant doubt upon the Group’s and parent company’s ability to continue as a going concern.

If the Directors conclude that such financing is unlikely to be available within the required timeframe, options available to the company include selling one or more of the portfolio companies and delaying expenditure, particularly in respect of the development programmes, thereby extending the cash runway beyond the period of twelve months from the date of approval of these financial statements. Therefore, after considering the uncertainties, the Directors consider it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

Change in accounting policies

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2017 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for period beginning on (or after) 1 January 2018 and will be adopted in the 2018 annual financial statements. New standards impacting the Group that will be adopted in the annual financial statements for the year ended 31 December 2018, and which have given rise to changes in the Group’s accounting policies are:

- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

Details of the impact these standards have had are given below. Other new and amended standards and interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Group as they are either not relevant to the Group’s activities or require accounting that is consistent with the Group’s current accounting policies.

IFRS 9 Financial Instruments

IFRS 9 has replaced IAS 39 Financial Instruments: Recognition and Measurement, and has had a significant effect on the Group in the following areas:

Equity investments classified as available for sale financial assets under IAS 39 Financial Instruments: Recognition and
Measurement have been classified as being at Fair Value through Other Comprehensive Income (FVTOCI) under IFRS 9. All fair value gains in respect of those assets are recognised in other comprehensive income and accumulated in the equity investment reserve, and these are not recycled to profit or loss. Previously, under IAS 39, impairments of such assets were recognised in profit or loss, and gains and losses accumulated in reserves were recycled to profit or loss on disposal. There have been no historic impairments which need transferring to the equity investment reserve.

Historically, the equity investments were reported at cost as they were not quoted in an active market and that there was a significant range of possible fair value estimates and the possibilities of the various estimates could not be reliably measured. Upon transition to IFRS 9, the fair value gain of £3,795k has been attributed to the effective date of transition and presented in the statement of changes in equity.

The impairment provision on financial assets measured at amortised costs (such as trade and other receivables) have been reviewed in accordance with IFRS 9’s expected loss model. There is no material increase in provision which would result in an adjustment to be raised upon transition.

The group has chosen not to restate comparatives on the adoption of IFRS 9 and, therefore, the change on equity investments has been processed at the date of initial application (i.e. 1 January 2018), and presented in the statement of changes in equity for the 6 months to 30 June 2018. The Group’s opening retained earnings increased by £3,795k due to transition to IFRS 9, all of which is due to new rules for classification and measurement.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 has replaced IAS 18 Revenue and IAS 11 Construction Contracts as well as various interpretations previously issued by the IFRS Interpretations Committee.

A portion of the Group’s revenue is derived from service provision, but the contracts stipulate the work in clearly defined sub projects. The service revenue is immaterial and point of recognition did not change under IFRS 15.

2. MERGER AND ACQUISITION COSTS

The group incurred transaction fees of £524k payable to lawyers and brokers from exploring a potential M&A opportunity.

3. SEGMENTAL REPORTING

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, for which separate financial information is available and whose operating results are evaluated by the Chief Operating Decision Maker to assess performance and determine the allocation of resources. The Chief Operating Decision Maker has been identified as the Board of Directors.

The Directors are of the opinion that, whilst each subsidiary (the operations of which are described in the Joint Chairman’s and Chief Executive Officer’s Report) meets the definition of an operating segment, they can be aggregated into one single reportable segment as they share similar economic characteristics. Each subsidiary is engaged in the development of intellectual property and are largely pre-revenue. The Board of Directors assess the performance of the operating segment using financial information which is measured and presented in a manner consistent with that in the financial statements.

4. 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 2018 of 4,122,651 (30 June 2017: 3,672,651; 31 December 2017: 3,647,358) are not treated as dilutive as the group is loss making.

<table>
<thead>
<tr>
<th></th>
<th>Unaudited Six months ended 30 June 2018 £000’s</th>
<th>Unaudited Six months ended 30 June 2017 £000’s</th>
<th>Audited Year ended 31 December 2017 £000’s</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. **EQUITY INVESTMENTS CLASSIFIED AS FVTOCI**

Represents unquoted equity securities

<table>
<thead>
<tr>
<th></th>
<th>Unaudited</th>
<th>Unaudited</th>
<th>Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Six months</td>
<td>Six months</td>
<td>Year ended</td>
</tr>
<tr>
<td></td>
<td>ended 30 June</td>
<td>ended 30 June</td>
<td>31 December</td>
</tr>
<tr>
<td></td>
<td>£000’s</td>
<td>£000’s</td>
<td>£000’s</td>
</tr>
<tr>
<td>Opening balance under IAS 39</td>
<td>2,863</td>
<td>2,863</td>
<td>2,863</td>
</tr>
<tr>
<td>Change in fair value on initial application of IFRS 9</td>
<td>3,744</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bought forward</td>
<td>6,607</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>At end of period</strong></td>
<td><strong>6,607</strong></td>
<td><strong>2,863</strong></td>
<td><strong>2,863</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name</th>
<th>Country of</th>
<th>% of issued share capital</th>
<th>Currency denomination</th>
<th>£000’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDS Biotechnology Corporation</td>
<td>USA</td>
<td>17.1%</td>
<td>US$</td>
<td>6,231</td>
</tr>
<tr>
<td>CytoVale, Inc.</td>
<td>USA</td>
<td>1.63%</td>
<td>US$</td>
<td>376</td>
</tr>
</tbody>
</table>

The shares in the above investments are not quoted in an active market. The fair value of unlisted securities held by NetScientific has been established using the price of recent investment by a third party. For both companies the transactions on which the fair value has been based occurred during the interim period and represented a consistent valuation per share.

Of the £3,744k increase in fair value, £3,518k is represented by PDS. Between February and August 2018, PDS raised $1,150k over a number of separate share issues and at the same valuation per share. The fundraise was restricted to a small group of sophisticated investors. If the fair value of the equity investment were to decrease by 50%, the net assets figure would decrease by £3,115k with a corresponding increase if the inputs were to increase by 50%.

6. **CALLED UP SHARE CAPITAL**

The company issued and admitted an additional 9,523,809 shares of 5p each on the 17th April 2018.

7. **TRANSITION TO IFRS 9**

The table below shows reclassification of assets and liabilities due to the transition to IFRS 9 and the initial effect on equity at 1 January 2018. Further information concerning this transition can be found in note 1.
8. RELATED PARTY DISCLOSURES

An interest free loan of £10k has been extended to Francois Martelet, the Chief Executive Officer of the Group.

Except as noted above, there are no additional related party transactions that could have a material effect on the financial position or performance of the Group and of the Company during this financial period under review.

INDEPENDENT REVIEW REPORT TO NETSCIENTIFIC PLC
FOR THE SIX MONTHS ENDED 30 JUNE 2018

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 2018 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 8.

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 report, 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 to 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 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.

Material uncertainty related to going concern
We draw attention to Note 1 to the interim financial information, which indicates that the group and parent are likely to require further financing in the next 12 months which has yet to be agreed. As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group and parent company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 2018 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

27 September 2018

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

COMPANY INFORMATION

DIRECTORS: Sir R Sykes
F R Martelet M.D.
I Postlethwaite
B W Wilson
S Smith

SECRETARY: I Postlethwaite

REGISTERED OFFICE: Anglo House,
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

REGISTERED NUMBER: 08026888 (England and Wales)
AUDITORS: BDO LLP
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Hampshire
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