ANGLE plc

Building on a leading position in the liquid biopsy market

Annual Report and Accounts
31 December 2019

Who we are:

ANGLE plc is a commercially driven medical diagnostic company specialising in the development of pioneering products in cancer diagnostics.

ANGLE's Parsortix® system has the potential to deliver profound improvements in clinical and health economic outcomes in the treatment and diagnosis of cancer.

Our purpose
To revolutionise cancer diagnosis and treatment

Mission
To enable personalised cancer care by providing the complete picture of the patient's cancer from a simple blood test

Vision
To make precision medicine a reality

Visit our website for more information at:
www.angleplc.com

@parsortix ANGLEplc *angleplcParsortix*

The Annual Report and Accounts may contain forward-looking statements. These statements reflect the Board's current view, are subject to a number of material risks and uncertainties and could change in the future. Factors that could cause or contribute to such changes include, but are not limited to, the impact of the COVID-19 pandemic, the general economic climate and market conditions, as well as specific factors including the success of the Group's research and development activities, commercialisation strategies, the uncertainties related to clinical study outcomes and regulatory clearance, obtaining reimbursement and payor coverage, getting into national guidelines and the acceptance of the Group's products by customers.

At a glance

Liquid biopsy improving patient outcomes and reducing healthcare costs

The Parsortix system captures circulating tumour cells (CTCs) which cause cancer metastasis and harvests them for analysis.

Tissue biopsy is the current standard of care but has many shortcomings (see over) and is challenged by:

1) the frequent lack of tissue availability
2) tumour heterogeneity and
3) the dynamic nature of the cancer response to treatment.

Obtaining cancer tissue for analysis

Solid tissue biopsy

Tumour tissue is cut out from the cancer site through an **invasive** procedure

Liquid biopsy

Cancer tissue is obtained from **a simple blood test**

Tissue samples
Tissue is specially prepared so sections can be examined – usually formalin-fixed paraffin-embedded (FFPE) samples

Read more about the **tissue biopsy shortcomings** overleaf

CTCs
Living cancer cells shed from a tumour into the bloodstream in the process of metastasis

Read more about the **benefits of CTCs** overleaf

Circulating tumour DNA (ctDNA)
DNA *from fragments* of **dead** cells shed into the bloodstream can contain cancer-related mutations

Benefits of Parsortix CTC solution

		Solid tissue biopsy		Liquid biopsy	
Source		**Primary tumour**	**Metastatic site**	**CTCs[1]**	**ctDNA[2]**
Sample type		Intact cells	Intact cells	Intact cells	Fragmented DNA
Procedure		Invasive	Invasive	Non-invasive[3]	Non-invasive[3]
Sample accessibility		Not always accessible	Less accessible	**Accessible using Parsortix[4]**	Accessible
Tumour heterogeneity		Site of biopsy sampling	Site of biopsy sampling	Multi-site sampling	Multi-site sampling
Patient recovery time		Varies	Longer	None	None
Test costs		Varies	Higher	Lower	Lower
Test turnaround time		Varies	Longer	Shorter	Shorter
Longitudinal monitoring[5]		Difficult	Very difficult	Easy	Easy
Molecular analysis	DNA	Yes	Yes	Yes	Yes
	RNA	Yes	Yes	Yes	Difficult
	Protein	Yes	Yes	Yes	No
Live cells	Cell culture	Yes	Yes	Yes	No
	Xenograft	Yes	Yes	Yes	No
Standard of care		Proven	Proven	Not yet proven	Not yet proven

1 CTCs (circulating tumour cells) are live cancer cells circulating in the blood
2 ctDNA is cell-free circulating tumour fragments of DNA from dead cells, which may be found in the plasma component of the blood
3 Tissue obtained from simple peripheral blood test
4 Access to CTCs from blood is technically challenging given the low number of CTCs present and historically has been very difficult. ANGLE's Parsortix system has been specially designed to address this issue
5 Solid tissue biopsy information is a one-time snapshot and rapidly becomes outdated and does not reflect response to treatment and current mutational status. Liquid biopsy information is dynamic as tests can be repeated to provide real time information to monitor changes over time

The problem:

The challenge

What is cancer?

Cancer is a disease in which abnormal cells divide without control and can invade nearby tissues.

Cancer starts when gene changes make one cell or a few cells begin to grow and multiply. This may cause a growth called a tumour.

How cancer spreads

The main reason that cancer is so serious is its ability to spread in the body. Cancer cells can spread locally by moving into nearby normal tissue or spread regionally, to nearby lymph nodes, tissues, or organs. It can also spread to distant parts of the body via the blood circulation. When this happens, it is called **metastatic cancer.**

The process by which cancer cells spread to other parts of the body is called **metastasis.**

How many people are affected?

50%

Of the population will suffer from cancer[1]

27%

The number of new cancer diagnoses in the UK per year is increasing, and has risen by more than 27% since 2001[3]

200

There are more than 200 different types of cancer[1]

Why is metastasis so serious?

90%

Metastasis causes >90% of cancer deaths[2]

The "stage" of cancer at diagnosis is extremely important to survival. Cancer staging is a way of describing the size of a cancer and how far it has spread and is important in helping determine treatment. If the cancer is "early" stage and just in one place then a local treatment, such as surgery or radiotherapy may be sufficient treatment. If the cancer is "later" stage and has spread through the body to other organs (metastasis) then treatment is needed that also circulates throughout the whole body such as chemotherapy, hormone therapy or targeted cancer drugs: once cancer spreads it can be hard to control. Some types of metastatic cancer can be driven into remission with treatment but most cannot.

There is also a huge variation in survival between cancer types. Some cancers have screening programmes or more obvious symptoms and can be detected earlier (e.g. breast, colorectal, cervical, skin) and others may have mostly slow growing cancers which may remain early stage (e.g. prostate) and therefore have higher survival rates. Other cancers may have no obvious symptoms and/or are aggressive and may be detected late once they have already spread (e.g. brain, ovarian, pancreatic) and therefore have lower survival rates.

1 www.cancerresearchuk.org/about-cancer/what-is-cancer
2 www.ncbi.nlm.nih.gov/pmc/articles/PMC3597235/
3 www.macmillan.org.uk/_images/cancer-statistics-factsheet_tcm9-260514.pdf

What are the challenges to treatment?

During cancer treatment, particularly of secondary (metastatic) cancer disease, there are many challenges which can arise leaving both physicians and patients with unanswered questions such as:

1 How do we know which drug will work most effectively for a patient?

2 How can we track whether drugs are in fact working and having a positive impact?

3 How do we monitor patients in remission to assess any risk of the disease returning?

Tissue biopsy shortcomings

The standard test for cancer cells is to undertake a **solid tissue biopsy.** This approach has many shortcomings compared to a **liquid biopsy:**

Expensive to perform and requires a lot of hospital resources

Requires **invasive** surgery and can cause adverse reactions

Patients experience a longer **recovery** time which may **delay** treatment

Frequent **lack of tissue** availability from **difficulty** in accessing some tumours (pancreatic, lung, brain, liver and bone cancers)

Difficult to repeat so missing the dynamic nature of cancer response to treatment

Only samples **one site** and does not fully reflect tumour heterogeneity

The solution:

Parsortix system

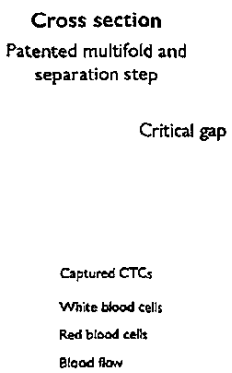
The Parsortix system

The Parsortix system from ANGLE uses a patented microfluidic technology in the form of a one-time use cassette to capture and then harvest circulating tumour cells (CTCs) from blood.

The cassette captures CTCs based on their less deformable nature and larger size compared to other blood components.

A closer look at the cassette

CTCs are caught on a step that "folds over" in a microscope slide sized cassette.



Able to capture one CTC in a billion blood cells.

The benefits of CTCs

A simple peripheral blood test can be used to provide crucial medical information regarding a patient's disease.

- ✓ CTCs enable the **complete picture** of the cancer to be understood as they are viable, intact whole cells allowing DNA, RNA and protein analysis as well as culturing.
- ✓ CTCs are **biologically specific** – they cannot be present unless the patient has cancer.
- ✓ By **analysing** CTCs you can identify the characteristics of the cancer to better determine which drugs will be more effective.
- ✓ By looking at the **number** of CTCs and how this changes over time, you can predict survival rates for patients and monitor how well the treatment is progressing.
- ✓ A simple blood test **monitoring** the levels of CTCs for patients in remission may act as an early warning system of a relapse, well ahead of symptoms, allowing earlier treatment with consequent better likelihood of success.

Competitive differentiation

Unlike many other CTC systems, the Parsortix system is applicable for **all solid tumour cancers**. Parsortix can be used without modification and to date has been shown to work with **23 different cancer types**.

Technology	Simple and flexible process	Low cost	Captures all types of cancer	Captures mesenchymal CTCs involved in metastasis	Easily harvest for cell analysis	High purity of harvest	Cell viability (alive)	CTC clusters
Parsortix microfluidic step	✓	✓	✓	✓	✓	✓	✓	✓
Antibody-based systems	×	×	×	×	×	×	×	×
Membrane-based systems	✓	✓	✓	✓	×	×	× ✓	×
Field Flow Fractionation systems	✓	✓	✓	✓	×	×	× ✓	×

The Parsortix system has a unique *combination of features making it* suitable for routine clinical analysis of patient blood samples.

Ged Brady
Cancer Research UK Manchester Institute of Technology

How it works:

Capture, harvest and analysis of CTCs

ANGLE owns both a CTC harvesting technology (Parsortix®) and a downstream molecular analysis technology (HyCEAD™ Ziplex®) to interrogate the harvested CTCs.

ANGLE has well-differentiated patent-protected products. Both systems have proprietary consumables, which provide a "razor blade" approach to commercialisation.

ANGLE's proprietary technologies can be combined to provide automated, **sample-to-answer** results in both centralised laboratory and point-of-use cartridge formats.

Automated process requiring minimum user intervention

1 **Blood collection**

100µl-50ml of whole blood. No pre-processing required.

2 **Cell capture**

Blood is pumped through the one-time use cassette. CTCs are captured in the cassette.

3a **Cell identification in cassette**

Staining reagents can be pumped through the cassette to allow in-cassette identification and enumeration of CTCs.

3b **Cell harvest**

CTCs can be harvested in <200µl buffer for identification use in multiple downstream analysis techniques.

Downstream analysis

4a Widely available techniques

The cells harvested by the Parsortix system can be analysed using existing techniques already established for tissue biopsy, including:

- Cytopathology
- Immunofluorescence
- FISH
- PCR
- NGS

4b Proprietary HyCEAD Ziplex system

The HyCEAD Ziplex system is a medium-density microarray platform designed for routine and focused multiplex analysis of DNA, RNA or protein biomarkers.

Advantages
Unlike expensive, high-density microarray systems that overwhelm researchers with large amounts of unnecessary data, the HyCEAD Ziplex system uses a highly reproducible, lower density array to provide expression information on specific genetic or protein biomarker signatures. It uniquely combines three separate automated functions (hybridisation/protein binding, washing/labelling and imaging) into a single benchtop instrument providing researchers with a highly flexible platform that is fast, simple to use and cost effective.

Performance
The HyCEAD Ziplex system was shown to offer key advantages over other technologies available on the market including high sensitivity, enabling successful use on only a small number of cancer cells amongst a larger background population of blood cells and the ability to multiplex a large number (>100) of gene expression analyses in a single reaction.

HyCEAD Ziplex at a glance

Benchtop laboratory platform designed for routine and focused multiplex analysis of DNA, RNA and protein biomarkers.

- Low cost
- Highly multiplexed
- Rapid and sensitive capture of targets from high variety of sample types

HyCEAD chemistry

>100

Enables simultaneous measurement of more than 100 genes in a single reaction

>500

Rapid content creation for new applications of more than 500 target genes to date

To watch our video visit:

www.angleplc.com/parsortix technology/introduction/

The potential:

Seeking first ever FDA clearance for a device to harvest cancer cells from patient blood for subsequent analysis

ANGLE is focused on commercialising its liquid biopsy system which has the potential to transform cancer diagnosis and treatment.

Unique patented microfluid approach: strongly differentiated from competition.

Two 200 patient studies in ovarian cancer completed with best in class 95.1% accuracy

200 patient clinical verification study in process

Read more on pages 06 and 07

Emerging multi-$billion market

Read more on page 02

Positive results from 400 subject FDA clinical study

Read more on pages 08 and 09

200

400

$100bn

26

Parsortix world-leading liquid biopsy system

93,000

Leading independent cancer centres have delivered 26 peer-reviewed publications

Read more on page 10

>93,000 blood samples processed

Read more on page 10

23

200

Shown to work with 23 different *cancer types to date*

c.200 instruments in active use

Contents

Market opportunity

A major opportunity in an emerging and growing market

The liquid biopsy market is estimated to be in excess of US$100 billion p.a.

Source: Frost & Sullivan November 2018: United States only

Market drivers

Key drivers of cancer incidence

- Increasing average life span
- Smoking, poor diet, obesity and alcohol
- Over exposure to sun
- Lack of exercise
- Exposure to carcinogens
- Infections and HIV
- Hormones and inherited genes

Key drivers of cancer diagnostics market

- Shift towards precision medicine need for companion diagnostics
- Health economics – reduced costs
- Early detection (screening)
- Therapy selection, treatment monitoring and remission monitoring

Precision medicine

With advancements in genomics and clinical information, a **paradigm shift has begun** from "one drug fits all" towards **"precision medicine" – the right drug for the right patient at the right time.**

Key drivers

- Each patient's cancer is different
- Each patient's cancer changes over time
- Effective treatment requires personalised care

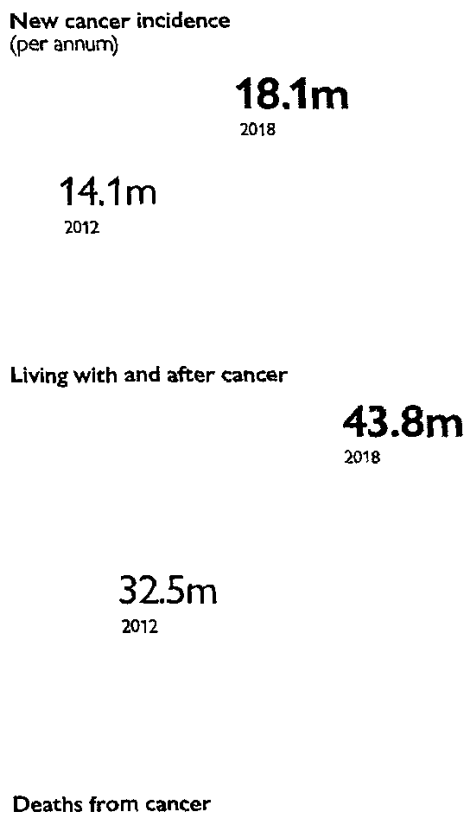
>1 in 3

People (1 in 2 for developed countries) will get cancer[1]

27.5m p.a.

Estimated rise in cancer cases within the next two decades[1]

Global burden of cancer



1 Source: International Agency for Research on Cancer (Globocan 2018)

ANGLE's focus

Current		Medium term		Longer term
Detection of cancer in high *risk groups*	Therapy selection	Assessing treatment	Remission monitoring	Screening for early cancer
Ovarian pelvic mass	Breast HER-2 Abbott Prostate AR-V7 Qiagen	Assessing minimal residual disease	Repeat testing to ensure CTCs not present	Need to assess aggressiveness and avoid false positives

FDA clearance a major validation opening up commercial pathway

Prospect of ***first ever*** *FDA clearance for harvesting cancer cells* from blood for analysis. Expected to accelerate sales and deals.

- Existing **research use sales** to leading translational researchers will expand with new product development and sample-to-answer solutions.
- Expansion into research use sales for **pharma** services in drug trials.

£6bn p.a. estimated global market for existing Parsortix applications in metastatic breast cancer, ovarian cancer and prostate cancer[1].

- **Service-led strategy** in LDT (laboratory developed test) market.
- **Product-led strategy** for clinical sales of Parsortix instruments and consumables direct to hospitals.

Research	Pharma	LDTs	Clinical products
Leveraged R&D model	Large-scale research use sales for drug trials	Laboratory developed tests in a service laboratory	Product sales worldwide to hospitals
Proof-of-concept studies provide evidence and drive new applications	Culturing CTCs for drug testing	Accelerator and demonstrator	
	Companion diagnostics		
	Biomarkers PD-L1	Ovarian	Metastatic breast

Market accessible on multiple fronts with Parsortix product-based solution

1 Source: Company estimate

Strategy
A clear path to success

ANGLE has a four-pronged strategy for achieving widespread adoption of its Parsortix system in the emerging multi-$billion liquid biopsy market.

Our Strategy

Completion of rigorous large-scale **clinical studies** run by leading cancer centres, *demonstrating the effectiveness* of different applications of the system in cancer patient care.

Read more on pages 06 and 07

Clinical studies

Securing **regulatory approval** of the system with the emphasis on FDA clearance as the *de facto* global gold standard. ANGLE is seeking to be the **first company ever** to gain FDA clearance for a system which harvests CTCs from blood for subsequent analysis.

Read more on pages 08 and 09

Partnerships

Regulatory approval

Establishing **partnerships** with large healthcare companies for market deployment and development of multiple other clinical applications incorporating the Parsortix and/or HyCEAD Ziplex systems.

Read more on pages 12 and 13

Published evidence

Establishing a body of **published evidence** from leading cancer centres showing the effectiveness of the system through peer-reviewed publications, scientific data and clinical research evidence, highlighting a wide range of potential applications.

Read more on pages 10 and 11

Effective execution of the strategy has the potential to deliver significant financial returns for ANGLE's shareholders, profoundly improve the outcome for cancer patients, and reduce healthcare costs.

Andrew D W Newland
Chief Executive

Strong progress has been made in each of these areas

What we have achieved in the period	Building on previous achievements
Clinical studies – ovarian cancer	
Ovarian cancer **clinical verification study** established with leading US cancer centre. Pre-study phase completed successfully. 200 patient study initiated in August 2019. Following COVID-19 lock down delays, completion of study patient enrolment is expected by the end of CY20.	Successful US and European ovarian cancer results in two 200 patient studies. Lead study delivered **best in class 95.1% accuracy** in discriminating between benign and malignant pelvic masses, significantly out-performing standard of care. Extensive optimisation of the HyCEAD Ziplex molecular analysis platform successfully completed, demonstrating exceptionally high sensitivity.
Regulatory approval – metastatic breast cancer	
FDA clinical study enrolment of 400 subjects completed with positive result for primary and exploratory objectives announced. FDA analytical studies making significant progress. **Q-Submission process with FDA completed.** Following COVID-19 lock down delays, final analytical studies in progress with prospect of making FDA submission in Q3 CY20.	FDA clinical study in metastatic breast cancer with four leading US cancer centres enrolling 400 subjects. FDA analytical study in progress. Ongoing dialogue with FDA.
Published evidence – leveraged R&D model	
Leading independent cancer centres have delivered a total of **26 peer-reviewed publications** as at 31 December 2019. There have been a further eight peer-reviewed publications since the period end. **23 separate cancer centres** have published uniformly positive results on their use of the Parsortix system.	Total of 14 peer-reviewed publications at 31 December 2018.
Partnerships – leveraged partnership model	
Discussions progressing with multiple partners which we expect to accelerate once FDA clearance for the system is achieved. Progress with Abbott on combining Parsortix and PathVysion and enabling an Abbott liquid biopsy solution. Philips collaborative research project making progress.	Collaborative agreements signed with three leading global healthcare companies: Abbott, Philips and QIAGEN. QIAGEN protocol work undertaken and a joint poster and joint marketing material developed.

Strategic aims in action

Clinical studies

Ovarian cancer clinical application – abnormal pelvic mass triage test

ANGLE's Parsortix and HyCEAD Ziplex systems are being developed to triage women having surgery for an abnormal pelvic mass to identify those with ovarian cancer.

Extensive optimisation of the HyCEAD Ziplex system and its combination with Parsortix was successfully completed.

A detailed market review was completed to identify key user requirements for the test. Testing of the modified and further optimised platforms has been successfully completed and the performance of the improvements **confirmed in a pre-study.**

A 200 patient clinical verification study is in progress with the University of Rochester Medical Center Wilmot Cancer Institute. Completion of the patient enrolment is expected by end CY20.

Once the new performance data is available, ANGLE intends to establish this test as a Laboratory Developed Test in-house and/or with third-party laboratories.

The test has the potential to significantly improve patient outcomes whilst at the same time reduce overall healthcare costs.

ANGLE's Pelvic Mass Triage test achieved higher sensitivity and specificity than any other test for the same indication.

The **best in class** performance of the combined Parsortix and HyCEAD Ziplex systems used in the US study demonstrates the capability to **out-perform** current approaches for the detection of ovarian cancer.

The next generation ANGLE Pelvic Mass Triage test has the ability to out-perform current clinical practice in accurately discriminating malignant from benign pelvic masses prior to biopsy or surgery. The improved accuracy of the test results in a high level of sensitivity as well as a substantial reduction in false positives.

Dr. Richard Moore
Director of the Gynecologic Oncology Division, University of Rochester Medical Center Wilmott Cancer Institute

2x200
patient studies in Europe and the US completed and reported positively

95.1%
correct prediction of cancer with a best in class accuracy (area under the curve) for the predictive assay

US$1bn
p.a. estimated market potential for Parsortix in ovarian cancer[1]

5-10%
of women will develop a pelvic mass requiring surgery at some point in their lives[2]

c.750k
women p.a. with an abnormal pelvic mass in US market alone

295k
women diagnosed with ovarian cancer globally in 2018[3]

Survival rates
90% at stage 1[4]
3.5% at stage IV[4]

1 Company estimate
2 www.contemporaryobgyn.net/view/pelvic-mass-workup
3 International Agency for Research on Cancer (Globocan 2018)
4 www.cancerresearchuk.org/health-professional/cancer-statistics/statistics-by-cancer-type/ovarian-cancer

Strategic aims in action

Regulatory approval

FDA clearance in metastatic breast cancer

Metastasis is responsible for the vast majority of breast cancer related deaths.

During the period the FDA clinical study (Study) reported positive results that the Study had achieved its primary objective to demonstrate the ability of the Parsortix system to capture and harvest cancer cells from the blood of a significant proportion of metastatic breast cancer patients.

The Study has also achieved its exploratory goals by demonstrating that the cells harvested from patient blood could be interrogated using different subsequent analysis techniques.

Considerable progress has been made on the analytical studies and the work is ongoing.

ANGLE made a substantial Q-Submission (a "pre-submission used to request formal comments from FDA on key questions) to FDA, to reduce the risk that the full De Novo submission might be rejected, and held a meeting with FDA in January 2020.

Work is expected to be completed to allow submission to FDA in Q3 CY20 offering the prospect of FDA clearance in CY21. The timing of FDA regulatory clearance is dependent on FDA's review and response to our submission.

For more information on our work for breast cancer, go to our website at:

www.angleplc.com/translational-research/womens-health/breast-cancer/

What is FDA?

FDA is the United States agency responsible for the regulatory clearance process for clinical applications (treating patients).

Why is it important?

FDA clearance allows a product to be sold for diagnosis of disease in patients in the United States. It is also seen as a *de facto* gold standard for performance worldwide.

What are the benefits?

Securing FDA clearance will allow ANGLE to sell Parsortix for treating patients in the United States. It will also greatly facilitate sales into pharmaceutical drug trials directly and with contract research organisations.

ANGLE is seeking to become the **first ever** company to receive FDA Class II clearance for a product for harvesting intact CTCs from patient blood for subsequent analysis.

US regulatory clearance by FDA is considered the global standard for approval of medical devices and diagnostics. ANGLE believes that such clearance would provide ANGLE's Parsortix system with further competitive differentiation, which would **accelerate all forms of commercial adoption** of the system in both research and clinical settings.

ANGLE has sustained a high level of resources commitment on its effort to progress towards FDA clearance over several years. Four of the leading US cancer centres enrolled **400 subjects** for the **clinical studies including 200 metastatic breast cancer patients and 200 healthy volunteers**: University of Texas MD Anderson Cancer Center, University of Rochester Medical Center Wilmot Cancer Institute, University of Southern California Norris Comprehensive Cancer Center, and Robert H Lurie Comprehensive Cancer Center Northwestern University. The global healthcare company **Abbott** joined the Study, enabling us to use its proprietary PathVysion HER-2 DNA FISH Probe Kits. **Analytical studies** have and are being undertaken in-house to deal with key aspects such as 1) precision and reproducibility 2) limits of quantification and detection 3) accuracy and linearity and 4) interferences and carryover.

As a breast cancer surgeon, I am very enthusiastic about the potential of liquid biopsy. Our pilot data shows that potentially the same information can be obtained from a simple blood test using Parsortix as from an invasive tissue biopsy and indeed may be advantageous over invasive tissue biopsies in regards to the diverse sites of metastatic disease.

Julie E. Lang
Director, USC Breast Cancer Program, Associate Professor of Surgery, Norris Comprehensive Cancer Center, University of Southern California

4
leading US cancer centres enrolled patients for FDA clinical studies

400
subject study in the US completed and reported positively

US$2.4bn
p.a. estimated market potential for Parsortix in metastatic breast cancer[1]

2.1m
women diagnosed globally with breast cancer in 2018[2]

6.9m
women living with and after cancer[2]

20-30%
of people initially diagnosed at early stages will develop metastatic breast cancer[3]

1 Company estimate
2 International Agency for Research on Cancer (Globocan 2018)
3 www.mbcn.org/incidence-and-incidence-rates/

Strategic aims in action

Published evidence

Medical devices is an evidence led industry, and in addition to the clinical studies and regulatory studies described previously, peer-reviewed publications are a key performance metric.

Leveraged R&D model achieving more

ANGLE's product based approach means that we are able to deploy our system to leading cancer centres, as key opinion leaders and customers. ANGLE's **unique approach** to capturing and harvesting CTCs is enabling these translational researchers to undertake a wide range of research which shows the effectiveness of the system and is leading to new uses and applications for Parsortix as well as achieving **breakthrough research** in many areas due to the special attributes of the system. This is leading to an increasing number of posters and more importantly peer-reviewed publications.

Further, ANGLE is not funding customer work, and indeed the sale of instruments and cassettes is generating revenues. We refer to this as a **"leveraged R&D model"**, because significantly more R&D work is being undertaken than if we had to pay for this ourselves.

During the period, there were a **further six peer-reviewed publications** and numerous posters and presentations at leading conferences. Publications that have been released publicly are available at www.angleplc.com/library/publications/. **23 separate cancer centres** have published uniformly positive reports on their use of the Parsortix system. Leading independent cancer centres throughout Europe and North America using ANGLE's Parsortix system are also working on developments in **23 different cancer types.**

This deployment of Parsortix for research now means that the system is widely presented and discussed at leading cancer conferences around the world and, during the period, customers have developed ground breaking new research using the system.

New peer-reviewed publications

There were 26 peer-reviewed publications as at 31 December 2019 with six new publications announced during the eight month reporting period:

- the University Medical Center Hamburg-Eppendorf (UKE), demonstrating the use of Parsortix as a liquid biopsy to **investigate a key immunotherapy target in lung cancer**
- the Disseminated Cancer Cell Network (DCCNet), Duesseldorf, developing a **single cell analysis workflow for breast cancer**
- the Medical University of Vienna demonstrating the use of Parsortix for **neuroendocrine analysis** (corresponding to poor overall survival) in **small cell lung cancer**
- Queen Mary University of London's Barts Cancer Institute demonstrating the potential for Parsortix to be used to **avoid unnecessary biopsies in prostate cancer without missing clinically significant prostate cancer**
- the University of Birmingham publishing a review showing key benefits of Parsortix in **head and neck cancer**
- the University Medical Center Hamburg-Eppendorf (UKE), demonstrating Parsortix use in **prediction and monitoring of therapy responses for melanoma patients**

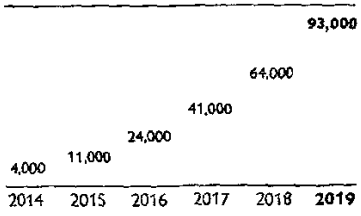
Since the period end there have been a further eight peer-reviewed publications.

Installed base

c.200

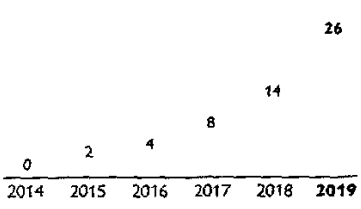
installed base of Parsortix systems in active use

Parsortix samples processed



Cumulative samples processed at 31 December

Peer-reviewed publications



Cumulative publications at 31 December

Some leading cancer centres we work with

Strategic aims in action

Partnerships

ANGLE has a strategy to partner with large-scale healthcare companies for market deployment and development of multiple other clinical applications incorporating our systems.

The Parsortix system is compatible with multiple existing downstream analysis techniques. In addition to the capture and harvest of CTCs the system can capture and harvest other rare cells such as fetal cells.

The HyCEAD Ziplex system can be employed with many other sample types, not just CTCs, and in many other sectors, not just cancer. The priority has been on optimising this to work in the ovarian cancer pelvic mass triage test which involves a panel of genes. HyCEAD Ziplex is being developed for other cancer panels including breast and prostate and with partners for the other areas.

Progressing partnerships with healthcare companies

Large-scale deployment of the Parsortix system across numerous cancer types and application areas requires ANGLE to partner with large, global healthcare companies to take advantage of their distribution and sales channels and economic resources.

Discussions are ongoing with companies in relevant fields: medtech companies, pharma companies, contract research organisations and reference laboratories (laboratories offering clinical tests). We expect to see our partnership programme accelerate on achieving FDA clearance for the system.

During the period, ANGLE has progressed its three key partnerships with large healthcare companies.

Abbott's proprietary PathVysion HER-2 DNA FISH Probe kits were utilised in ANGLE's **FDA clinical study** for FISH (fluorescence in situ hybridization) analysis of circulating tumour cells. The process of analysis using FISH was **successful** and ANGLE is pursuing commercial discussions with Abbott.

The collaborative research project with Philips to develop liquid biopsy solutions as part of a four-year European Union research grant funded programme progressed during the period. Philips has selected the Parsortix system as the only system to be used for harvesting CTCs within the programme. Breast and rectal cancers are being targeted.

During the period, the co-marketing agreement with QIAGEN progressed with a focus on the measurement of AR-V7 in prostate cancer. A **joint poster publication** was released at a leading international cancer conference and joint marketing material has been prepared. Next steps are currently being evaluated. The proposed acquisition of QIAGEN by Thermo Fisher Scientific offers some alternative opportunities.

Non-invasive prenatal testing (NIPT)

Previously, ANGLE completed a pilot study demonstrating that the Parsortix system could harvest fetal cells from the blood of pregnant women. The detection of fetal abnormalities by analysis of fetal cells as opposed to cell free fetal DNA (tiny fragments of dead cells) could greatly extend the applicability of the process while addressing key limitations in existing approaches.

The NIPT market is expected to reach US$1.0 billion in market size by 2022[1]. ANGLE plans to progress commercialisation of Parsortix in this market through commercial partnerships with one or more large healthcare companies. **Discussions are in progress with a number of such companies.**

1 www.zionmarketresearch.com/report/non-invasive-prenatal-testing-market

Abbott is the global market leader for FISH testing for HER-2 in solid tissue biopsies, a market estimated to be worth US$0.5 billion per annum in 2016 (source: Grand View Research).

There is now the potential for Abbott to offer a Parsortix-based product for HER-2 analysis from a routine blood test. Testing of CTCs for HER-2 could provide Abbott with a **repeat test** for HER-2 giving a 4x increase in use of their PathVysion test. Combining Parsortix and PathVysion could command much **higher reimbursement**, increasing margins as well as the potential for exclusivity in the repeat testing market.

Abbott is pleased to collaborate with ANGLE in this important evaluation of PathVysion in liquid biopsy specimens. The PathVysion HER-2 DNA FISH Probe kit is reliable and accurate in tissue biopsy samples and the Parsortix system may unlock the potential for PathVysion use in a simple blood test.

Kathryn B Becker
Franchise Director Oncology and Companion Diagnostics, Abbott

Parsortix harvested HER-2 stained cells.

Chairman's Statement

Progressing towards FDA clearance

Major progress was made during the period towards the completion of the clinical and analytical studies to support FDA clearance of the Company's Parsortix system in metastatic breast cancer.

Garth R Selvey
Chairman

Strategy

ANGLE has continued with its sustained focus on its four-pronged strategy for achieving widespread adoption of its Parsortix system in the emerging multi-billion dollar liquid biopsy market:

- Completion of rigorous large-scale clinical studies run by leading cancer centres, demonstrating the effectiveness of different applications of the system in cancer patient care
- Securing regulatory approval of the system with the emphasis on FDA clearance as the *de facto* global gold standard. ANGLE is seeking to be the first company ever to gain FDA clearance for a system which harvests circulating tumour cells (CTCs) from the blood of patients (initially metastatic breast cancer patients) for subsequent analysis
- Establishing a body of published evidence from leading cancer centres showing the utility of the system through peer-reviewed publications, scientific data and clinical research evidence, highlighting a wide range of potential applications
- Establishing partnerships with large healthcare companies for market deployment and development of multiple other clinical applications incorporating the Parsortix system.

ANGLE is in the process of establishing an independent accredited clinical laboratory that will have the capability of offering validated clinical tests. This clinical laboratory will be used as an accelerator and demonstrator in support of the Company's established plan for product sales of Parsortix instruments and cassettes.

Read more about our strategy on pages 04 to 13

During the period ANGLE progressed clinical and analytical studies to support a De Novo FDA submission for its Parsortix system for capturing and harvesting circulating tumour cells from metastatic breast cancer patients.

Strong progress was also made with the Company's ovarian cancer assay and a clinical verification study initiated patient enrolment during the period.

Meanwhile ANGLE's collaborators and customers continued to demonstrate Parsortix's versatility in cancer translational research developing important new applications. This work generated six new publications during the period increasing the body of peer-reviewed evidence supporting the platform.

Overview of Financial Results

Revenue of £0.6 million in the eight month period (year ended 30 April 2019: £0.7 million) came mainly from research use of the Parsortix system. ANGLE continued its investment in studies to develop and validate the clinical application and commercial use of the Parsortix system, resulting in operating costs of £8.2 million in the eight month period (year ended 30 April 2019: £11.6 million) and a loss for the eight month period of £6.2 million (year ended 30 April 2019: £8.9 million).

The cash balance was £18.8 million at 31 December 2019 (30 April 2019: £11.0 million) with R&D Tax Credits due at 31 December 2019 of £3.4 million (30 April 2019: £1.9 million) of which £1.8 million was received after the period end. The cash position was strengthened during the period with a successful placing of new shares with institutional investors including significant new US investors in July 2019, which raised gross proceeds of £18.0 million. Proceeds net of expenses were £16.9 million.

Progress towards FDA clearance

ANGLE is seeking to become the first ever company to receive FDA clearance for a medical device that harvests intact circulating tumour cells from the blood of metastatic breast cancer patients for subsequent analysis. US regulatory clearance by FDA is considered the global standard for approval of medical devices and diagnostics.

During the period, the FDA clinical studies and a substantial number of the FDA analytical studies demonstrating the performance of the Parsortix system for the capture and harvesting of circulating tumour cells in metastatic breast cancer were completed. These studies have been technically and logistically extremely challenging, requiring a total of over 10,000 samples to be processed with Parsortix.

The FDA clinical studies were undertaken by four of the leading US cancer centres (University of Texas MD Anderson Cancer Center, University of Rochester Medical Center Wilmot Cancer Institute, University of Southern California Norris Comprehensive Cancer Center, and Robert H Lurie Comprehensive Cancer Center Northwestern University).

The analytical studies demonstrated the performance of the Parsortix system in key aspects including precision and reproducibility, limits of quantification and detection, accuracy and linearity, and interferents and carryover. These studies have required resolution of numerous technical challenges to meet FDA requirements, giving ANGLE a thoroughly characterised platform and consequent competitive advantage.

On 29 October 2019, ANGLE made a substantial Q-Submission (a "pre-submission" used to request formal comment from FDA on key questions) to FDA. The Q-Submission responded to a number of questions and suggestions previously made by FDA on ANGLE's study plans and set out headline data from both the clinical and analytical studies. ANGLE also requested FDA formally respond to a series of questions, including whether our responses to specific questions which FDA had previously raised, were acceptable. ANGLE's intention in making this Q-Submission was to reduce the risk that the full FDA De Novo Submission might be rejected.

FDA provided a written response to the Q-Submission and held a formal face-to-face meeting with ANGLE in January to discuss their response, which identified some additional analytical study work requested by FDA, as announced on 22 January 2020. Subsequent to this meeting, a full De Novo Submission to FDA is in preparation, requesting clearance for the Parsortix PC1 system for capturing and harvesting circulating tumour cells from metastatic breast cancer patients.

Subsequent to the period end, the COVID-19 lock down in the UK beginning in March 2020 resulted in the immediate loss of availability of healthy volunteer blood donors required to complete the analytical samples remaining to complete the Submission. As announced on 22 June 2020, blood donations have now recommenced and the analytical studies have been re-started with the aim of making the FDA submission in Q3 CY20.

The outcome and timing of the FDA regulatory decision is entirely dependent on FDA's review and response to the Company's submission.

Large-scale clinical studies

Ovarian cancer clinical application: triaging abnormal pelvic mass

During the period, following further successful optimisation of the combination of ANGLE's Parsortix CTC system with its proprietary HyCEAD Ziplex downstream molecular analysis process, an ovarian cancer clinical verification study was established with University of Rochester Medical Center Wilmot Cancer Institute, New York, USA (URMC) and patient enrolment initiated.

The study has been designed to evaluate the performance of ANGLE's predictive ovarian cancer detection assay developed using the results from the previous 200 subject study, which achieved best in class results AUC>95% accuracy, in a new patient cohort.

Subsequent to the period end, the COVID-19 lock down in the US beginning in March 2020 resulted in URMC ceasing elective surgeries, patient enrolment, and research laboratory activities. As announced on 22 June 2020, URMC has now recommenced patient enrolment and completion of study patient enrolment is expected by the end of CY20.

Once the new performance data is available and, assuming comparable results to the previous study, ANGLE intends to establish this test as a laboratory developed test (LDT) in an accredited clinical laboratory setting. The test has the potential to significantly improve patient outcomes whilst at the same time reducing overall healthcare costs.

Establishing a body of published evidence

The Company's strategy to secure research use adoption of the Parsortix system by leading cancer research centres, in order to get independent third parties driving development of new clinical applications, is working very well.

Over 93,000 samples have been processed using the Parsortix system as at 31 December 2019, with over 20,000 samples in the eight month period (year to 30 April 2019: 24,000). There were 26 peer-reviewed publications as at 31 December 2019 with six new publications announced during the eight month reporting period (see www.angleplc.com/library/publications/) including:

- the University Medical Center Hamburg-Eppendorf (UKE), demonstrating the use of Parsortix as a liquid biopsy to **investigate a key immunotherapy target in lung cancer**
- the Disseminated Cancer Cell Network (DCCNet), Duesseldorf, developing **a single cell analysis workflow for breast cancer**
- the Medical University of Vienna demonstrating the use of Parsortix for **neuroendocrine analysis** (corresponding to poor overall survival) **in small cell lung cancer**
- Queen Mary University of London's Barts Cancer Institute demonstrating the potential for Parsortix to be used to **avoid unnecessary biopsies in prostate cancer without missing clinically significant prostate cancer**
- the University of Birmingham publishing a review showing key benefits of Parsortix in **head and neck cancer**
- the University Medical Center Hamburg-Eppendorf (UKE), demonstrating Parsortix use in **prediction and monitoring of therapy responses for melanoma patients**

To date, 23 separate cancer centres from around the world have published uniformly positive reports on their use of the Parsortix system. Leading independent cancer centres throughout Europe, North America and elsewhere using ANGLE's Parsortix system are working on developments in 23 different cancer types.

Chairman's Statement
continued

Strong progress was also made with the Company's ovarian cancer assay and a clinical verification study initiated patient enrolment during the period.

Garth R Selvey
Chairman

Progressing partnerships with large healthcare companies

Large-scale deployment of the Parsortix system across numerous cancer types and application areas requires ANGLE to partner with large, global healthcare companies to take advantage of their distribution and sales channels and economic resources. Discussions are ongoing with companies in relevant fields: medtech companies, pharma companies, contract research organisations and reference laboratories (laboratories offering clinical tests). We expect to see our partnership programme accelerate once FDA clearance for the system has been achieved.

During the period, ANGLE has progressed its three key partnerships with the large healthcare companies Abbott, QIAGEN and Philips, and is continuing to seek a corporate partner to progress the use of Parsortix in non-invasive prenatal testing (NIPT).

COVID-19

The Company has had some short-term negative impacts from government lock downs associated with COVID-19. Although this has created some uncertainty and a need to adapt the operating model it is not expected to have any significant long-term impact on the Company. As a mitigating step, the decision was made not to pay executive or staff bonuses for the eight month period to 31 December 2019 in order to preserve cash during the COVID-19 lock down uncertainty.

While the COVID-19 lock down caused some unanticipated disruption and delays outside of the Company's control, the Company adopted a proactive approach to the lock down advancing on multiple fronts and developing some new initiatives. The business continuity plan was enacted, disruption was minimised and employees, suppliers and customers were flexible and proactive in dealing with the situation. Those employees that can work from home have done so, whereas laboratory staff have moved to double shift patterns with enhanced hygiene and operating procedures in order to provide a safe working environment and meet government laws and guidelines. Research use revenues have been disrupted, as the cancer centres we sell to are mainly within hospital facilities that have been closed except for COVID-19 related activities, but we have taken the opportunity to work on remote customer support measures and proactive business development programmes.

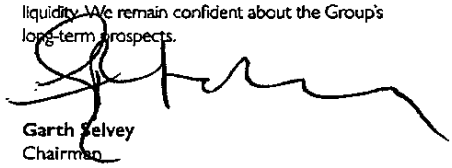
Cancer is the second leading cause of death globally and is responsible for an estimated 9.6 million deaths in 2018 with an estimated 18.1 million new cases every year and some 43.8 million living with and after cancer. The need for a simple blood test alternative to tissue biopsies is being even further demonstrated in the current COVID-19 situation as cancer diagnosis and treatment for critically important metastatic tissue biopsies are being postponed or cancelled.

Outlook

Major progress was made during the period with the clinical and analytical studies to support FDA clearance of the Company's Parsortix system in metastatic breast cancer. The full De Novo FDA Submission is in preparation so that this can be rapidly submitted once the remaining analytical samples needed to meet the requirements identified in the January 2020 meeting with FDA are available and have been analysed. These samples were delayed by the COVID-19 restrictions preventing the recruitment of healthy volunteer blood donors but work is now back in progress and the FDA submission is expected to be made in Q3 CY20.

Patient enrolment has also recommenced and ANGLE is again making progress with its ovarian cancer test. It is expected that patient enrolment will complete by the end of CY20, with the aim of supporting the establishment of a laboratory developed test for ovarian cancer in the new year.

During the period, we raised further growth capital, expanding our existing UK shareholder base and adding key new US investors. ANGLE has a robust balance sheet with sufficient working capital and liquidity. We remain confident about the Group's long-term prospects.



Garth Selvey
Chairman
24 June 2020

Business Strategy

Sustained focus on delivering our strategy

ANGLE's ultimate objective is the widespread adoption of the Parsortix system in the diagnosis, treatment and monitoring of cancer patients.

Andrew D W Newland
Chief Executive

ANGLE has been following a consistent strategy for several years to bring its Parsortix technology to market. This strategy is set out below.

Introduction

ANGLE is a world-leading liquid biopsy company commercialising a platform technology that can capture cells circulating in blood, such as cancer cells, even when they are as rare in number as one cell in one billion blood cells, and harvest the cells for analysis.

ANGLE's cell separation technology is called Parsortix and is the subject of granted patents in the United States, Europe, China, Australia, Canada, India, Japan and Mexico. Three extensive families of patents are being progressed worldwide. The system is based on a microfluidic device that captures cells based on a combination of their size and compressibility.

The analysis of the cells that can be harvested from patient blood with ANGLE's Parsortix system has the potential to deliver profound improvements in clinical and health economic outcomes in the treatment and diagnosis of various forms of cancer.

As well as cancer, the Parsortix technology has the potential for deployment with several other important cell types in the future, including for example fetal cells.

Cancer medical applications

The treatment of cancer is highly problematic primarily because of the heterogeneity of cancer in multiple dimensions:

- Each cancer patient may have different mutations from other patients with the same type of cancer
- Each cancer patient may have several different types of cancer cell mutation within a particular tumour
- Each patient's cancer may mutate and change over time

In order to treat patients effectively, doctors need to deploy drugs that target the individual patient's cancer at that point in time. This approach is called "precision medicine" and in recent years has become accepted worldwide as the most likely way to improve patient outcomes in the long run.

There is therefore a crucial need for ongoing information as to the patient's cancer status. Initially, where the cancer tumour can be accessed, this is currently achieved through a solid tissue biopsy, for example through a breast cancer lumpectomy. The tissue excised is analysed and the oncologist makes a decision on therapy based on the analysis, for example in breast cancer if the patient is HER2 positive (human epidermal growth receptor 2, a protein which if positive promotes the growth of cancer cells) they may receive Herceptin or a similar drug but otherwise they will not.

The use of the solid tissue biopsy where it can be applied is effective and the current "gold standard" in treatment. However it is invasive, relatively costly and not suited to repeat testing compared with a blood test. Importantly it cannot always be used effectively in difficult to access tumours, such as brain, pancreatic and lung cancers where insufficient tissue may be obtained for analysis or the patient is too ill for the biopsy surgery.

Crucially, whether or not a solid tissue biopsy can be taken when the patient presents, biopsy of the primary tissue cannot be repeated at a later date when the tissue concerned has already been excised and is no longer there.

Primary cancers shed cancer cells into the patient's bloodstream. These cells circulate in the blood and are known as circulating tumour cells or CTCs. The CTCs can then land in another part of the body and initiate a secondary cancer. If they can be harvested for analysis, the CTCs have the potential to provide, through a simple peripheral blood test as is routinely used in medical application, crucial medical information regarding the changing metastatic and mutational status of the patient's disease.

It is widely agreed that a non-invasive liquid biopsy that could harvest CTCs for analysis on a repeat basis would have a profound impact in understanding the patient's current cancer status and evolution and ensuring the optimum treatment is deployed for that individual patient at that particular time.

Economics of cancer patient treatment

Treatment of cancer patients can be very expensive. For example a single chemotherapy drug prescribed may cost in excess of £50,000 for a course. Newer immunotherapy drugs may cost up to £150,000 per annum. Such drugs are prescribed because they are thought to be the best option available to treat patients, whilst in reality they will be beneficial to only a proportion, typically 20-30%, of patients.

In this situation, 70-80% of the drug cost may be wasted on patients who have no medical benefit from the treatment. Worse still these drugs are toxic and, regardless of whether they receive any benefit from the drug, patients will often experience severe side effects.

Furthermore, it is often the case that without specific information on the individual patient's cancer a cocktail of drugs is prescribed where the doctors know that several will be ineffective for that patient but they do not know which ones.

ANGLE's aim is to demonstrate the Parsortix system's capability to harvest CTCs for an analysis that will enable a determination of which patients will benefit from which drug.

This will not only improve patient treatment and reduce unnecessary side effects but dramatically reduce overall patient treatment costs allowing more efficient and effective deployment of medical resources. This approach will support the efforts of the National Institute for Health and Clinical Excellence (NICE) in the UK, and similar organisations elsewhere in the world, to ensure effective use of medical resources.

Market size

ANGLE's ultimate objective is the widespread adoption of the Parsortix system in the diagnosis, treatment and monitoring of cancer patients. According to the World Health Organization, there were an estimated 18.1 million new cancer cases worldwide in 2018, a marked rise on the 14.1 million cases in 2012. In 2018, there were an estimated 9.6 million deaths from cancer (2012: 8.2 million). In 2018, there were an estimated 43.8 million people living with and after cancer (2012: 32.5 million). (Source: International Agency for Research on Cancer – Globocan 2018).

The incidence of cancer continues to grow as a result of demographic, lifestyle and environmental factors and it is estimated that one in two people in the UK will get cancer during their lifetime (Source: CRUK).

There is a wide range of potential applications for harvested CTCs including diagnosis, prognosis, mutational analysis and drug selection, drug development, assessment of treatment effectiveness, and remission monitoring. Frost & Sullivan have estimated that the liquid biopsy market will be worth in excess of $100 billion per annum in the United States alone.

Commercialisation

ANGLE has a clear strategy to commercialise its Parsortix technology.

The cell capture and harvesting technology has been developed together with an automated instrument to run blood samples through the cell separation cassette and extensive intellectual property protection of the system is being prosecuted.

A great deal of work has been completed with the aim of ensuring the system is robust, operates reproducibly and can run patient samples efficiently. Following this the product was released for commercial launch with first sales registered in December 2015. Optimisation of the system is a continuous improvement process along with developing Standard Operating Procedures (SOP) for new applications and new product development to meet customer needs to ensure it operates effectively with existing medtech platforms for cell analysis. The system is well established with an installed base of c.200 instruments in active use.

Successful evaluation of the system by major cancer research centres as key opinion leaders (KOLs) for the market was achieved and has led to good adoption amongst leading translational researchers. ANGLE continues to work with a select number of KOLs to develop 1) new uses of the system 2) new clinical applications 3) proof that the system works with different types of cancer. Customers have also delivered ground breaking research and identified new uses. This raises awareness of the Parsortix system through peer-reviewed publications and other published evidence as well as the cancer centres presenting at conferences.

Regulatory authorisation for the clinical use of the system in patient treatment in the European Union has already been achieved and the process is ongoing with the FDA for the USA.

Widespread adoption of the Parsortix system in the clinical market crucially depends on ongoing work with KOLs and customers to:

- Undertake successful pilot studies demonstrating patient applications with clear medical utility (patient benefit)
- Select key medical applications with clear medical utility
- Undertake successful patient studies providing fully documented evidence of how the system should be used for particular patient applications in routine treatment
- Convert cancer centre support and peer-reviewed publications into widespread adoption of the Parsortix system in routine patient care

Major areas of work currently in progress are described below.

Competitive differentiation

Major competitive differentiators of the system successfully demonstrated include:

- **Epitope independence with no requirement for the use of an antibody to capture cells.** The Parsortix system has key advantages over antibody-based systems that rely on the expression of a cell surface protein (such as EpCAM) including:
  - the system is able to capture CTCs that have undergone the epithelial mesenchymal transition during the process of metastasis (and are no longer EpCAM positive)
  - the system is able to capture CTCs in cancer types, such as ovarian cancer, which only have weak or no EpCAM expression
  - the system is versatile and may be used for other cell types such as fetal cells
  - the harvest is clean and does not contain immuno-magnetic beads or other additives needed for the antibody-based cell capture systems, which may compromise analysis of the cells
- **Easy harvest of cells from the system for molecular analysis,** unlike many other systems where cells may be captured but can get stuck in the separation system so that they cannot be harvested for analysis
- **Low level of background white blood cell contamination** thereby allowing either single cell analysis or direct analysis of the harvested cells containing both the CTCs and a low number of white blood cells. Competing systems may have far more background white blood cell contamination thereby making analysis of target cells more difficult
- **Simplicity and cost effectiveness** so that both the one-time use consumable, the Parsortix cassette, and the automated instrument that runs the blood through the cassette are simple, easy to use, straightforward in training and cost competitive
- **The Parsortix system is easily deployed at customer sites** in stark contrast to many competing systems which, as a result of their size and complexity, the need for expert operators and difficulty in securing regulatory authorisation, may be forced to rely solely on a CLIA (certified laboratory) approach where the customer has to send the patient sample for analysis at a remote laboratory and cannot process it near the patient.

Business Strategy
continued

Optimising the system and ongoing improvements

ANGLE continues to undertake work on the Parsortix system with the aim of ensuring that it is robust, operates reproducibly and can run patient samples efficiently.

ANGLE has successfully completed extensive work in key areas of functionality including:

- developing, testing and then automating the harvesting protocols to allow harvesting of cells from the Parsortix system for molecular analysis
- developing and refining protocols to reduce the level of background white blood cell contamination of the harvested cells. This enables the analysis of the harvested cells directly without the need for a separate single cell separation step, although this may still be useful in some applications

The main areas of work that are currently taking place include:

- developing interface protocols for the existing molecular analysis platforms deployed by some of the world's largest medtech companies
- investigating how best the Parsortix system can be used by major pharma companies for cancer drug development and as a "companion diagnostic" to determine the suitability and effectiveness of drugs for individual patients
- development of an in-house proprietary molecular analysis system HyCEAD Ziplex, which allows multiplex gene expression for more than 100 genes simultaneously on a highly cost-effective basis

Secure regulatory authorisation

In order to be able to sell the Parsortix system for use in treating patients in the clinical market, it is necessary to secure regulatory authorisation for the clinical use of the system in patient treatment in each geographic region.

ANGLE has secured CE Mark authorisation for the use of Parsortix as an in vitro diagnostic device in the European Union in the treatment of patients.

ANGLE is working towards FDA Class II clearance for clinical use of the Parsortix system in the United States. The timing of FDA regulatory clearance is dependent on the FDA's review and responses to our submission.

There are no FDA cleared systems for harvesting CTCs for analysis and only one system authorised for the capture and counting of CTCs, which is antibody-based. Securing FDA authorisation will be a key competitive differentiation of the Parsortix system.

Patient studies by key opinion leaders to identify potential clinical applications

A critical element in progressing commercialisation of the Parsortix system is ensuring KOLs undertake successful patient studies to demonstrate patient applications with clear medical utility. This involves working closely with KOLs to encourage and support, with both human and financial resources, their investigative work using the Parsortix system.

The first such KOL to report was the Medical University of Vienna, whose study in ovarian cancer demonstrated the potential to use the system to detect ovarian cancer in women having operations to surgically remove abnormal pelvic mass growths. This is now being developed as the Company's first clinical application with the objective of a simple blood test to determine which patients are likely to have ovarian cancer (approximately 10%) and which are likely to have benign growths. This application will save healthcare costs and improve patient outcomes by focusing resources appropriate to the patient condition. The clinical study programmes have been developed and are recruiting patients. This is described in more detail in the Chairman's Statement on pages 14 to 17.

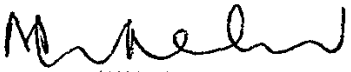
The FDA clearance studies in metastatic breast cancer utilise cytological examination, RT-PCR, FISH and RNA-seq methods for analysing cancer cells.

Summary

ANGLE has a well-differentiated patent-protected product addressing a large developing medical market with a clear strategy to secure a substantial market share.

Effective execution of the strategy has the potential to deliver significant financial returns for ANGLE's shareholders, profoundly improve the outcome for cancer patients, and reduce healthcare costs.

On behalf of the Board



Andrew D W Newland
Chief Executive
24 June 2020

There are no FDA cleared systems for harvesting CTCs for analysis and only one system authorised for the capture and counting of CTCs, which is antibody-based. Securing FDA clearance will be a key competitive differentiation of the Parsortix system.

Andrew D W Newland
Chief Executive

Key Performance Indicators

Strong progress against key milestones

The Group measures its performance according to a range of key performance indicators (KPIs). The main KPIs and details of performance against them are as follows:

KPI	Performance
Cash position	The cash position at 31 December 2019 was £18.8 million (30 April 2019: £11.0 million). The Group carefully plans expenditure with rolling cash flow forecasts and tight financial control. Since the period end, the COVID-19 virus pandemic has impacted the business and following a detailed review, certain expenditures have been reduced and/or deferred in order to extend the cash runway. The Group has a high level of discretionary expenditure given the nature of its activities. The Group utilises a collaborative cost sharing leveraged R&D model approach with key opinion leaders (KOLs) and an outsourced approach with third-party suppliers, avoiding long-term commitments as far as possible. Manufacturing of instruments and cassettes is outsourced and product can be ordered on relatively short lead times.
Intellectual property	Intellectual property strengthened with new patent filings, and the acquisition of the HyCEAD Ziplex intellectual property, increasing the breadth and duration of patent coverage and the range of medical applications covered. Patent applications are being progressed worldwide. 24 patents protecting the Parsortix system granted at the reporting date (30 April 2019: 23) in the United States, Europe, Australia, Canada, China, Japan, India and Mexico, extending patent coverage out to 2034.
Ovarian cancer clinical application: triaging abnormal pelvic mass	There have been two successful 200 patient studies for the detection of ovarian cancer in patients having surgery for abnormal pelvic masses and the optimisation of the ovarian assay combining Parsortix and HyCEAD Ziplex has been completed. The optimised assay is now being tested in a new 200 patient study being run by the University of Rochester Medical Center Wilmot Cancer Institute (URMC). Since the period end, COVID-19 has resulted in URMC temporarily ceasing enrolment which has since been restarted.
Product development	The Parsortix cell capture and harvesting technology has been developed and comprises an automated instrument to run blood samples through the separation cassette. Extensive product development and system optimisation has been successfully completed to address the operational requirements of a wide range of KOLs and customers. Product development work has been completed to develop, test, optimise, characterise and document key operating protocols enabling customers to undertake analysis in a specific area of interest. The Parsortix system has been demonstrated to be reliable, easy to use and produces robust reproducible results. There were c.200 Parsortix instruments in active use (in-house, KOLs and customers) at the reporting date (30 April 2019: c.200). Over 93,000 blood separations have been performed on the system at the reporting date (30 April 2019: 73,000). This experimental data provides a broad body of evidence that demonstrates the system's potential to be applicable to a wide range of cancer types and forms of analysis. To date Parsortix has been used successfully with 23 different types of cancer. Upgrades, enhancements and optimisation of the Parsortix and HyCEAD Ziplex systems are ongoing to further enhance operational performance and product reliability and to develop additional utility and operating protocols based on customer and KOL feedback.

KPI	Performance
Published evidence	Successful evaluations and studies with multiple third-party cancer centres has led to a growing body of published evidence: • 26 as at 31 December 2019 (30 April 2019: 20) publications in peer-reviewed journals
Regulatory authorisation	Regulatory authorisation is a requirement before the Parsortix system can be sold for use in the clinical market (for the treatment of patients). ANGLE has already successfully secured CE Mark authorisation for indicated clinical use of the Parsortix system as an in vitro diagnostic device in the European Union. ANGLE is pursuing FDA clearance for the system for harvesting cancer cells from patient blood for analysis in the first instance for metastatic breast cancer. Clinical studies have been completed and reported positively. Since the period end, COVID-19 has resulted in analytical studies, which are nearly complete, being halted due to COVID-19 related restrictions in the UK causing the loss of availability of healthy volunteer blood donors and the temporary closure of the ANGLE Guildford laboratory. Blood donations have recently been restarted and the remaining analytical studies and documentation are in progress so that the FDA submission can be made. Four leading US cancer centres conducted the clinical studies: • University of Texas MD Anderson Cancer Center • University of Rochester Medical Center Wilmot Cancer Institute • University of Southern California Norris Comprehensive Cancer Center • Robert H Lurie Comprehensive Cancer Center Northwestern University ANGLE Europe maintains its Quality Control system to ISO 13485:2016 and has a BSI certificate of registration certifying our compliance with this standard and is subject to and continues to receive annual compliance audits by BSI. Work is ongoing to prepare for 21CFR820 compliance in support of FDA clearance. Work also continues in ANGLE's Toronto facility in preparation for securing ISO 13485:2016 certification (by BSI) for ANGLE Biosciences Inc. under the Health Canada regulations.
Research use sales	Sales have been made to multiple customers in Europe, North America and elsewhere including existing KOLs, new research users, big pharma and immunotherapy companies comprising new instrument sales and repeat orders for cassettes and warranties. The product was launched in late summer 2015 after uniformly positive results published by five KOLs with first sales in December 2015. Sales for the eight month period were £0.6 million (year ended 30 April 2019: £0.7 million). Since the period end, sales have temporarily reduced due to the impact of COVID-19 with customer sites being closed.

Principal Risks and Uncertainties

Managing risks

The nature of medical diagnostics development and the early stage and scale of our operations means there are a number of risks and uncertainties.

The Directors maintain a risk register and have summarised the principal risks and uncertainties that could have a material impact on the Group. These are set out in the table below, along with mitigation strategies.

Risk	Description	Mitigation
Clinical application in ovarian cancer	The Group is developing a clinical application in the triaging of abnormal pelvic masses. This is dependent on both successful harvesting of CTCs by the Parsortix system and identifying a set of RNA markers that can be detected by HyCEAD Ziplex to discriminate between malignant ovarian cancer and other benign conditions. Clinical studies may be delayed due to slow or insufficient patient enrolment or may be temporarily ceased due to factors outside of our control, such as the COVID-19 pandemic. There can be no guarantee that the clinical application will be developed into a commercially viable product. Regulatory approval may be delayed or may not be obtained depending on the results of the studies. Data produced may not be sufficient to support rollout of the application via a clinical service laboratory (CLIA Laboratory). Appropriate third-party payer reimbursement codes may be delayed or may not be obtained thereby limiting commercial uptake of the application. Vested and competing interests may impede market acceptance for either a laboratory developed test or a regulated device.	The Group employs an experienced clinical studies director, who has developed detailed clinical study programmes (including prior experience in CTCs and ovarian cancer) which have had thorough internal and third-party reviews, including by the study lead and other experts. A significant amount of preparation, including additional R&D on the proposed RNA markers and study processes, has been undertaken to minimise the risks. The Group carefully selected this clinical application based on a set of key criteria including strong pilot study data, access to leading KOLs and access to patients. The Group assembles multiple study sites and partners where possible to achieve patient accrual rates in a timely fashion. The Group has undertaken independent market research to understand end user needs and ensure the studies produce the necessary data. The Group is taking independent advice on reimbursement codes and commercialisation strategy.
Competitive position	There are numerous competitive groups seeking to develop alternative cancer diagnostic products in direct competition (other CTC technologies) and indirect competition (other methods, for example, ctDNA analysis). It is possible at any time that a competing technology which out-performs Parsortix may enter the market. Some competitors have greater resources which may allow them to deploy commercial tactics which restrict the Group.	The Group manages its product development, IP position, accelerates product launch and monitors customer needs and competitors internally, with its Scientific Advisory Board (SAB), through its relationships with key opinion leaders (KOLs), customers and prospective customers, and through attendance at conferences. The Directors believe that the patented Parsortix technology has the potential to be more simple, effective and affordable than competing technologies. The Group has developed a low-cost affordable solution, which puts it in a strong position for pricing, and it is antibody independent allowing for a range of cancers to be analysed that other CTC systems may not be able to handle. CTCs are the closest solution to a tissue biopsy allowing all types of analysis to be undertaken and is differentiated from ctDNA analysis. The Group strengthened its competitive position through the acquisition of the HyCEAD Ziplex technology as used in the ovarian cancer studies. This further differentiates the Group and enhances the ability of the Group to offer sample-to-answer solutions.

Risk	Description	Mitigation
Financial	The Group is investing significantly in R&D, clinical studies, FDA/regulatory studies, product development and product marketing for research use sales and consequently is loss making and utilising cash reserves to support operational activities. The commencement of material revenues is difficult to predict as 1) the Group is launching a new product in an emerging market and suitable clinical applications need to be identified, have successful clinical studies completed, achieve regulatory approvals and achieve market acceptance, and 2) the Group needs FDA clearance to boost research use sales and in particular to pharma in drug trials. Operating losses are anticipated to continue for some time. In the event that new funds are required there can be no guarantee that these will be available on acceptable terms, at the quantum required, or at all, which could affect the ability to commercialise the technology and may require operations to be scaled back, delayed or even affect the ability to continue as a going concern. The Group incurs significant costs in US and Canadian Dollars and is exposed to US and Canadian Dollar exchange rates which it is unable to control. The Group also has critical European suppliers and incurs costs in Euros and is exposed to Euro exchange rates which it is unable to control. Brexit in December 2020, or at such later date to be agreed and the potential impact of COVID-19, may have an effect on the Group operations. Exchange rates may be adversely affected. With the UK status as a "Third Country", the movement of goods between ANGLE and European customers and within ANGLE's European supply chain may be adversely affected.	The Board undertakes careful planning, management of expenditure and rolling cash flow forecasting, has a strong focus on milestone and performance delivery and avoids long-term supplier contracts where it can. The research use market offers the potential for earlier revenues and sales have been initiated in this area. The Group is pursuing development of a laboratory service-based offer for research use sales to the Pharmaceutical sector providing CTC capture and analysis services that would support the use of CTC derived information in drug development studies, pre-clinical and clinical drug trials. The Group is working with KOLs, SAB members and specialist consultants to identify suitable clinical applications which offer significant revenue potential either as a lab developed test or FDA cleared product. Clinical applications need to meet key criteria and the Group is progressing its clinical application in ovarian cancer. The Board maintains close shareholder relations, high standards of corporate governance and explores different sources of funding including potential partners. The Group has successfully raised funds on several occasions in the past. The Group monitors its currency exposures on an ongoing basis. The Group is building US and European sales to provide a natural hedge. The Group holds a modest finished goods inventory, held in multiple locations to help mitigate any COVID-19 and Brexit related supply chain problems.
Intellectual property	The Group's success depends in part on its intellectual property (IP) in order that it can stop others from exploiting its inventions. There is a risk that patent pending applications will not be issued. It is possible that competitors may infringe this IP or otherwise challenge its validity, which may result in uncertainty, litigation costs and/or loss of earnings.	The Group invests significantly in its IP, employs experienced patent agents and protects its IP with confidentiality agreements, patents and patent applications in order to reduce the risks over their validity and enforceability. The Group has also undertaken freedom-to-operate searches. The Group had 24 granted patents protecting the Parsortix system at the reporting date in the USA, Europe, Australia, Canada, China, India, Japan and Mexico, with others in progress, extending patent coverage out to 2034.

Principal Risks and Uncertainties
continued

Risk	Description	Mitigation
Manufacturing	As precision equipment, it is extremely important that manufacturing is of a consistent and extremely high quality to ensure that instruments and cassettes operate as specified and produce consistent results and meet the necessary manufacturing tolerances specified. Product lead times need to be appropriate for timely delivery whilst maintaining product quality. The Group is dependent on three key single source suppliers. Problems at outsourced manufacturers and their suppliers could lead to disruption in supplies, delays, product inconsistency and product failure. We anticipate the COVID-19 pandemic may impact our supply chains. These events may result in increased lead times, product costs, duties and taxes and may require a reconfiguration of supply chains with associated knock-on time and cost impacts.	The Group has outsourced manufacturing to specialist organisations that can manufacture the cassettes at the required tolerances, can assemble instruments and have capacity for scale-up of production. Investment has been made in specialist moulding tools and validated processes to help achieve the highest standards. Key suppliers are ISO 13485:2016 certified and subject to ongoing audit by the Group. Where possible, designs use standard components and any components on long lead times are held in inventory. Designs are subject to continuous improvement to help eliminate issues as they arise. To manage the risk of loss or disruption of supply (e.g. from COVID-19 and Brexit), safety inventory levels have been established, (held at multiple locations) of critical components and also finished product, thereby enabling the Group to continue to supply for a finite period whilst manufacturing capability and/or supply lines are restored. Dual sourcing of product from key suppliers is actively being pursued but it is unlikely that this will be fully achievable in the short-term. Product manufacture is subject to good manufacturing practice and regulatory control and oversight. The Group also has product liability insurance.
Market acceptance	Success depends on both clinical and health economic acceptance of the Group's products. Studies are required to demonstrate the utility of clinical applications and there is a risk that the data may be weak, inconclusive or negative. The medical diagnostics market is conservative by nature, CTCs are an emerging technology, customers may be slow to adopt new products, vested interests may impede market penetration and products may not achieve commercial success. The Group may not be able to sell its products profitably if reimbursement by third-party payers is limited or unavailable. The Group may be subject to price limits on reimbursement of products which are outside its control, negatively impacting revenues.	Although relatively modest, the research use sales market to leading translational researchers is a good market in its own right and will help generate additional data on utility, new uses and clinical applications as well as generating peer-reviewed publications. The Group undertakes in-house R&D and works with partners and KOLs to act as reference customers, to obtain data relating to clinical applications and the efficacy, safety and quality of the product. It monitors industry developments and customer needs through its interaction with customers and prospects, attendance at conferences and through the Group SAB and KOLs. The Group is pursuing a laboratory service-based offer for research use sales to the Pharmaceutical sector providing CTC capture and analysis services that would support the use of CTC derived information in drug development studies, pre-clinical and clinical drug trials. This will aim to promote the wider use of the Parsortix system and associated technology in the development of drugs and treatment protocols, which may ultimately lead to the establishment of Parsortix as a companion diagnostic for particular therapies in the oncology space. Clinical studies are set up to generate clinical data and analysis for accurate and complete submissions to secure regulatory approval. Health economic studies, advocacy and other activities will be undertaken at the appropriate time. The Group is working with KOLs, SAB members including specialist consultants to identify suitable clinical applications which offer significant revenue potential either as a lab developed test or FDA cleared product. Clinical applications need to meet key criteria and the Group is progressing its clinical application in ovarian cancer.

Risk	Description	Mitigation
Operational	In order for the Group to operate effectively the infrastructure needs to be robust, efficient and scalable. Unexpected events (such as COVID-19) could disrupt the business by affecting a key facility or critical equipment or donor or patient enrolment, which could lead to an inability to undertake development work (e.g. analytical studies for FDA clearance or clinical studies with partners). Cyber-crime is increasing in sophistication, consequences and incidence, with risks including virus and malware infection, unauthorised access and fraud.	The Group has a disaster recovery and business continuity plan to ensure a rapid response in an effective and managed way to a variety of situations. This plan has been deployed in the current COVID-19 pandemic due to its impact across the entire operations of the business and has allowed a rapid and effective response, ensuring a practical level of continuity of Group operations, despite ongoing restrictions across the world. Business critical systems are cloud-based facilitating remote working and back up mechanisms are also regularly tested. Staff have laptops and ongoing IT training. Staff can work remotely if required, although laboratory and engineering staff are limited in the amount of work they can undertake remotely. Critical equipment has service and maintenance contracts. The Group uses expert IT firms to ensure it operates with appropriate cyber defences. There is daily offsite back-up for rapid recovery from a problem. The back-up is regularly tested.
Pandemic/ epidemic	Exposure to a pandemic, such as COVID-19, or an epidemic that directly or indirectly leads to disruption of the Group's operations in particular to laboratory-based operations and delays to clinical studies.	The Group has a disaster recovery and business continuity plan that enables the rapid establishment and deployment of a Leadership Team (LT) to assess and manage disruptions to operations and task sub-teams with specific actions. It is the LT's responsibility to ensure the Group complies with all laws and guidance issued by Governments at any time. This may result in the Group's offices and/or laboratories being temporarily closed or operated on a restricted basis. It is the LT's responsibility to ensure management practices keep staff safe and healthy and produce updated or new procedures as required. Staff are transitioned where appropriate to working from home and with unnecessary travel avoided. Staff unable to work from home are transitioned where appropriate to split-shift working to assist social distancing and with the use of PPE, hygiene and enhanced procedures as appropriate to manage the work environment. The LT will review the impact of Government Laws and Guidelines and how they impact clinical and analytical studies. While the Group may be able to mitigate certain aspects of any Government Laws and Guidelines by enhancing or introducing new procedures, in certain situations studies may need to be temporarily paused in order to meet such Government Laws and Guidelines and can only be restarted once the Government Laws and Guidelines are updated and relaxed. This may include restrictions on the collection of patient samples needed for clinical studies and/or healthy volunteer blood samples needed for analytical studies. The LT will also review customer needs in the context of the pandemic. Ways of working are being adapted to provide virtual support to customers. The existing customer base is predominantly leading translational researchers based at hospitals and universities and consequently Government Laws and Guidelines may result in their operations temporarily being ceased, which means evaluations and ongoing research work may also be paused and sales reduced significantly until Government Laws and Guidelines are eased.

Principal Risks and Uncertainties
continued

Risk	Description	Mitigation
Pandemic/ epidemic continued		The LT will review supply chain requirements. Close contact will be maintained with key suppliers to ensure they are able to provide services and goods in a relatively normal fashion, although noting they may have to modify their ways of working. The Group already holds significant levels of certain critical inventories to mitigate any potential supply chain problems and to date has not experienced any significant supply chain issues. Other supplies may be ordered to ensure the Group has a buffer stock and can continue operations. The Group seeks to maintain a reasonable cash balance to mitigate against the need to raise funding in potentially adverse market conditions. Discretionary and/or non-mission critical expenditure can be deferred or reduced where necessary to conserve cash until the environment is more certain. The Group may utilise Government support schemes where appropriate.
Regulation and quality assurance	The Group operates in a highly regulated industry and needs to meet recognised quality assurance standards that are subject to third-party audit. The Group must comply with a broad range of regulations relating to the development, approval, manufacturing and marketing of its products and is subject to regulatory inspection. There is a risk that a regulatory audit will find problems that could have severe consequences on the Group's ability to sell products in the relevant country, lead to a loss of marketing authorisation, a loss of reputation, a loss of customers, recall or remediation costs as well as enforcement action and sanctions from a regulator. Major success with the cancer diagnostic product (and other products) will require regulatory authorisation for clinical use from various regulatory authorities which will require data from studies relating to the efficacy, safety and effectiveness of the product. Regulatory regimes are complex and dynamic and it can be difficult to predict their exact requirements, so authorisations may be delayed and alterations to the regulations may also result in delays. If it proves difficult to achieve authorisations, major revenues may be delayed or without authorisation may not be achievable.	CE Mark regulatory authorisation has been achieved in Europe for the indicated clinical use. FDA regulatory clearance is in progress in the United States. Authorisations will be sought in other territories in due course. The Group conducts its operations within ISO 13485:2016 quality system and continues to invest in its systems and people. The quality system is subject to annual Notified Body audit (BSI). The Group uses external specialist resources (regulatory, design, manufacturing etc) as required. The Group employs an experienced clinical studies director to design and develop clinical study programmes that will meet international regulatory requirements as appropriate. The Group is currently responding to significant changes in the European regulatory environment driven by the release of the ISO 13485:2016 standard to which we have already transitioned and the new In Vitro Diagnostic Device Regulation (IVDR), which will replace the current IVD Directive in 2022. The Group is confident that compliance with the new IVD requirements can be successfully achieved. The current CE Mark regime for IVD devices is based upon a European Regulation which has been implemented in the UK. How this regulation will evolve after Brexit and what the impact on the Group will be is not clear at this time owing to the uncertainty of the Brexit process. The Group's UK based Notified Body BSI has put in place contingency measures such that European IVDR compliance certificates and Quality System certificates can continue to be issued from within Europe and hence CE Mark applied. The UK government has also introduced outline UKCA marking guidance in the event of a no-deal Brexit scenario.

Risk	Description	Mitigation
Research and development	The Group undertakes significant research and development activity with the aim of launching improved and new products and services, but there remain considerable technical risks, which may result in delays, increased costs or ultimately failure.	The Group uses skilled staff and third-party experts in various fields from science and product design to engineering and manufacturing. There is good knowledge and experience within the Group and third-party experts in place with established relationships. The nature of medical devices means that although development can be challenging, there should generally be a technical solution, provided sufficient resources and expertise are applied to the problem. As developments and enhancements are generally to existing products there is somewhat less risk than developing a completely new product.
Staff, key suppliers and key partners	The Group's future success is dependent on its management team and staff and there is the risk of loss of key personnel. With complex and critical development projects, alignment of business and project objectives, good project planning and clear staff focus are required. The Group also outsources certain aspects of product development, regulatory advice and manufacturing and is heavily dependent on these key suppliers. The Group is also heavily dependent on its clinical study partners who are responsible for patient enrolment and on occasion core laboratory work.	The Group manages staff requirements closely, invests in skills development and new staff and has staff incentive schemes for retention and motivation. Using our competency framework, staff are assessed regularly to ensure they develop and maintain the skills needed for high performance. Individual competencies and skills are aligned with business objectives and requirements and personal development goals. Suppliers, clinical study partners and KOLs are carefully chosen and actively managed. Written agreements are in place for all key suppliers in line with Quality System requirements and compliance assured through regular auditing. Work with collaborators is controlled using contracts and clinical study protocols where appropriate. Clinical study protocols are generally subject to institutional scientific and ethics approval prior to study commencement.

Financial Review

The Group has a strong cash position

An over-subscribed placing during the period increased cash resources substantially and has allowed the Group to progress its key studies.

Ian F Griffiths
Finance Director

Financial Highlights

£0.6 million at 76%

Research use revenues for the eight month period of £0.6 million (year ended 30 April 2019: £0.7 million) at a gross profit margin of 76% (2019: 77%)

£8.2 million

Planned expenditure on Parsortix system of £8.2 million (year ended 30 April 2019: £11.6 million)

£6.2 million

Loss from continuing operations of £6.2 million (year ended 30 April 2019: loss £8.9 million)

£18.0 million

Fundraise of £18.0 million (£16.9 million net of expenses) in July 2019

£18.8 million

Cash balance at 31 December 2019 £18.8 million (30 April 2019: £11.0 million)

The Group has continued to make substantial investment in the FDA analytical and clinical studies, the ovarian cancer pelvic mass triage clinical application studies, new product development and sales and marketing for research use sales to advance and drive the development and adoption of the Parsortix cell separation system.

Change in accounting reference date and comparative numbers

In January 2020, the Group changed its accounting reference date from 30 April to 31 December. As a consequence, there is an eight month reporting period from 1 May 2019 to 31 December 2019.

Consolidated Statement of Comprehensive Income

Revenues for the eight month period were £0.6 million (year ended 30 April 2019: £0.7 million) with a gross profit margin of 76% (year ended 30 April 2019: 77%). Research use sales have been made to multiple customers of both Parsortix instruments (including an annually renewable service-based warranty) and cassettes (a one-time use consumable). As the installed base of instruments builds we are seeing recurring revenues from cassette sales and service-based warranty renewals increase. The sales pipeline is developing in the research use market and our sales team continues to focus on supporting customers as they evaluate Parsortix in their laboratory procedures. However, evaluations have taken longer to close than expected, generally because of limitations in downstream analytical techniques outside the Parsortix system, and the grant funding environment for our research customers remains very challenging.

Grant income for the eight month period of £0.1 million (year ended 30 April 2019: £0.2 million) was recognised in the period. This primarily relates to a collaboration with Philips on a €6.3 million Horizon 2020 EU grant of which ANGLE will receive £0.4m over four years.

Planned investment in studies to develop and validate the clinical application and commercial use of the Parsortix system resulted in operating costs for the eight month period of £8.2 million (year ended 30 April 2019: £11.6 million). Expenditure was also made on intangible assets (including patents) and Property, plant and equipment and this is discussed in the Consolidated Statement of Financial Position section below.

This planned expenditure includes investment of £6.0 million (year ended 30 April 2019: £8.0 million) in research and development, in particular the FDA analytical and clinical studies, the ovarian cancer clinical application, where significant work was undertaken on the optimisation of the test, in-house work and ongoing work with KOLs on pilot studies and other potential uses of the system as well as new product development, patent prosecution and new patent grants. Fundamental aspects of the FDA analytical and clinical studies were successfully completed in the period with the clinical studies completing enrolment from four leading US cancer centres and announcement that the primary and secondary objectives had been met. Expenditure includes sales and marketing costs associated with product promotion and attendance at conferences for marketing purposes. Corporate costs including costs associated with being a listed company were in line with plans.

The adoption of IFRS 16 Leases resulted in the capitalisation of right-of-use assets represented by our leased office and laboratory premises and has increased the depreciation charge and reduced the leasing cost by £0.2 million, both presented within operating costs, and increased finance costs by £0.1 million.

The Group made a loss before tax for the eight month period of £7.7 million (year ended 30 April 2019: loss £10.9 million). The significant research and development expenditure resulted in research and development tax credits of £1.5 million for the eight month period (year ended 30 April 2019: £1.9 million). The Group made a loss after tax of £6.2 million for the eight month period (year ended 30 April 2019: £8.9 million) resulting in a basic and diluted loss per share attributable to owners of the parent of 3.82 pence for the eight month period (year ended 30 April 2019: 6.56 pence).

Consolidated Statement of Financial Position

Intangible assets increased to £7.7 million (30 April 2019: £6.8 million). Parsortix intellectual property and product development expenditure of £1.1 million (30 April 2019: £1.7 million) was capitalised during the period in accordance with IAS 38 Intangible Assets, increasing the value of the intangible assets. Amortisation and impairment costs of £0.2 million (30 April 2019: £0.5 million) reduced the carrying value of the intangible assets.

Property, plant and equipment increased to £1.5 million (30 April 2019: £1.3 million) with the expansion of premises and the addition of some key items of laboratory equipment. The prior year saw an increase in the bank of Parsortix instruments used for testing and clinical and regulatory study sites.

The adoption of IFRS 16 Leases resulted in the capitalisation of right-of-use assets represented by our leased office and laboratory premises of £1.5 million (net). A corresponding lease liability has been created. The present value of the future lease payments at 31 December 2019 is £1.6 million.

Inventories of £0.8 million (30 April 2019: £1.0 million) reflect the inventory required for studies (in-house, KOLs and clinical study sites), in building inventory levels for research use sales prospects where systems are placed out for an initial evaluation period prior to sale and as a Brexit risk mitigation strategy. As the Group relies on a number of single-source key suppliers then higher levels are maintained than would otherwise be the case.

The Trade and other receivables balance is lower than the prior period at £0.6 million (30 April 2019: £0.9 million), a reflection of the impact of the change in reporting date on the timing of payments including the VAT and HST returns.

The tax receivable balance of £3.4 million (year ended 30 April 2019: £1.9 million) reflects the fact that research and development expenditure is eligible for research and development tax credits. The tax credit for the year to 30 April 2019 was received in April 2020.

The Trade and other payables balance of £2.4 million (30 April 2019: £3.7 million) includes £0.5 million (30 April 2019: £0.9 million) in relation to the FDA clinical studies. No bonus payments were awarded for the reporting period or payable at 31 December 2019 due to the potential impact and associated uncertainties of the COVID-19 pandemic and the desire of the Company to conserve cash (30 April 2019: £0.9 million).

Cash

The Group ended the period with a cash balance of £18.8 million (30 April 2019: £11.0 million).

The Company completed a fundraise of £16.9 million net of expenses during the period. The Company was pleased with the continued support from our major institutional investors and existing and new investors.

Summary

The Group is carefully executing its strategy so that business activities are in line with the available and anticipated cash resources. Good progress has been made against key milestones. The immediate priorities are completing the studies to support FDA clearance in metastatic breast cancer in the US, progressing our optimised ovarian cancer application with clinical studies to support the US and European launch of our first clinical application in ovarian cancer, building research use sales, undertaking key product development activities and for the first time, the establishment of a clinical laboratory as an accelerator and demonstrator. Now that the COVID-19 lock down has relaxed so that blood samples can again be collected, ANGLE is progressing all of these milestones.

The Directors have a reasonable expectation that the Group has adequate resources to continue in business for the foreseeable future as detailed in Note 1.4 to the Financial Statements.

Ian F Griffiths
Finance Director
24 June 2020

Corporate Responsibility Report

Environmental, Social and Governance

Liquid biopsy

Our Parsortix system captures circulating tumour cells (CTCs), which are shed from a tumour and cause cancer metastasis, and harvests them for analysis. This is known as **liquid biopsy and is *fundamentally about improving patient* outcomes and reducing healthcare costs.**

The Group seeks to operate with high standards of corporate responsibility in its business activities. At ANGLE we endeavour to minimise our impact on the environment, make a significant positive social contribution and benefit our wider community while operating high standards of corporate governance.

As our business grows we are placing increasing emphasis on Environmental, Social and Governance (ESG) aspects and developing and reporting on our policies and actions.

Government lock downs in response to COVID-19 were enacted subsequent to the period end impacting our operating procedures. These resulted in positive environmental effects (working from home more, less business travel etc) but at the expense of wide ranging negative social impacts (delayed or cancelled cancer diagnosis and treatment), which liquid biopsy could help mitigate. We will be reporting on this next year.

Environment

As a technology-based Group with most staff in a small number of locations **we believe our environmental footprint is small.** Nevertheless we seek to minimise the Group's impact on the environment and to improve our operational efficiency.

Our landlords also take their sustainability responsibilities seriously, for example, information can be found on our head office location at www.surrey.ac.uk/sustainability/estates-and-operations.

Our landlords offer waste management services and seek to divert landfill and recycle as much as possible. The Group undertakes some additional recycling with specialist suppliers associated with old electrical equipment, coffee pods etc and uses specialist hazardous waste disposal experts for laboratory waste.

All of our offices now use LED lights with a programme of updates to tungsten and some halogen lighting since 2016 and completing this year. As well as providing a better working environment for staff, the most recent update is forecast to produce a **64% reduction in our annual consumption of energy** for lighting purposes. We also use lighting sensors so that lights are automatically turned off for areas not in use. We have installed energy saving internet enabled thermostats, and use programmed heating controls seeking to optimise temperatures dependent on whether people are present. We aim to buy higher rated energy efficient equipment for our labs. We **use 100% renewable energy** at our two main sites with hydro-electricity in Toronto. The Group uses plumbed water coolers which reduces the consumption of single-use plastic bottles, and plumbed boiling water taps which are more energy efficient than kettles. The Group also uses indoor plants to help clean the air although benefits are more social in nature.

The Group seeks to **restrict business travel to necessary business travel** and promotes the use of video conferencing. The Group promotes home and flexible working where feasible to reduce overall travel and travel during rush hour. A number of our employees use car-pooling and we also promote the use of the cycle-to-work scheme.

Our Parsortix system uses a cassette that takes advantage of the size and deformability of CTCs with the instrument using pressure to harvest the cells rather than a chemical approach with higher level of antibody reagents and other chemicals that many of our competitors use. Whilst our cassettes are single use to meet medical requirements, we aim to use as many materials as possible that can be recycled.

Parsortix-based tests have the potential to ***significantly reduce patient travel*** and the consumption of healthcare resources. Blood can be drawn locally by a phlebotomist and shipped (with other goods) rather than an individual having to drive to a clinic for a tissue biopsy and all that may entail in terms of using hospital resources – facilities, surgeon, anaesthetist, nurses, etc. A negative liquid biopsy result, such as with our Ovarian Cancer Pelvic Mass Triage test, may allow local surgery with a simplified procedure rather than having to travel to a major cancer centre for surgery.

Social (community)

Cancer has a major negative social impact - an estimated one in two people born after 1960 in the UK will be diagnosed with cancer during their lifetime. Each patient's cancer is different and highly complex and their cancer changes over time. Effective treatment requires personalised care.

The existing standard of care is a solid tissue biopsy which is invasive, can have medical complications and as described above uses a lot of healthcare resources and is expensive. Further it is difficult to repeat so missing the dynamic nature of cancer response to treatment.

ANGLE believes its Parsortix liquid biopsy system has the potential to **significantly improve care for cancer patients** as it is non-invasive and repeatable as well as reducing the costs and resources involved in cancer healthcare.

The Directors are committed to ensuring **high standards of health and safety** for employees and visitors. The Group **complies with all applicable laws and regulations** wherever it operates and holds all of the licences necessary to operate its business, including ethics approvals for blood donors and patient enrolments. The Group has a strong focus on **complying with relevant quality and other standards.** We also have anti-bribery, anti-corruption and anti-money laundering policies and procedures.

The Guildford laboratory uses healthy volunteer blood donors to enable it to test multiple aspects of the Parsortix system and also to perform analytical studies for its clinical applications. We are very grateful for the blood donors who are predominantly from the local vicinity.

The Group works with a number of charitable research organisations, such as Cancer Research UK, and has **donated products and funded medical research in pursuit of our mission.** We have also worked with each of the local Universities near our facilities in Guildford, Toronto and Philadelphia.

The Directors recognise the **benefits of diversity in the workforce.** Appointments are based on selecting the best candidates regardless of their age, gender, sexuality, disability and marital status etc for the role. We recognise that a diverse workforce provides a range of perspectives that can help innovation and business success, and in particular refers the reader to QCA Principle 8.

The Group works with Universities to support science and business programmes and regularly employs students on work placements. A number of staff are also enrolled on business related training programmes.

Governance

The Board is **committed to high standards of corporate governance** and adheres to the Quoted Companies Alliance (QCA) Corporate Governance Code for small and mid-size quoted companies (the "QCA Code").

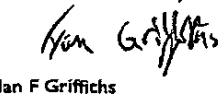
Section 172 of the Companies Act is a new reporting requirement, summarised in the statement below. The Corporate Governance Report on pages 41 to 48 sets out how the Board has approached its duty under Section 172 in order to meet these requirements, and in **particular refers the reader to QCA Principle 2 and Principle 3.** The Corporate Governance Report can also be found on the Company's website www.angleplc.com.

Section 172 Statement

In accordance with Section 172 of the Companies Act 2006, the Directors recognise the **importance of our wider stakeholders** to the sustainability of our business. The Directors behave and carry out their activities to **promote the long-term success of the Group** for the benefit of the Company's shareholders, employees, partners, customers, suppliers and other stakeholders such as regulatory authorities. The Group engages with stakeholders to reflect their insights and views when making decisions on strategy, delivering operational effectiveness, driving initiatives and delivering outcomes.

The culture and values promoted by the Directors create a focus across the Group on observing and maintaining **high standards of regulatory compliance, quality control and business conduct** whilst promoting the long-term success of the Company. The impact of the Group's operations on the environment and community and how these enhance social value are described above.

The Strategic Report on pages 02 to 33 is approved on behalf of the Board by:



Ian F Griffiths
Finance Director
24 June 2020

Board of Directors

Experienced team delivering performance

A

R

N

Garth R Selvey
Chairman

Appointed
September 2006

Skills and experience
Garth Selvey has a BSc in Physics and Electronic Engineering from the University of Manchester and has spent over 36 years in the computer industry with technical, product, sales and marketing roles.

He became Managing Director of TIS Applications Ltd in 1984 and a main board Director of TIS Ltd prior to its acquisition by Misys in 1989. He organised the management buyout of the social housing division of Misys and became Group Chief Executive of Comino Group plc when it floated on AIM in 1997. Comino moved to a full listing in 1999 where he remained until its successful public sale to Civica plc in February 2006.

Garth joined ANGLE as a Non-executive Director in September 2006 and became Chairman in September 2007.

Brings to the Board
Extensive experience of the listed sector and leading companies.

Andrew D W Newland
Chief Executive

Appointed
March 2004

Skills and experience
Andrew Newland is Chief Executive of ANGLE plc. He has an MA in Engineering Science from the University of Cambridge and is a qualified Chartered Accountant. He has 19 years of medical diagnostics experience and has specialised in the liquid biopsy space for the last ten years.

He has led the development of technology-based businesses based on strong intellectual property for over 29 years and for the last 19 years he has been Chairman or on the Board of several specialist medical technology companies. After working with the engineering conglomerate TI plc, he worked for KPMG from 1982 to 1994; from 1985 to 1987 he was based in the US as a manager providing corporate finance and business advice to high technology firms in the area around Route 128, Boston, Massachusetts. During this time, he led KPMG's involvement in the IPO of the medical technology company Cardio Data Inc. From 1987 to 1994 he worked for KPMG in the UK with responsibility for establishing KPMG's UK and European High Technology Practices and High Technology Consulting Group.

Andrew founded ANGLE in 1994. In 1999, Andrew led the team that founded the medical diagnostic company Acolyte Biomedica. Acolyte was the first ever spin-out of the Defence Science and Technology Laboratory (Dstl) Porton Down, which specialised in rapid diagnosis of MRSA, the 'hospital super-bug'. Andrew chaired the company for several years and successfully led the company through three major rounds of venture capital investment. Andrew also founded Provexis, the first ever spin-out of Rowett Institute, Europe's leading nutrition research institute. Andrew chaired the Board of Provexis, a specialist nutraceutical company with a heart-health product, through to its successful flotation in 2005.

Brings to the Board
Over 29 years' experience of setting up, leading and building technology-based businesses, over 19 years leading specialist medtech businesses, and over ten years in the liquid biopsy space.

Ian F Griffiths
Finance Director

Appointed
March 2004

Skills and experience
Ian Griffiths is the Finance Director of ANGLE plc. He has specialised in technology commercialisation for over 30 years and is an expert on the development and growth of new technology-based businesses. Ian has a BSc in Mathematics with Management Applications from Brunel University and is qualified as a chartered accountant. For seven years he worked for KPMG, initially in accountancy with a special work focus, then in management consulting within KPMG's High Technology Consulting Group where he specialised in financial modelling, business planning, corporate finance, market development and strategy work.

Ian joined ANGLE in 1995. As well as leading the finance function at ANGLE plc, he has been closely involved with the development and delivery of the former UK, US and Middle East Consulting and Management services businesses and in developing new Ventures, both third-party and ANGLE's own. Ian has been heavily involved in the start-up phase and also the ongoing development of ANGLE's own ventures by working closely with management on business plans, financial and operational management, fundraising and commercial aspects, including both medical and physical sciences companies. Ian led the financial aspects of ANGLE plc listing on the Alternative Investment Market. He is currently leading the financial development of ANGLE's major medical diagnostic business Parsortix.

Brings to the Board
Over 30 years of experience in finance and technology-based businesses, and over ten years in the liquid biopsy space.

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Committees key

Chair of Committee
Member of the Committee
A Audit Committee
R Remuneration Committee
N Nomination Committee

Brian Howlett
Non-executive Director and
Senior Independent Director

Appointed
January 2013

Skills and experience
Brian Howlett has a wealth of international experience as a medtech leader which he is currently applying in a Non-executive/Chairman capacity for neuro-endovascular company Oxford Endovascular Ltd, and medical device coating and surface modification company Accentus Medical Ltd, as well as ANGLE plc. Brian was formerly CEO of Lombard Medical Technologies PLC, an AIM listed company specialising in stents for abdominal aortic aneurysms from 2005 to 2009. During his tenure significant capital was raised to fund the development of operations to commercialise the Aorfix stent graft towards regulatory approvals and growing revenues in EU, USA, Russia and Brazil.

Corporate experience includes six years as UK Country Leader of Boston Scientific Ltd, between 1999 and 2005, during which time major medical devices such as the TAXUS drug eluting stent were launched driving sales and profits to the point where the UK and Ireland subsidiary became one of the leading revenue contributors to the corporation's European operations. Between 1987 and 1999, Brian was Managing Director of the UK sales and manufacturing subsidiary of Cobe Laboratories Inc. In addition, Brian spent almost 20 years in the pharmaceutical industry, gaining strong sales and marketing experience through a number of senior management positions in UK, Scandinavia and the Benelux markets within Fisons plc.

Brings to the Board
Extensive commercial operations experience of the medtech sector.

Dr. Jan Groen
Non-executive Director

Appointed
November 2018

Skills and experience
Dr Jan Groen is currently the Chief Executive Officer of Novigenix SA, an ImmunoTranscriptomics startup developing products for early cancer detection and precision medicine. Jan was previously the Chief Executive Officer of MDxHealth, a Euronext listed genomic diagnostics company that improves the lives of patients by reducing diagnostic ambiguity in urological cancers. MDxHealth's genomic tests are setting new standards in prostate and bladder cancer diagnosis, where they have helped over 100,000 patients avoid unnecessary diagnostic procedures.

Jan's career spans over 25 years in clinical diagnostics and life science global markets. Jan was previously the President and COO of Agendia, responsible for their United States and European diagnostic operations, respectively. Jan is co-founder of ViroClinics and DxOrange and has held numerous management and scientific positions at Focus Diagnostics, a subsidiary of Quest Diagnostics, the Erasmus Medical Center, and Akzo-Nobel. Jan has had board mandates in several diagnostic companies. Currently he serves on the board of SPL Medical in the Netherlands. Jan holds a Ph.D. degree in Medical Microbiology from the Erasmus University Rotterdam, a BSc in Clinical Laboratory Studies and has published more than 125 papers in international scientific journals in the field of clinical diagnostics.

Brings to the Board
Expertise in new product development, including development and successful commercialisation of CE marked and FDA cleared diagnostic products and lab-developed tests in Europe and the USA.

Scientific Advisory Board

Wealth of experience and expertise

The Scientific Advisory Board (SAB) is comprised of a group of individuals that have significant scientific technical backgrounds in medical devices, diagnostics and other areas related to ANGLE's products. SAB members provide strategic input, insight and expertise in the blood and cancer fields and also advise the Company on technical aspects in relation to platform development, product development and clinical studies as well as providing broader industry input.

Dr. Daniel Danila

Skills and experience

Dr. Daniel Danila is an assistant attending physician at Memorial Hospital Cancer Center in New York. Dr. Danila also serves as an assistant with the Weill Cornell Medical College. Dr. Danila's primary research focuses on prostate cancer. Specifically, Dr. Danila is exploring a hypothesis that molecular profiling of CTCs can be used to assess biological determinants of the growth of prostate cancer tumors.

Dr. Danila served as the principal investigator (PI) for "Circulating Tumor Cells as Biomarkers for Patients with Metastatic Prostate Cancer: Developing Assays for Androgen Receptor Signaling Pathway," which focused on analysing CTCs from patients with metastatic prostate cancer for molecular biomarkers predictive of tumour sensitivity to targeted treatments. Funding for the research was provided by the Department of Defense Congressionally Directed Medical Research Programs, Prostate Cancer Research Program, Physician Research Training Award. Dr. Danila received his MD from Carol Davila University of Medicine and Pharmacy in Bucharest, Romania and was a research fellow, intern and resident at Massachusetts General Hospital prior to joining Memorial Sloan Kettering Cancer Center in 2005.

Brings to the SAB expertise in – development and adoption of CTCs as predictive biomarkers to help clinicians select appropriate treatments, prostate cancer and wide network of contacts in the field.

Dr. George Hvichia

Skills and experience

Dr. George Hvichia is the original inventor of the core Parsortix technology and played a lead role in ANGLE's Parsortix patents. Dr. Hvichia is an expert in microfluidic technology related to cell and particle separation and platform integration. Dr. Hvichia was the first person to recognise the combined principle of separation by size and deformability of rare cells in fluids, such as blood, and that microfluidic devices could be used to achieve this, even though manufacturing at the necessary tolerances was not possible at the time. This core technology yields low cost, efficient, single use and scalable micro-devices for use in the fields of Liquid Biopsy and Precision Medicine.

Dr. Hvichia played a lead role in advancing the Parsortix technology by working in the laboratory and introducing multiple solutions and innovations. Dr. Hvichia also focused on collecting and analysing data from the microfluidic cassette, instrument and assay development process, resulting in ANGLE's first peer-reviewed publication in the International Journal of Cancer (IJC) in January 2016. This publication made the prestigious list of 10 most popular cancer publications in recent years, presented at World Cancer Congress 2018 by renowned publisher Wiley and International Journal of Cancer.

Brings to the SAB expertise in – microfluidics and biochips with ongoing thoughts and advice on development of the Parsortix system.

Dr. Joseph Khoury

Skills and experience

Dr. Joseph Khoury is a recognised expert in diagnostic pathology and has significant experience in the cytological and morphological analysis of cancer cells as well as molecular diagnostics and immunophenotyping. Dr. Khoury is a tenured Professor of Pathology and Laboratory Medicine at The University of Texas MD Anderson Cancer Center in Houston, Texas and is the Executive Director of the MD Anderson Cancer Network for the Division of Pathology and Laboratory Medicine. Dr. Khoury is also the Director of the MD Anderson Clinical Immunohistochemistry Laboratory.

Dr. Khoury is a leader in translational research focused on hematolymphoid neoplasia (a class of tumours that affect the blood, bone marrow, and organs of the immune system). Dr. Khoury has authored over 210 publications, many in prestigious peer-review scientific and medical journals, two textbooks, and several book chapters. He has trained numerous clinical and research fellows. Dr. Khoury is an active member of the College of American Pathologists and has lectured extensively at various institutions and conferences globally.

Brings to the SAB expertise in – diagnostic pathology and cytological and morphological analysis of cancer cells.

Prof. Adrian Newland

Skills and experience

Prof. Adrian Newland (who is not related to ANGLE's Chief Executive) is Professor of Haematology at Barts Health NHS Trust and Queen Mary University of London. Prof. Newland was also Director of Pathology for the Trust and Clinical Director of the North East London Cancer Network until 2018. Prof. Newland was President of the Royal College of Pathologists from 2005 to 2008 and the International Society of Hematology from 2014 to 2016. Prof. Newland chaired the National Blood Transfusion Committee and was pathology lead for NHS London. Prof. Newland is National Clinical Advisor in Pathology to NHS Improvement and Clinical Advisor to the Transforming Cancer Service Team in London. He chairs the National Pathology Implementation Optimisation Delivery Group.

Prof. Newland was previously chair of the Diagnostic Assessment Programme for the National Institute for Health and Clinical Excellence (NICE) and of the NICE Sifting Group for cancer drugs. Prof. Newland has been a member of the Scientific Advisory Panel of the Institute of Cancer Research from 1995 until 2003 and Chair of the London Cancer New Drugs Group since 2002. Prof. Newland was a member of the National Chemotherapy Implementation Group until 2018 and a member of the Expert Reference Group on Cancer Care in London, the national Cancer Outcomes Advisory Group and the Human Genome Strategy Group. Prof. Newland is co-chair of the WHO Strategic Advisory Group of Experts for In-Vitro Diagnostic Devices (SAGE-IVD) and recently completed the five year review of the WHO Cancer programme. He is currently a non-executive director of the UK Accreditation Service and chairs their Healthcare Forum.

Brings to the SAB expertise in – haematology, pathology, cancer diagnostics, accreditation and NICE.

Dr. James Reuben

Skills and experience
Dr. Reuben is a Professor in the Department of Hematopathology, Division of Pathology/Lab Medicine at The University of Texas MD Anderson Cancer Center, Houston, Texas. Dr. Reuben is a leading authority and has conducted significant research on circulating tumour cell subsets, including those with epithelial and mesenchymal phenotypes and their clinical relevance to minimal residual disease in breast cancer.

Some related publications include "Circulating tumor cells, disease progression, and survival in metastatic breast cancer in the New England Journal of Medicine"; "Circulating tumor cells are associated with increased risk of venous thromboembolism in metastatic breast cancer patients" in the British Journal of Cancer; and "Circulating tumor cells in metastatic inflammatory breast cancer" published in the Annals of Oncology. Dr. Reuben received his PhD in immunology from McGill University in Montreal, Canada and his MBA from University of Houston, Houston, Texas. Dr. Reuben completed his research fellowship in the Department of Experimental Therapeutics at The University of Texas MD Anderson Cancer Center with Evan M. Hersh, MD and Emil J Freireich, MD, as mentors.

Brings to the SAB expertise in – knowledge and understanding of CTCs, breast cancer and wide network of contacts in the field.

Mr Greg L Shaw

Skills and experience
Mr Shaw is a Consultant Urological Surgeon at University College Hospital in London and is a clinical academic with a strong interest in prostate cancer diagnostics and treatment. Having completed an M.D. in prostate cancer at the University of London investigating circulating tumour cells in prostate cancer, and subsequently completed four years as a lecturer at the University of Cambridge, Mr Shaw has published widely on prostate cancer and is currently an honorary Associate Professor at University College and Senior Lecturer at Queen Mary College of the University of London.

Mr Shaw leads several research programmes focused on current weaknesses in the way prostate cancer is treated and is interested in exploring the role novel biomarkers may play in advancing practice in these areas. Mr Shaw is currently chief investigator for two NIHR portfolio studies investigating 1) the effects of refinements to robotic surgery and 2) the use of drugs to prevent progression in men on active surveillance for prostate cancer. Mr Shaw is an expert in robotic surgery with a high case volume. Mr Shaw is known for his innovative approach and commitment to quality assurance.

Brings to the SAB expertise in – prostate cancer diagnostics and treatment.

Dr. Clive Stanway

Skills and experience
Dr. Clive Stanway is currently an independent drug discovery and development advisor to several companies including acting as a non-executive director for CytoSeek Ltd and Atelerix Ltd.
Dr. Stanway was until 2018 Chief Scientific Officer of Cancer Research UK's Commercial Partnerships which is responsible for the development and commercialisation of research innovations.
Dr. Stanway is an expert in cancer drug discovery and a key part of his former role was working closely with major pharmaceutical partners. Dr. Stanway has extensive knowledge and experience of cancer research, detailed understanding of the drug discovery and development process, and worldwide contacts with major pharma development groups.

Dr. Stanway was engaged in raising the scientific profile of Commercial Partnerships with the pharmaceutical industry; his efforts have led to several significant partnerships and alliances. Dr. Stanway has also driven internal Commercial Partnerships projects addressing cancer immunomodulation bringing together different technologies and expertise leading to a compound progressing towards a Phase 1 trial. The annual research spend of Cancer Research UK is in the region of £375 million and Commercial Partnerships has annual revenues of approximately £50 million. Prior to becoming Chief Scientific Officer of Commercial Partnerships, Dr. Stanway established and led the drug discovery and biotherapeutic discovery activity within Cancer Research UK, which has been or is now partnered with AstraZeneca, FORMA Therapeutics, BMS, Artios and Merck KGaA.

Brings to the SAB expertise in – cancer drug discovery and development and major pharma networks.

Dr. Harold Swerdlow

Skills and experience
Dr. Harold Swerdlow is currently Senior Director of NGS R&D at DNA Electronics (DNAe) in London. His role there involves managing Next-Generation Sequencing (NGS) technology and product development for an initial sepsis diagnostic offering. Dr. Swerdlow is a leading expert in NGS and recently served as a consultant for both ONI (Oxford Nanoimaging), a super-resolution microscopy company, and Nuclera, a DNA synthesis start-up after being Head of NGS Technology Development at LGC Genomics. As VP of Sequencing at the New York Genome Center (NYGC) from 2014-2017, Dr. Swerdlow directed the Technology Innovation group and managed the production and clinical laboratory facilities (with about 30 Illumina DNA sequencers). Prior to NYGC, Dr. Swerdlow was Head of Research and Development for the Wellcome Trust Sanger Institute in Cambridge, UK (2008-2014). In that role, Dr. Swerdlow directed the R&D department and helped build the Sanger Institute's next-generation DNA-sequencing production facility into one of the world's largest.

Previously, Dr. Swerdlow was the Chief Technology Officer of Dolomite Ltd., a leader in microfluidics and microfabrication. Prior to Dolomite, Dr. Swerdlow was an inventor of the core technology relating to NGS at Solexa Ltd., a company which he joined in 2000 when it had only three employees. From then until 2006, as Senior Director of Research, Dr. Swerdlow helped launch Solexa's first product, the Genome Analyzer DNA sequencing platform. At Solexa, Dr. Swerdlow was responsible for instrument engineering, integration of the next-generation DNA sequencing system and early applications work, along with assisting in the development of many of the system's biochemical components. Dr. Swerdlow was a key member of the Senior Management team that delivered Solexa's first genome sequence, an end-to-end proof-of-principle. Following its NASDAQ listing, Solexa was acquired by Illumina Inc. for US$600 million and Solexa's technology became the core of Illumina's world-leading NGS products.

Brings to the SAB expertise in – next generation sequencing, genomics and system integration.

Prof. Ashok Venkitaraman

Skills and experience
Prof. Ashok Venkitaraman holds the Ursula Zoellner Professorship of Cancer Research at the University of Cambridge, and is Director of the Medical Research Council's Cancer Cell Unit and Joint Director of the Medical Research Council Hutchison Cancer Research Centre. Prof. Venkitaraman's research has helped to elucidate the connections between chromosome instability and the genesis of epithelial cancers.

Prof. Venkitaraman has been instrumental in establishing the Cambridge Molecular Therapeutics Programme, an initiative that links chemists, physicists, structural biologists, cancer biologists and clinicians at the University of Cambridge. Prof. Venkitaraman has been a member of the Scientific Advisory Boards of Astex Therapeutics Ltd, Cambridge Antibody Technology (AstraZeneca affiliate), Massachusetts General Hospital Cancer Center and currently chairs the Scientific Advisory Board of Sentinel Oncology Ltd. Prof. Venkitaraman has also been a John H Blaffer Lecturer at M D Anderson Cancer Center. Prof. Venkitaraman was elected a Fellow of the Academy of Medical Sciences, London, in 2001, and a member of the European Molecular Biology Organization (EMBO) European Academy, Heidelberg, in 2004.

Brings to the SAB expertise in – cancer cell biology and personalised cancer care.

Directors' Report
For the period ended 31 December 2019

The Directors present their Report and Financial Statements for the eight month period ended 31 December 2019 for ANGLE plc (the "Company") and its subsidiaries (the "Group" or "ANGLE"). ANGLE plc, Company registration number 04985171, is a public limited company, incorporated and domiciled in England and quoted on the London Stock Exchange Alternative Investment Market (AIM). ANGLE plc also has a Level 1 American Depository Receipt (ADR) program that trades on the Over-The-Counter (OTC) market in the United States. The Remuneration Report on pages 49 to 51 is a voluntarily prepared report.

The Directors who held office as at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Principal activities
The principal activity of the Company is that of a holding company. The Group's principal trading activity is undertaken in relation to the development and commercialisation of the Parsortix cell separation system, with deployment in liquid biopsy – non-invasive cancer diagnostics.

Review of the business and future developments
The Strategic Report (including the Chairman's Statement and the Financial Review) on pages 02 to 33 reports on the Group's performance during the past financial period and its prospects.

The information that fulfils the requirements of the Business Review is contained within the Strategic Report (including the Chairman's Statement and the Financial Review) on pages 02 to 33 and is incorporated into this report by reference.

Key Performance Indicators (KPIs)
The Group's main KPIs and details of performance against them are set out on pages 22 and 23.

Results and dividends
The Consolidated Statement of Comprehensive Income for the period is set out on page 55.

The Group made a loss for the eight month period of £6.2 million (year ended 30 April 2019: loss £8.9 million).

The Directors do not recommend the payment of a dividend for the period (year ended 30 April 2019: £nil). The Board periodically reviews the Company's dividend policy in the context of its financial position.

Research and development
Total expenditure on research and development in the period amounted to £6.0 million (year ended 30 April 2019: £8.0 million). Expenditure on research and development expensed through the Consolidated Statement of Comprehensive Income amounted to £5.0 million in the period (year ended 30 April 2019: £6.4 million), including both third-party research and development costs and own staff costs. Additional expenditure on product development was capitalised on the Consolidated Statement of Financial Position, in accordance with IAS 38, and amounted to £1.0 million in the period (year ended 30 April 2019: £1.6 million).

Directors and their interests
The following Directors have held office since 1 May 2019:

I F Griffiths
J Groen
B Howlett
A D W Newland
G R Selvey

The Directors' interests, including beneficial interests, in the Ordinary shares and share options of the Company are shown in the Directors' Remuneration Report on pages 50 and 51.

Directors' and Officers' liability insurance
As permitted by the Companies Act 2006, the Directors and Officers of the Company and its subsidiaries are indemnified under the Group's Directors' and Officers' liability insurance in respect of proceedings which might be brought by a third-party. No cover is provided in respect of any fraudulent or dishonest acts.

Significant shareholdings
The following fund managers and shareholders had an interest in 3% or more of the Company's ordinary share capital, according to the Link Asset Share Portal, as at 16 June 2020:

Fund manager/shareholder	Number of shares	Holding
Jupiter Asset Management Limited*	27,890,838	16.14%
Fidelity International Limited (FIL)*	14,241,348	8.24%
Dermot Keane	12,777,088	7.39%
Conifer Management LLC	12,032,522	6.96%
Legal and General	10,369,092	6.00%
Andrew D W Newland	7,054,686	4.08%

* Fund manager does not hold all of the voting rights as some are retained and voted by the beneficial owner.

Risk management
Details of the Group's financial risk management objectives and policies are disclosed in Note 14 to the Financial Statements, along with further information on the Group's use of financial instruments.

Principal Risks and Uncertainties
The Directors consider that the Group is exposed to a number of risks and uncertainties which it seeks to mitigate and the principal ones are set out on pages 24 to 29.

Directors' responsibilities
The Directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company Financial Statements for each financial period. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have elected to prepare the Company Financial Statements in accordance with IFRS as adopted by the EU.

The Group and Company Financial Statements are required by law and IFRS adopted by the EU to present fairly their financial position and performance; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 the Company and of the profit or loss of the Group for that period.

In preparing each of the Group and 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 IFRS adopted by the EU; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the ANGLE plc website. The Group's website is intended to meet the legal requirements for the UK and not to meet the different legal requirements relating to the preparation and dissemination of financial information in other countries.

Directors' Report

For the period ended 31 December 2019
continued

Post reporting date event
As reported in Note 24, the Chairman's Statement and elsewhere, the Company has had some short-term negative impacts from government lock downs associated with COVID-19. Although this has created some uncertainty and a need to adapt the operating model it is not expected to have any significant long-term impact on the Company.

Going concern
The Directors have considered the uncertainties, risks and potential impact on the business associated with COVID-19 and are carefully managing the discretionary expenditure in line with available cash resources.

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of signing of these Financial Statements with discretionary expenditure carefully controlled. Based on the level of existing cash and expected R&D tax credits, the projected income and expenditure (the timing of some of which is at the Group's discretion) and other potential sources of funding, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the Financial Statements. Notes 1.4 and 24 provide additional information.

Auditor
The auditor RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

Annual General Meeting
The Annual General Meeting (AGM) of the Company will be held at 2:00 pm on Thursday 27 August 2020 at ANGLE plc, 10 Nugent Road, Surrey Research Park, Guildford, Surrey GU2 7AF. In line with the UK Government's COVID requirements to maintain social distancing this will be a closed meeting and shareholders will not be permitted to attend the AGM in person. Shareholders will be able to join the AGM remotely with questions invited to be submitted before the meeting. The Notice of Annual General Meeting is enclosed within this report on pages 88 to 91.

On behalf of the Board

Andrew D W Newland
Chief Executive
24 June 2020

Corporate Governance Report

Corporate Governance
The Company's shares trade on the Alternative Investment Market (AIM) of the London Stock Exchange.

The Board is committed to high standards of corporate governance and adheres to the Quoted Companies Alliance (QCA) Corporate Governance Code for small and mid-size quoted companies (the "QCA Code").

The Board has voluntarily applied the QCA Code since 2014, with elements of the UK Corporate Governance Code prior to that. Since 28 September 2018, AIM companies were required to comply or explain against a recognised corporate governance code. The QCA Code was revised in April 2018 ("QCA Code 2018") and sets out 10 broad principles of corporate governance, states what are considered to be appropriate corporate governance arrangements for growing companies and requires companies to provide an explanation about how they are meeting the principles through certain prescribed disclosures.

The Board has considered how each principle is applied and provides below an explanation of the approach taken in relation to each and how they support the Company's medium to long-term success.

In accordance with Section 172 of the Companies Act 2006, the Board recognises the importance of our stakeholders to our business. The Board has thought carefully about how to formalise its consideration of the impact of its decisions on key stakeholders and has updated the report below on how it applies the S172 duties under the Companies Act 2006, in particular as it relates to QCA Principles 2 and 3.

Chairman's Statement
As Chairman of the ANGLE plc ("ANGLE") Board, it is my responsibility to ensure that the Board is performing its role effectively and has the capacity, ability, structure and support to enable it to continue to do so.

We believe that a sound and well understood governance structure is essential to maintain the integrity of the Group in all its actions, to enhance performance and to impact positively on our shareholders, staff, customers, suppliers and other stakeholders.

ANGLE applies the QCA Code 2018 as the benchmark for measuring our adherence to good governance principles. These principles provide us with a clear framework for assessing our performance as a Board and as a Company, and the report below shows how we apply the Code's ten guiding principles in practice and also incorporate Section 172 of the Companies Act 2006.

Strategy and business model (QCA Principle 1)
The Group's strategy and business model is explained within the Strategic Report on pages 02 to 33, and is summarised below.

ANGLE is a world-leading liquid biopsy company commercialising a platform technology that can capture cells circulating in blood, such as cancer cells, even when they are as rare in number as one cell in one billion blood cells, and harvest the cells for analysis.

ANGLE's cell separation technology is called Parsortix and is the subject of granted patents in multiple jurisdictions. The system is based on a microfluidic device that captures cells based on a combination of their size and compressibility.

The analysis of the cells that can be harvested from patient blood with ANGLE's Parsortix system has the potential to deliver profound improvements in clinical and health economic outcomes in the treatment and diagnosis of various forms of cancer.

ANGLE has made strong progress in its four-pronged strategy for achieving widespread adoption of its Parsortix system in the emerging multi-billion dollar liquid biopsy market:

1) Completion of rigorous large-scale clinical studies run by leading cancer centres, demonstrating the effectiveness of different applications of the system in cancer patient care
2) Securing regulatory approval of the system with the emphasis on FDA clearance as the *de facto* global gold standard. ANGLE is seeking to be the first company ever to gain FDA clearance for a system which harvests circulating tumour cells from blood for subsequent analysis
3) Establishing a body of published evidence from leading cancer centres showing the effectiveness of the system through peer-reviewed publications, scientific data and clinical research evidence, highlighting a wide range of potential applications
4) Establishing partnerships with large healthcare companies for market deployment and development of multiple other clinical applications incorporating the Parsortix system.

ANGLE intends to establish an independent accredited clinical laboratory that will have the capability of offering validated clinical tests. This clinical laboratory will be used as an accelerator and demonstrator in support of the Company's established plan for product sales of Parsortix instruments and cassettes.

ANGLE's ultimate objective is the widespread adoption of the Parsortix system in the diagnosis, treatment and monitoring of cancer patients.

Corporate Governance Report

continued

ANGLE is seeking to become the first ever company to receive FDA Class II clearance for a product for harvesting intact circulating tumour cells from patient blood for subsequent analysis. US regulatory clearance by the FDA is considered the global standard for approval of medical diagnostic systems and ANGLE believes that such clearance would provide ANGLE's Parsortix system with a further competitive differentiation, which would accelerate all forms of commercial adoption of the system in both research and clinical settings.

Large-scale deployment of the Parsortix system across numerous cancer types and application areas requires ANGLE to partner with large, global healthcare companies to take advantage of their distribution and sales channels and economic resources.

Meeting shareholder needs (QCA Principle 2)
The Company seeks to maintain and enhance good relations with its shareholders and analysts. The Group's interim and Annual Reports are supplemented by regular published updates to investors on commercial progress. All investors have access to up-to-date information on the Group via its website, www.angleplc.com, which has an investor relations section providing contact details for investor relations queries, details on the Company's share price, share price graphs and share trading activity. The Company also distributes Group announcements electronically. Shareholders and other interested parties wishing to receive announcements via email are invited to sign up to the "Email Alert" facility in the Investor Relations, Regulatory News section on the Company's website.

The Directors seek to build on a mutual understanding of objectives between the Company and its shareholders, especially considering the specialist and medium-term nature of the business. Institutional shareholders, private client brokers and analysts are in contact with the Directors through a regular programme of briefing presentations and meetings to discuss issues and give feedback, primarily following the announcement of the interim and preliminary results, but also throughout the year as required. The Board also uses and receives formal feedback through the Company's joint stockbrokers, financial public relations advisor and other advisors. Investor forums and presentation seminars and shows provide other channels of communication to shareholders, analysts and potential investors. Individual shareholders are welcome to and regularly make contact with the Company via email or telephone.

All shareholders are encouraged to make use of the Company's Annual General Meeting (AGM) to vote on resolutions (see Principle 10) and to raise any questions regarding the strategy, management, operations and corporate governance of the Group. The Chairmen of the Audit, Remuneration and Nomination Committees are available to answer any questions from shareholders at the AGM.

finnCap and WG Partners act as joint brokers to the Company, to further improve the quality and quantity of Investor relations activities.

Along with the usual presentations and webinars the Company held a number of non-deal roadshows in the period and a deal roadshow resulting in a successful fundraise in July 2019 which was oversubscribed and marked a successful introduction to the US market with the addition of two significant US investors.

During the period we changed our IR website tools providers to improve the shareholder experience with easier to use investor tools, and have seen an increase of 9% in subscribers to our email alert facility.

The addition of a Corporate Responsibility Report on pages 32 and 33 is in response to shareholder requests to better understand how the Group deals with environmental, social and governance (ESG) issues.

Manage our responsibilities to wider stakeholders (QCA Principle 3)
The Board recognises its prime responsibility under UK corporate law is to promote the success of the Group for the benefit of its members as a whole. We conduct business in an ethical way and take seriously our responsibilities to our employees, clinical study partners, contractors, key opinion leaders, trading partners, research and laboratory customers, suppliers and regulatory authorities.

We recognise that our employees are a core fundamental component to our success. We hold regular all-employee meetings to discuss business progress and provide updates on initiatives. These meetings also include opportunities for staff to present on ongoing projects. One of the goals of these meetings is to ensure that staff feel valued and engaged with the wider Group.

ANGLE provides training and development programmes, inclusive and interactive appraisal systems, merit-based promotions, flexible and family-friendly employee policies and a range of employee and family benefits. Woven throughout all initiatives and programmes is a philosophy which promotes an open culture for discussion and honest feedback. Employees are encouraged to be creative and offer ideas across the Group. Group-wide competitions have been held to encourage creativity and camaraderie. An example of this in the period was a competition for the naming and branding of our product lines.

The Company places importance on the development of internal candidates for management roles and utilises a combination of competency and development plans to progress this. During the period we introduced a Management Charter which formalises the ANGLE culture and clarifies our expectations to and from staff, and puts in place a structure to ensure we achieve it. This has delivered a number of new initiatives across the Group during the period including a refined structured promotions process, a coaching programme to support managers and the development of a New Manager training course to be delivered in the new year. Local teams have engaged staff in a number of team building events.

ANGLE operate a high standard of quality management to ensure we comply with the appropriate regulations in the various territories in which we operate. The Group uses external specialists where needed in relation to areas such as the quality systems and health and safety.

The complex nature of our products and product development process means that close working relationships with a number of key suppliers are essential to ensure we receive the highest quality products and services. An ISO 13485:2016 quality system is mandatory for key suppliers. This involves senior staff clearly communicating requirements and working closely with suppliers to develop appropriate products and services. We ensure there are clear processes for change control to avoid issues and clear billing arrangements and we aim to pay suppliers based on the terms agreed. As a result we receive high quality goods delivered on time and to specification. It puts us in a position to negotiate discounts, for example, bulk discounts on cassettes with the first large-scale frame order in the period.

We work closely with key opinion leaders (KOLs) and customers who have access to patient samples, who provide feedback on their use of the system, including problems encountered, development needs such as new processes and workflows and working with different downstream analysis systems. Our success, competitive advantage and reputation are dependent on understanding these needs and providing solutions. The relationships are managed by key account managers. KOLs, customers and the Group regularly present at scientific conferences. We have a leveraged R&D model driving an increased number of peer-reviewed publications enabled by the Parsortix system in order to be at the forefront of CTC research and clinical adoption.

Six peer-reviewed publications were issued in the eight month period by KOLs and customers (year ending 30 April 2019: 10). Most notably these included a publication from UKE Hamburg demonstrating the utility of the Parsortix system for determining PD-L1 status of circulating tumour cells, and a publication from Barts Cancer Institute (UK) demonstrating the capability of Parsortix system to detect clinically significant prostate cancer to reduce over-diagnosis and over-treatment. We presented at five conferences in the period. ANGLE customer, University of Basel presented their breakthrough research on CTC clusters at the ACTC conference in Corfu.

We operate in a highly regulated area of business. National governments and regulators (Competent Authorities) implement highly structured product certification regimes to national, supra-national and international standards. Such certifications are necessary by law to manufacture and market research and clinical devices.

Notified Bodies are designated by Competent Authorities to perform assessments to agreed standards. ANGLE is subject to those assessments where appropriate to the products manufactured and marketed by the Company.

We employ consultants with high levels of regulatory knowledge, experience and contacts to ensure our working knowledge is comprehensive, up to date and appropriate to our needs. Guidance documents and training are identified to enable us to keep up to date with regulatory developments across different regulatory bodies and different standards domains.

Through engagement, we ensure that we understand the regulatory landscape so that we can identify and comply with all applicable product standards in all relevant territories. We engage with regulatory authorities, through telephone, email and face-to-face meetings, to ensure we obtain their views, understand the regulations and their impact on our work plans and submissions.

During the period we have maintained ISO 13485:2016 accreditation (Europe) and CE marking (IVDD) for the intended use and are working towards securing ISO 13485:2016 accreditation (Canada) and are in the final stages of completing our submission for FDA clearance for the intended use. We have developed a regulatory roadmap to support future product strategy.

Risk management (QCA Principle 4)

The Board is responsible for identifying the major business risks faced by the Group and for determining the appropriate course of action and systems to manage and mitigate those risks.

The nature of medical diagnostics development and the early stage and scale of our operations means there are a number of risks and uncertainties. The Directors maintain a risk register and have summarised the principal risks and uncertainties that could have a material impact on the Group. The Principal Risks and Uncertainties are reported on pages 24 to 29.

The Board monitors the key areas such as clinical applications, competitive position, financial, intellectual property, manufacturing, market acceptance, operational, regulation and quality assurance, research and development, staff, key suppliers and key partners. An ongoing assessment is made of their potential impact and mitigation strategies and actions. New potentially material risks which arise between reviews, such as Brexit and the impact of the COVID-19 pandemic, are added to the risk register, discussed at Board level as they arise and followed up by the Board as appropriate.

The Audit Committee has adopted formal terms of reference (see Principle 9) and considers financial reporting, corporate governance and internal controls. Its review of financial reporting includes discussion of major accounting issues, policies and compliance with International Financial Reporting Standards (IFRS), the law (Companies Act 2006), review of key management judgements and estimates, review and update of the risk register, risk identification and assessment and risk management and mitigation activities and going concern assumptions.

Internal control systems are designed to meet the particular needs of the Group and the risks to which it is exposed. The system of internal control is designed to manage the risk of failure to achieve business objectives, rather than to eliminate it, and by its nature can only provide reasonable but not absolute assurance against material misstatement or loss.

An internal audit function is not considered necessary or practical due to the size of the Group and the close day-to-day control exercised by the Executive Directors and senior management. The Board will continue to monitor the requirement to have an internal audit function.

Corporate Governance Report

continued

The key procedures that the Directors have established with a view to providing an effective system of internal control are as follows:

Management structure
The Board has overall responsibility for the Group and focuses on the overall Group strategy (see Principle 1) and the interests of shareholders (see Principles 2 and 10). There is a schedule of matters specifically reserved for decision by the Board (see Principle 9). The Board has an organisational structure with clearly defined responsibilities and lines of accountability and each Executive Director has been given responsibility for specific aspects of the Group's affairs (see Principles 5 and 9). Internal financial risks are controlled through authorisation procedures/levels and segregation of accounting duties.

Quality and integrity of personnel
The integrity and competence of personnel are ensured through high recruitment standards and subsequent training. We assess employee competence at all levels, identify development requirements and provide training and development support, aligned with business and personal objectives. High-quality, motivated personnel are seen as an essential part of the control environment.

Budgets and reporting
Each year the Board approves the annual budget which includes an assessment of key risk areas. Performance is monitored and relevant action taken throughout the year through regular reporting to the Board of variances from the budget and preparation of updated forecasts for the year together with information on the key risk areas.

Investment and divestment appraisal
All material investment and divestment decisions require appraisal, review and approval by the Board.

Internal controls
The Board reviews the effectiveness of the Group's systems of internal controls and has a process for the continuous identification, evaluation and management of the significant risks the Group faces. Assessment considers the external environment, the industry in which the Group operates, the internal environment and non-financial risks such as operational and legal risks. The risks identified are ranked based on significance and likelihood of occurrence. The Board reviews the controls in place to mitigate those risks and improvements are made where required. The Group conducts its operations within the ISO 13485:2016 quality management system and continues to invest in its systems and people in light of Group strategy and risk assessment to ensure the appropriate operational controls and measures are in place and working effectively. The quality system is subject to annual Notified Body audit (BSI). The Group uses external specialist resources (regulatory, design, manufacturing etc) as required. Day-to-day responsibility for the implementation of effective internal control and risk monitoring rests with senior management.

Metrics and quality objectives continue to be actively implemented and monitored as part of a continual improvement programme. A number of incremental improvements have been made in the year driven by planned internal quality system auditing and risk assessment and other larger improvements have been identified and are being progressed. Improvements have included 1) data security (password) minimum criteria requirements and training; 2) segregation of duties review and refinement; 3) electronics systems for supplier and equipment control within the quality system; 4) piloting of electronic forms, document signatures and signing authorities; 5) improvements to purchasing procedures and inbound goods inspections; and 6) implemented a new dashboard reporting system across the Group.

Maintain a well-functioning Board (QCA Principle 5)
The Board of Directors is led by the Chairman, has overall responsibility for strategy (see Principle 1) and is responsible to shareholders for the governance of ANGLE plc and for the effective operation and management of the Group. Its aim is to provide leadership and control in order to ensure the growth and development of a successful business, while representing the interests of the Company's shareholders (see Principles 2 and 10).

Composition
The Board comprises the Chairman, two Non-executive and two Executive Directors. The QCA Code recommends there are at least two non-executive directors.

Different Directors hold the roles of Chairman and Chief Executive and there is a clear division of responsibilities between them. The Chairman is responsible for corporate governance, for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision making and ensuring that the Non-executive Directors are properly briefed on matters. The Chief Executive has responsibility for implementing the strategy of the Board and managing the day-to-day business activities of the Group through his management of the Executive Directors and senior managers. The Finance Director also acts as the Company Secretary as the size and nature of the business activities do not justify a dedicated person or a need to outsource the activity; in this role he supports the Chairman directly on governance matters as well as dealing with legal and regulatory compliance.

The Board's composition is geared toward the Group's current stage of development and priorities and will be refreshed as appropriate. The skill set of the Board therefore includes experience in non-executive director/chairman/CEO roles, listed companies, investor relations, fundraising, medical diagnostics, technology development, product development and commercialisation, lab-developed tests, CE Mark and FDA cleared product approvals and reimbursement. Individual Directors possess a wide variety of skills and experience and biographical details of the Directors are set out on pages 34 and 35.

There are currently no female or ethnic minority directors. The Board is confident both that the opportunities in the Company are not excluded or limited by any diversity issues (including gender) and that the Board nevertheless contains the necessary mix of experience, skills and other personal qualities and capabilities necessary to deliver its strategy. This area will continue to be monitored.

Independence
The Chairman and Non-executive Directors are considered by the Board to be independent of management and free of any relationship which could materially interfere with the exercise of their independent judgement. They do not have a significant shareholding (see page 39) or represent a major shareholder, they receive no remuneration from the Company other than directors' fees and occasional consultancy fees (see page 50), they have no day-to-day involvement in running the business and have never been employees of the Company, they have no personal financial and/or material interest in any other matters to be decided, such as contracts, and they have no conflicts of interests arising from cross-directorships or advisory roles. Each Board meeting starts with a declaration of Directors' interest to identify potential or actual conflicts of interest. The Board considers that the Non-executive Directors are of sufficient calibre to bring the strength of independence to the Board. The Board has nominated Brian Howlett as Senior Independent Director. Issues can also be raised directly through the normal channels of the Chairman, Chief Executive and Finance Director and where necessary the Non-executive Directors can be approached directly.

The Chairman joined the Board in September 2006. The Chairman was independent at the time of his appointment and under the previous QCA code he counted as an independent director. The Board considers that the Chairman's long standing knowledge and detailed experience of the business are extremely valuable and that the length of tenure does not affect his independence of judgement.

Committees of the Board
The Board maintains Audit, Remuneration and Nomination Committees. All Committees operate with written terms of reference (see Principle 9).

Ensure Directors have necessary, up-to-date skills (QCA Principle 6)
Individual Directors possess a wide variety of skills and experience.

Detailed biographical information on the individual Directors are set out on pages 34 and 35.

The key skills they bring to the Board are:

- Garth Selvey, Chairman – extensive experience of the listed sector and leading companies.
- Andrew Newland, Chief Executive – over 29 years of experience in setting up, leading and building technology-based businesses, over 19 years leading specialist medtech businesses, and over ten years in the liquid biopsy space.
- Ian Griffiths, Finance Director – over 30 years of experience in finance and technology-based businesses, and over ten years in the liquid biopsy space.
- Jan Groen, Non-executive Director – expertise in new product development, including development and successful commercialisation of CE marked and FDA cleared diagnostic products and lab-developed tests in Europe and the USA.
- Brian Howlett, Non-executive Director – extensive commercial operations experience of the medtech sector.

The Non-executive Directors also serve on other boards in the medical diagnostics sector which gives a broad range of skills, capabilities and experience. All Directors are able to take training and/or independent professional advice in the furtherance of their duties if necessary. Directors keep their skill set up to date through attending industry events, seminars and research. The Executive Directors will typically undertake specific training during the year. All Directors also have access to the Company's Nominated Advisor, legal advisors, financial advisors and other independent professional advisors as required. Professional advisors provide briefings and update notes on necessary legislation from time to time.

No individual Director or Committee of the Board received any external advice in relation to their Board duties in the year.

There is an induction process for new directors including briefing by the Nominated Advisor and the Company.

Evaluate Board performance (QCA Principle 7)
The Company supports the concept of an effective Board leading and controlling the Company. The Chairman discusses and deals with any concerns with an individual Director, or the Board as a whole, on Board performance as they arise. Additionally, the Board undertakes a periodic formal evaluation of its performance, its Directors and its Committees, the last one being in 2018. The review, led by the Chairman, involves each Board member providing feedback and comments on the others and where necessary specific actions are identified to improve certain areas.

The evaluation criteria take into account the Financial Reporting Council's guidance on board effectiveness. The criteria against which board, committee and individual effectiveness is considered comprise the Board structure (composition, constitution, diversity and succession planning – see Principle 5), the dynamics and functioning of the Board (annual Board meeting schedule, quality of information, interactions and communications with the Executive Directors and senior management team, cohesiveness and the quality of participation in Board meetings), the Board's role in strategy and the financial reporting process. Evaluation procedures are evolving to ensure they are relevant to the Group's stage of development and Board dynamics. Due to the experience and size of the Board and the size of the Company, the Board does not consider it necessary to have evaluations facilitated by an external consultant but will keep this under review.

Corporate Governance Report

continued

Promote a values-based corporate culture (QCA Principle 8)

The Board places emphasis on its values-based corporate culture and ethical behaviour which are crucial to the Group's reputation in the highly regulated field in which it operates. The Group's success depends on maintaining a supportive, innovative and can-do culture when working with suppliers and customers.

The Group manages a highly regarded quality management system which has a very strong influence on culture. The Group's competency framework sets values-based expectations at all levels in terms of the way we communicate and behave towards each other and external stakeholders. Our competency framework links to our performance management system and, in turn, to our rewards strategy.

The Group operates a flat structure with all staff having the ability to discuss matters with Directors and senior managers. The management teams meet regularly to promote communications and teamwork. The majority of projects take a team based approach. Staff regularly work at different offices. Recruitment practices are heavily focused on recruiting people with similarly strong values. We have expanded our HR team to ensure a consistently open and ethical approach to recruitment, management and employee communication throughout our offices.

The Group has established a Management Charter which formalises and clarifies expectations that managers at all levels take responsibility for supporting and promoting an ethical values-based culture. Senior managers are coached in the development and maintenance of an open and ethical culture. This Charter forms the basis of our management development programme and is part of management objectives.

The Group has taken further steps to promote a supportive culture. These include improving healthcare benefits, training Mental Health First Aiders, subscription for employees to Thrive: Mental Wellbeing app and team building events.

The highly skilled and diverse nature of the Group influences culture which, at the most recent review, is characterised by:

- Qualifications, with 87% (April 2019: 87%) of staff having higher education qualifications including Degrees, Masters and Doctorates as well as Chartered Accountants and MBAs, with the majority of staff having multiple qualifications.
- Gender split, with 48%:52% (April 2019: 47%:53%) Male:Female.
- Different nationalities, with 31 (April 2019: 25) different countries represented.

Maintain fit for purpose governance structures (QCA Principle 9)

Roles and responsibilities

Chairman: the Chairman is responsible for the leadership of the Board and ensuring the effective running and management of the Board. He is also responsible for the Board's oversight of the Company's affairs, which includes ensuring that the Directors receive accurate, timely and clear information, ensuring the effective contribution of the Non-executive Directors and implementing effective communication with shareholders.

Chief Executive Officer: the Chief Executive Officer is responsible for the day-to-day management and the executive leadership of the business. His other responsibilities include the progress and development of objectives for the Company, managing the Company's risk exposure, implementing the decisions of the Board and ensuring effective communication with shareholders and regulatory bodies.

Non-executive Directors' independence

The Board considers the Non-executive Directors to be sufficiently independent to provide appropriate oversight and scrutiny (see Principle 5).

Service contracts and letters of appointment

The two Executive Directors Andrew Newland and Ian Griffiths have service contracts with the Company dated 9 March 2004 and effective from 17 March 2004, as amended from time to time. The contracts are not set for a specific term, but include a rolling 12 month notice period by the Company or the individual. In the event of a change in control, the Executives have the right to terminate their employment without the requirement to work their notice period.

The Chairman Garth Selvey has a letter of appointment dated and effective from 7 September 2006. The Non-executive Director Brian Howlett has a letter of appointment dated and effective from 7 January 2013. The Non-executive Director Dr. Jan Groen has a letter of appointment dated and effective from 1 November 2018. These letters are issued in place of service contracts. These appointments are not set for a specific term and are terminable at will without notice by either party.

Re-election and election of Directors

In accordance with the Company's Articles of Association, Directors are subject to re-election every three years, and newly appointed Directors are subject to election at the first Annual General Meeting (AGM) after their appointment.

All Directors were re-elected by the shareholders at the AGM held on 30 October 2019 and accordingly no Directors are seeking re-election at this AGM.

Committees of the Board

The Board maintains Audit, Remuneration and Nomination Committees. All Committees operate with written terms of reference, the details of which can be found on the website. Their minutes are circulated for review and consideration by the full Board of Directors, supplemented by oral reports on matters of particular significance from the Committee Chairmen at Board meetings.

Audit Committee

The members of the Committee are the Non-executive Director Brian Howlett (Chairman of the Audit Committee), the Chairman Garth Selvey and the Non-executive Director Jan Groen. The Audit Committee meets at least twice a year to review the interim and annual accounts before they are submitted to the Board. The external auditors, Finance Director and Chief Executive may attend by invitation. Provision is made to meet with the auditors at least once a year without any Executive Director present.

The Committee has adopted formal terms of reference and considers financial reporting, corporate governance and internal controls. Its review of financial reporting includes discussion of major accounting issues, policies and compliance with International Financial Reporting Standards (IFRS), the law (Companies Act 2006), review of key management judgements and estimates, review and update of the risk register, risk assessment and risk management activities and going concern assumptions. It also reviews the scope and results of the external audit and the independence and objectivity of the auditors and makes recommendations to the Board on issues surrounding their remuneration, rotation of partners/staff, appointment, resignation or removal. The Audit Committee also considers and determines relevant action in respect of any control issues raised by the auditors. The Audit Committee is also responsible for monitoring the provision of non-audit services provided by the Group's auditors and assesses the likely impact on the auditor's independence and objectivity when considering an award of any material contract for additional services. The fees in respect of audit and non-audit services are disclosed in Note 3; the fees for non-audit services are not deemed to be significant enough to impair their independence and objectivity. A new ethical guide for auditors came into force with effect from 15 March 2020 which tightens up on the non-audit services that auditors can provide. The Audit Committee will be considering the potential impact of this on the services provided.

Remuneration Committee

The members of the Committee are the Chairman Garth Selvey (Chairman of the Remuneration Committee) and the Non-executive Directors Brian Howlett and Jan Groen. The Remuneration Committee meets as required. The Chief Executive and Finance Director may attend by invitation but are not present when matters affecting their own remuneration arrangements are considered.

The Committee has adopted formal terms of reference and the Committee reviews and sets the remuneration and terms and conditions of employment of the Executive Directors and senior management. It also agrees a policy for the salaries of all staff and is responsible for the development of the Company's remuneration scheme. The decisions of the Committee are formally ratified by the Board.

The Company is not required by either the AIM Listing Rules or the Companies Act to produce a remuneration report but provides the information in the Annual Report and Accounts because of its commitment to maintaining high standards of corporate governance. The Company's Remuneration Policy is the responsibility of the Remuneration Committee. The Remuneration Policy, in so far as it relates to the Directors, is subject to an advisory vote by shareholders every three years, and was last approved at the 2018 Annual General Meeting (AGM). The Directors' Remuneration Report is subject to an advisory vote by shareholders at each AGM.

The Remuneration Report on pages 49 to 51 provides details of the Remuneration Policy and the Directors' Remuneration.

Nomination Committee

The members of the Committee are the Chairman Garth Selvey (Chairman of the Nomination Committee) and the Non-executive Directors Brian Howlett and Jan Groen. The Nomination Committee meets as required. The Chief Executive and Finance Director may attend by invitation.

The Committee has adopted formal terms of reference and is responsible for reviewing the structure, size and composition of the Board, planning for succession and for identifying and recommending to the Board suitable candidates for both executive and non-executive Board appointments.

Information

Management supply the Board and/or Committees with appropriate and timely information, including a business update and management accounts so that trading performance can be regularly reviewed.

Matters reserved for the Board

The Board has a schedule of matters specifically reserved to it for decision, including the review and approval of:

- Group policy and long-term plans and strategy for the profitable development of the business;
- interim and annual Financial Statements;
- major investments and divestments;
- other significant financing matters such as fundraising, material contracts including clinical studies and product development, acquisitions and capital item purchases;
- cash flow forecasts, annual budgets and amendments; and
- senior executive remuneration and appointments.

Share dealing code

The Company has adopted and operates a share dealing code governing the share dealings of the Directors and applicable employees to ensure compliance with the AIM Rules.

Corporate Governance Report

continued

Commitment

Directors are required to allocate sufficient time to the Company to discharge their responsibilities effectively. The Chairman is required to commit approximately 3-5 days per month. Non-executive Directors are required to commit approximately 2-4 days per month. Executive Directors work full-time.

Directors' attendance

The Board has at least eight main Board meetings per year with additional special meetings as required, the special meetings typically being telephone meetings to cover specific items. Certain Directors may be appointed as a Committee of the Board of Directors. Directors' attendance at Board and Committee meetings during the eight month period ended 31 December 2019 is set out below:

	Garth Selvey	Brian Howlett	Jan Groen	Andrew Newland	Ian Griffiths
Board	6/6	6/6	6/6	6/6	6/6
Committee of the Board*	1/1	N/A	N/A	2/2	3/3
Audit	1/1	1/1	1/1	N/A	N/A
Remuneration	3/3	3/3	3/3	N/A	N/A
Nomination	0/0	0/0	0/0	N/A	N/A

* The Board appointed Garth Selvey or Andrew Newland together with Ian Griffiths as a Committee of the Board of Directors in relation to the fundraise during the period.

Scoring represents individual Directors' attendance for those meetings when they were members of the Board or Committee.

In addition, the Board has other non-Board meetings to discuss strategy and key business areas with the senior management team.

Communicate governance and performance with shareholders (QCA Principle 10)

The Board communicates regularly with shareholders providing updates on Group performance to shareholders via interim and annual financial reports, trading updates, investor presentations and a regular news flow of significant developments for the Group (see Principle 2). The website includes historical financial reports and governance related material.

The Annual General Meeting (AGM) presents an opportunity for shareholders to vote on the various resolutions proposed.

Remuneration Report

The Company is not required by either the AIM Listing Rules or the Companies Act to produce a remuneration report but has voluntarily provided the information below because of its commitment to maintaining high standards of corporate governance. The Company's Remuneration Policy is the responsibility of the Remuneration Committee.

Remuneration Policy
The Company's aim is to attract, retain and incentivise the Executive Directors, senior management and staff in a manner consistent with the goals of good corporate governance. In setting the Company's Remuneration Policy, the Remuneration Committee considers a number of factors including the basic salary, benefits and incentives available to Executive Directors, senior management and staff of comparable companies and for new senior recruits based on executive search specialist advice. The Company's remuneration packages awarded to Executive Directors and senior management are intended to be competitive, include a significant proportion of performance related remuneration and align employees' with shareholders' interests.

The Remuneration Policy was approved as an advisory vote by shareholders at the 2018 Annual General Meeting (AGM) and remains effective for three years.

Basic salary and benefits
Salary levels are reviewed annually. The Committee believes that basic salary and benefits should be competitive in the relevant employment market and reflect individual responsibilities and performance. Medical health insurance, life cover, income replacement and pension benefits are also provided to employees once they have met eligibility criteria. Executive Directors and senior management are eligible for employer pension contributions on the same basis as eligible staff in the relevant jurisdiction. Basic salary may be taken in part as a pension payment. Basic salary and pension are considered together as a "Combined Figure".

Annual Bonus Plan
The Annual Bonus Plan allows a bonus payment of up to 50% of the Combined Figure upon the achievement of defined targets relating to business progress and up to a further 50% in the case of exceptional achievement. The Remuneration Committee has the discretion to settle an element of any bonus in the form of share options, "Bonus Options", exercisable at par value and not subject to performance conditions.

Share options
The Company has an Enterprise Management Incentive (EMI) Scheme and Unapproved Share Option Schemes as a means of encouraging ownership and aligning the interests of staff and external shareholders. Reflecting the need to attract, incentivise, reward and retain high calibre staff to deliver the business strategy, the Remuneration Committee has established a limit for the Company's share option schemes of up to 16% of the issued and to be issued share capital from time to time.

Long-Term Incentive Plan
The Company has a Long-Term Incentive Plan (LTIP) as a means of further encouraging ownership and aligning the interests of senior management and shareholders to achieve key strategic goals and build long-term value. The Company's Non-executive Directors are not eligible to participate in the LTIP. The LTIP provides for awards of options to acquire shares for nil consideration subject to performance conditions, "LTIP Options". Performance conditions, targets and weightings will be set by the Remuneration Committee at the time of an award to ensure they are stretching and aligned with the Company's strategy to build shareholder value. Details in respect of each award will be disclosed at the time of award and also in the subsequent Annual Report and Accounts. LTIP Options have a performance and holding period of not less than five years, with a minimum performance period of three years and an additional holding period. Awards vest only to the extent that the performance conditions and targets have been met at the end of the relevant performance period and will be capable of sale once the holding period is completed. The LTIP contains normal "good leaver", "bad leaver" and change of control provisions. Malus and clawback provisions will apply under certain circumstances. Awards will be made from within the overall 16% limit described in share options above.

Discretionary incentives
The Group may operate with discretionary incentives either in addition to or instead of the incentives described above in any particular year, dependent on the needs of the business.

Non-pensionable
None of the awards under the Annual Bonus Plan, Share Option Schemes, Long-Term Incentive Plan or discretionary incentives are pensionable.

Non-executive Directors
Non-executive Directors receive a fixed fee for their services. The remuneration of the Non-executive Directors is determined by the Board as a whole within the overall limits stipulated in the Articles of Association. Non-executive Directors are not eligible to participate in any of the Company's incentive schemes.

Remuneration Report

continued

Directors' Remuneration Report

Directors' interests – shares

The Directors' interests, including beneficial interests, in the Ordinary shares of the Company were as stated below:

	Ordinary shares of £0.10 each	
	31 December 2019	1 May 2019
I F Griffiths	**673,832**	673,832
J Groen	**–**	–
B Howlett	**10,000**	10,000
A D W Newland	**7,054,686**	7,054,686
G R Selvey	**20,000**	20,000

Directors' emoluments

The aggregate remuneration received by Directors who served during the period was as follows:

	Salary/Fees £000	Benefits £000	Pension £000	Bonus £000	**8 months ended 31 December 2019 Total £'000**	Year ended 30 April 2019 Total £000
Chairman						
G R Selvey	17	–	–	–	**17**	23
Executive						
I F Griffiths	94	2	10	–	**106**	258
A D W Newland	160	4	–	–	**164**	403
Non-executive						
J Groen*	17	–	–	–	**17**	12
B Howlett	17	–	–	–	**17**	23
Total	305	6	10	–	**321**	719

* J Groen's prior period fees cover the period from his appointment as a Director on 1 November 2018.

Benefits include amounts in respect of private medical insurance and taxation advice.

Performance bonuses were not awarded in the current financial period under the terms of the Annual Bonus Plan due to the potential impact and associated uncertainties of the COVID-19 pandemic and the desire of the Company to conserve cash, notwithstanding the fact that the Executives were deemed to have met the performance criteria in relation to a proportion of the performance bonus.

Performance bonuses were awarded in the prior financial year under the terms of the Annual Bonus Plan. The Executives were deemed to have met the performance criteria in relation to a 70% performance bonus, major factors of which were: progressing the FDA clearance studies with positive results from the clinical study, completing the optimisation and progressing the ovarian clinical application, progressing the corporate partnerships and a successful fundraise.

I F Griffiths sacrificed salary during the current period and in the prior year. The Company elected to make contributions to his personal pension.

Directors' interests – options

The Directors' interests in options over the Ordinary shares of the Company were as stated below.

LTIP Options

A Long-Term Incentive Plan (LTIP) was established during the prior year and approved by the shareholders at the Annual General Meeting on 30 October 2018. The Remuneration Committee approved a grant of nil-cost options to Executive Directors on 20 December 2018 over a maximum of 6,000,000 Ordinary shares of £0.10. The LTIP Options have performance conditions as set out below, a performance period of three years and an additional holding period of two years. Subject to the rules of the LTIP, awards will vest only to the extent that the performance conditions have been met at the end of the performance period and the underlying shares may only be traded once the holding period is completed.

The intention of the LTIP is to reward tangible increases in shareholder value. The performance conditions for the LTIP Options relate to the compound annual growth rate (CAGR) of the share price over the three-year performance period. The mid-market share price on 20 December 2018 was £0.385 per Ordinary share. As different levels of performance are achieved the number of shares that vest increases up to a maximum, as set out below:

Share price CAGR	Multiple of share price (at 3 years)	Proportion vesting	Andrew Newland	Ian Griffiths	Total
< 40%	< 2.7	0%	0	0	0
> 40%	> 2.7	20%	720,000	480,000	1,200,000
> 55%	> 3.7	50%	1,800,000	1,200,000	3,000,000
> 75%	> 5.4	100%	3,600,000	2,400,000	6,000,000

Share options

Name	Date of grant	At 1 May 2019	Granted	Lapsed	Cancelled	Exercised	**At 31 December 2019**	Vested – capable of exercise	Exercise price (£)	Earliest exercise date	Expiry date
I F Griffiths	30/08/2011	466,019	–	–	–	–	**466,019**	466,019	0.2575	Note (1)	29/08/2021
	18/11/2011	187,315	–	–	–	–	**187,315**	–	0.7550	Note (2)	17/11/2021
	05/11/2012	33,981	–	–	–	–	**33,981**	33,981	0.2575	Note (1)	29/08/2021
	05/11/2012	312,685	–	–	–	–	**312,685**	–	0.7550	Note (2)	17/11/2021
	10/11/2014	500,000	–	–	–	–	**500,000**	–	0.8625	Note (3)	09/11/2024
	12/11/2015	46,980	–	–	–	–	**46,980**	46,980	0.1000	Note (4)	11/11/2025
	25/11/2016	500,000	–	–	–	–	**500,000**	–	0.6450	Note (5)	24/11/2026
		2,046,980	–	–	–	–	**2,046,980**	546,980			
A D W Newland	30/08/2011	603,334	–	–	–	–	**603,334**	603,334	0.2575	Note (1)	29/08/2021
	18/11/2011	1,000,000	–	–	–	–	**1,000,000**	–	0.7550	Note (2)	17/11/2021
	05/11/2012	346,666	–	–	–	–	**346,666**	346,666	0.2575	Note (1)	29/08/2021
	10/11/2014	1,000,000	–	–	–	–	**1,000,000**	–	0.8625	Note (3)	09/11/2024
	12/11/2015	73,826	–	–	–	–	**73,826**	73,826	0.1000	Note (4)	11/11/2025
	25/11/2016	1,000,000	–	–	–	–	**1,000,000**	–	0.6450	Note (5)	24/11/2026
		4,023,826	–	–	–	–	**4,023,826**	1,023,826			

(1) Vesting is subject to a) a performance condition that the Company's share price together with any dividend payments has risen by at least 50% at some point from the market price on 30 August 2011, and b) a service condition with options vesting over a three-year period. These conditions have been met and the options are fully vested and capable of exercise.
(2) Vesting is subject to a) the performance conditions that (i) the Company's share price must have increased to £2.00 at some point since the date of grant and (ii) the Parsortix separation device must have been demonstrated to successfully capture circulating tumour cells from cancer patient blood (this condition has been met), and b) a service condition with options vesting over a three-year period (this condition has been met).
(3) Vesting is subject to the performance conditions that a) the Company's share price must have increased to £2.00, £2.25, £2.50 and £2.75 at some point since the date of grant for each quarter of the allocation and b) a time/event condition with options vesting after five years or on the sale of the Parsortix business, whichever is earliest.
(4) Options were granted as Bonus Options in accordance with the Remuneration Committee's discretion to settle an element of the Annual Bonus in the form of share options. The Bonus Options vested immediately and are exercisable at par value.
(5) Vesting is subject to a) a performance condition that the Company's share price has risen by at least 100% at some point from the market price on 25 November 2016, and b) a service condition with options vesting over a three-year period.

No share options were issued to Directors in the current or prior periods. No Directors' share options were forfeited, lapsed, cancelled or exercised in the current or prior periods.

Note 19 provides additional information on share options and LTIP Options.

Shareholder return

The market price of the Company's shares on 31 December 2019 was £0.627 and the range of market price during the period from 1 May 2019 until 31 December 2019 was between £0.556 (low) and £0.835 (high).

By order of the Board

Gareth Selley
Remuneration Committee Chairman
24 June 2020

Independent Auditor's Report

To the Members of ANGLE plc

Opinion

We have audited the Financial Statements of ANGLE plc (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 31 December 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statements of Financial Position, Consolidated and Company Statements of Cash Flows, Consolidated and Company Statements of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company Financial Statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the Financial Statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2019 and of the Group's loss for the period then ended;
- the Group Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to SME listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

Summary of our audit approach

Key audit matters	Group • None Parent Company • None
Materiality	Group • Overall materiality: £422,000 • Performance materiality: £316,000 Parent Company • Overall materiality: £422,000 • Performance materiality: £316,000
Scope	Our audit procedures covered 100% of revenue, 100% of net assets and 100% of loss before tax.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Our application of materiality
When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the Financial Statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent Company
Overall materiality	Overall materiality: £422,000	Overall materiality: £422,000
Basis for determining overall materiality	5% of loss before tax	0.7% of net assets. The percentage applied to the benchmark has been restricted to Group overall materiality.
Rationale for benchmark applied	Loss before tax is an appropriate measure as it is a key performance indicator and reflects the scale of activities of the Group.	As this is the Parent Company of the Group, it does not carry out trading operations. Net assets are of most relevance to users of the Financial Statements in respect of the Parent Company.
Performance materiality	Performance materiality: £316,000	Performance materiality: £316,000
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £21,100 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £21,100 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit
The Group consists of ten legal entities but operates as a single business. Our audit work was therefore carried out on the basis that the Group was a single component and was subject to full scope audit by RSM UK Audit LLP covering 100% of revenue, 100% of net assets and 100% of the loss before tax.

Other information
The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the Financial Statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial period for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditor's Report

To the Members of ANGLE plc
continued

Responsibilities of Directors
As explained more fully in the Directors' responsibilities statement, set out on page 39, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Group's and the Parent 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 the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report
This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Colin Roberts (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP,
Statutory Auditor
Chartered Accountants
Third Floor
One London Square
Cross Lanes
Guildford
Surrey
GU1 1UN

24 June 2020

Consolidated Statement of Comprehensive Income

For the period ended 31 December 2019

	Note	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Revenue	2	**581**	678
Cost of sales	3	**(142)**	(155)
Gross profit		**439**	523
Other operating income		**61**	175
Operating costs	3	**(8,204)**	(11,597)
Operating profit/(loss)		**(7,704)**	(10,899)
Net finance income/(costs)	7	**(26)**	28
Profit/(loss) before tax		**(7,730)**	(10,871)
Tax (charge)/credit	8	**1,482**	1,939
Profit/(loss) for the period		**(6,248)**	(8,932)
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(24)**	72
Other comprehensive income/(loss)		**(24)**	72
Total comprehensive income/(loss) for the period		**(6,272)**	(8,860)
Profit/(loss) for the period attributable to:			
Owners of the parent		**(6,248)**	(8,942)
Non-controlling interests		**–**	10
Profit/(loss) for the period		**(6,248)**	(8,932)
Total comprehensive income/(loss) for the period attributable to:			
Owners of the parent		**(6,272)**	(8,822)
Non-controlling interests		**–**	(38)
Total comprehensive income/(loss) for the period		**(6,272)**	(8,860)
Earnings/(loss) per share attributable to owners of the parent	9		
Basic and Diluted (pence per share)		**(3.82)**	(6.56)

All activity arose from continuing operations.

Consolidated Statement of Financial Position

As at 31 December 2019

	Note	31 December 2019 £'000	30 April 2019 £'000
Assets			
Intangible assets	11	**7,701**	6,833
Property, plant and equipment	12	**1,508**	1,347
Right-of-use assets	13	**1,514**	–
Inventories	15	**788**	988
Trade and other receivables	16	**627**	942
Taxation		**3,398**	1,900
Cash and cash equivalents		**18,766**	11,010
Total assets		**34,302**	23,020
Liabilities			
Lease liabilities	13	**(1,553)**	–
Trade and other payables	17	**(2,425)**	(3,684)
Total liabilities		**(3,978)**	(3,684)
Net assets		**30,324**	19,336
Equity			
Share capital	18	**17,277**	14,349
Share premium		**67,272**	53,273
Share-based payments reserve		**1,518**	1,266
Other reserve		**2,553**	2,553
Translation reserve		**82**	106
Retained earnings		**(58,276)**	(52,109)
ESOT shares	20	**(102)**	(102)
Total equity		**30,324**	19,336

The Consolidated Financial Statements on pages 55 to 83 were approved by the Board and authorised for issue on 24 June 2020 and signed on its behalf by:

Ian F Griffiths
Director

Andrew D W Newland
Director

Consolidated Statement of Cash Flows

For the period ended 31 December 2019

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Operating activities		
Profit/(loss) before tax from continuing operations	(7,730)	(10,871)
Adjustments for:		
Depreciation of property, plant and equipment	432	622
Depreciation of right-of-use assets	219	–
(Profit)/loss on disposal of property, plant and equipment	13	8
Amortisation and impairment of intangible assets	240	452
Share-based payments	333	332
Exchange differences	(27)	(14)
Net finance (income)/costs	26	(28)
Operating cash flows before movements in working capital	(6,494)	(9,499)
(Increase)/decrease in inventories	90	(583)
(Increase)/decrease in trade and other receivables	303	(91)
Increase/(decrease) in trade and other payables	(841)	608
Operating cash flows	(6,942)	(9,565)
Research and development tax credits received	–	2,251
Overseas tax payments	(59)	–
Net cash from/(used in) operating activities	(7,001)	(7,314)
Investing activities		
Purchase of property, plant and equipment	(529)	(219)
Purchase of intangible assets	(1,431)	(1,133)
Interest received	40	28
Net cash from/(used in) investing activities	(1,920)	(1,324)
Financing activities		
Net proceeds from issue of share capital	16,921	11,996
Interest paid	(2)	–
Principal elements of lease payments	(231)	–
Interest elements of lease payments	(13)	–
Net cash from/(used in) financing activities	16,675	11,996
Net increase/(decrease) in cash and cash equivalents	7,754	3,358
Cash and cash equivalents at start of period	11,010	7,645
Effect of exchange rate fluctuations	2	7
Cash and cash equivalents at end of period	18,766	11,010

Consolidated Statement of Changes in Equity

For the period ended 31 December 2019

	Equity attributable to owners of the parent									
	Share capital £'000	Share premium £'000	Share-based payments reserve £'000	Other reserve £'000	Translation reserve £'000	Retained earnings £'000	ESOT shares £'000	Total share holders' equity £'000	Non-controlling interests £'000	Total equity £'000
At 1 May 2018	**11,709**	**43,449**	**1,072**	**2,553**	**(14)**	**(42,129)**	**(102)**	**16,538**	**(654)**	**15,884**
For the year to 30 April 2019										
Consolidated profit/(loss)						(8,942)		(8,942)	10	(8,932)
Other comprehensive income/(loss):										
Exchange differences on translating foreign operations					120			120	(48)	72
Total comprehensive income/(loss)					**120**	**(8,942)**		**(8,822)**	**(38)**	**(8,860)**
Issue of shares (net of costs)	2,540	9,456						11,996		11,996
Share-based payments			332					332		332
Released on forfeiture			(138)			138		–		–
Acquisition of non-controlling interest	100	368				(1,176)		(708)	692	(16)
At 1 May 2019	**14,349**	**53,273**	**1,266**	**2,553**	**106**	**(52,109)**	**(102)**	**19,336**	**–**	**19,336**
For the 8 months to 31 December 2019										
Consolidated profit/(loss)						(6,248)		(6,248)	–	(6,248)
Other comprehensive income/(loss):										
Exchange differences on translating foreign operations					(24)			(24)	–	(24)
Total comprehensive income/(loss)					**(24)**	**(6,248)**		**(6,272)**	**–**	**(6,272)**
Issue of shares (net of costs)	2,928	13,999						16,927		16,927
Share-based payments			333					333		333
Released on forfeiture			(78)			78		–		–
Released on exercise			(3)			3		–		–
At 31 December 2019	**17,277**	**67,272**	**1,518**	**2,553**	**82**	**(58,276)**	**(102)**	**30,324**	**–**	**30,324**

Share premium
Represents amounts subscribed for share capital in excess of nominal value, net of directly attributable share issue costs.

Other reserve
The other reserve is a "merger" reserve arising from the acquisition of the former holding company.

Translation reserve
The translation reserve comprises cumulative exchange differences arising on consolidation from the translation of the Financial Statements of international operations. Under IFRS this is separated from retained earnings.

ESOT shares
This reserve relates to shares held by the ANGLE Employee Share Ownership Trust (ESOT) and may be used to assist in meeting the obligations under employee remuneration schemes.

Non-controlling interests
Represents amounts attributed to non-controlling (minority) interests for profits or losses in the Consolidated Statement of Comprehensive Income and assets or liabilities in the Consolidated Statement of Financial Position. During the year ended 30 April 2019 the Company acquired the remainder of the original inventor's shares.

Share-based payments reserve
The share-based payments reserve is used for the corresponding entry to the share-based payments charged through a) the Consolidated Statement of Comprehensive Income for employee incentive arrangements relating to ANGLE plc equity and b) the Consolidated Statement of Financial Position for acquired intangible assets in investments comprising intellectual property (IP). Transfers are made from this reserve to retained earnings as the related share options are exercised, forfeited, lapse or expire.

Notes to the Consolidated Financial Statements

For the period ended 31 December 2019

1 Accounting policies

1.1 Basis of preparation

The Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) in issue that have been endorsed by the EU for the eight month period ended 31 December 2019 (including comparatives for the year ended 30 April 2019). They have also been prepared in accordance with those parts of the Companies Act 2006 that apply to companies reporting under IFRS.

The Financial Statements of the Parent Company have been prepared in accordance with IFRS and are presented on pages 84 to 87.

As announced by RNS on 30 January 2020, ANGLE changed its accounting reference date to 31 December and therefore these accounts are for an eight month period to 31 December 2019 with comparatives for the year ended 30 April 2019.

Accounting standards adopted in the period

The following standards relevant to the Group have been amended or implemented during the period:

IFRS 9	Amendment on Prepayment Features with Negative Compensation
IFRS 16	Leases
IAS 19	Plan Amendments, Curtailment or Settlement
IFRIC 23	Uncertainty over Income Tax Treatments
Various	Annual Improvements of IFRS standards 2015-2017 Cycle (IFRS 3, IFRS 11, IAS 12, IAS 23)

The Consolidated Financial Statements have been prepared in accordance with these changes where relevant. Their adoption has not had a material impact on the Consolidated Financial Statements, with the exception of IFRS 16 Leases. Apart from these changes, the accounting policies set out in the Notes have been applied consistently to both reporting periods presented in these Consolidated Financial Statements.

IFRS 16 Leases, which has been issued by the IASB to replace IAS 17 Leases, came into effect for accounting periods commencing on or after 1 January 2019. The Group has adopted the standard and included relevant disclosure for the first time in these Financial Statements. The Group has not restated comparatives for the previous reporting period as permitted under the specific transitional provisions in the standard.

The Group has recognised right-of-use assets representing its leased property rights, and the corresponding lease liabilities representing its obligations to make lease payments over the remaining lease terms. Previously under IAS 17, a liability was not recorded for future operating lease payments, which were disclosed as commitments.

The effect of IFRS 16 was to recognise right-of-use assets and corresponding lease liabilities of £1.7 million at 1 May 2019 (the date of initial application). The right-of-use assets and the corresponding lease liabilities are shown separately on the Statement of Financial Position. There is no impact on reserves as at 1 May 2019.

Lease costs are recognised in the form of depreciation of the right-of-use assets and interest on the lease liability which will be discounted at either the interest rate implicit in the lease or, when this is not determinable, the expected incremental borrowing rate for the Group for the item under lease. Under IAS 17, operating lease rentals were expensed on a straight-line basis over the lease term within operating costs.

The Group's incremental borrowing rate was estimated at 5.75% at the date of adoption of IFRS 16.

The following is a reconciliation of the Financial Statement line items from IAS 17 to IFRS 16 at 1 May 2019.

Description	Reason for change	1 May 2019 under IAS 17 £'000	IFRS 16 adjustments £'000	1 May 2019 under IFRS 16 £'000
Right-of-use assets	Recognition of right to use assets for rented items previously classed as operating leases	–	1,718	1,718
Current assets	Adjustment for previously recognised prepayment relating to property lease	(3)	3	–
Current liabilities	Adjustment for previously recognised accruals relating to property lease	9	(9)	–
Current liabilities	Recognition of current portion of lease liability for rented items	–	348	348
Non-current liabilities	Recognition of lease liability due greater than one year for rented items	–	1,370	1,370
Profit/(loss) before tax	Adjustment for previously recognised prepayment and accruals relating to property lease	(12)	12	–

The following is a reconciliation of total operating lease commitments at 30 April 2019 (as disclosed in the prior year accounts) to lease liabilities recognised at 1 May 2019.

	£'000
Total operating lease commitments disclosed at 30 April 2019	784
Lease payments relating to renewal periods not included in operating lease commitments[1]	1,362
Effect of discounting using the weighted average incremental borrowing rate of 5.75%	(420)
Exempt low-value or short-term leases	(8)
Total lease liability recognised under IFRS 16 at 1 May 2019	1,718

(1) The Group has two lease contracts that include extension/termination options. It has been determined that the extension options are reasonably certain to be exercised taking the leases beyond the termination option/notice period. As these extensions were not contractual, they were not disclosed as commitments in the prior year accounts. See Note 1.22.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.1 Basis of preparation continued

Accounting standards adopted in the period continued

Note 13 provides additional information on the impact of IFRS 16 for the reporting period.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

No other new accounting standards that have become effective and adopted in the period have had a significant effect on the Group's Financial Statements.

Accounting standards issued but not yet effective

The following pronouncements which have been issued by the IASB are effective for annual periods beginning on or after 1 January 2020. The Directors have not yet assessed the impact of the adoption of these Standards and Interpretations for future periods.

Amendments to IFRS 3	Definition of a Business
Amendments to IAS 39 and IFRS 7	Interest Rate Benchmark Reform
Amendments to IAS 1 and IAS 8	*Definition of Material*
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to References to the Conceptual Framework in IFRS Standards	

1.2 Accounting convention

These Financial Statements have been prepared under the historical cost convention. The basis of consolidation is set out in Note 1.5.

1.3 Presentation of Financial Statements

The financial information, in the form of the primary statements contained in this report, is presented in accordance with International Accounting Standard (IAS) 1 *Presentation of Financial Statements*. The Group has reviewed the items disclosed separately on the face of the statement of comprehensive income and the components of financial performance considered by management to be significant, or for which separate disclosure would assist, both in a better understanding of financial performance and in making projections of future results. This has been done taking into account the materiality, nature and function of components of income and expense.

1.4 Going concern

The Financial Statements have been prepared on a going concern basis which assumes that the Group will be able to continue its operations for the foreseeable future.

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Chairman's Statement and elsewhere in the Strategic Report on pages 02 to 33. The principal risks and uncertainties are stated on pages 24 to 29. In addition Note 14 to the Financial Statements includes details of the Group's exposure to liquidity risk, capital risk, credit risk, interest rate risk and foreign currency risk. The Chairman's Statement and Note 24 to the Financial Statements provides information on the impact of COVID-19 on the business.

The Directors have considered the uncertainties, risks and potential impact on the business associated with COVID-19 and are carefully managing the discretionary expenditure in line with available cash resources.

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of signing of these Financial Statements with discretionary expenditure carefully controlled. Based on the level of existing cash and expected R&D tax credits, the projected income and expenditure (the timing of some of which is at the Group's discretion) and other potential sources of funding, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the Financial Statements.

1.5 Basis of consolidation

The Consolidated Financial Statements incorporate the Financial Statements of the Company and its subsidiaries.

Subsidiary undertakings

Subsidiary undertakings are entities controlled by the Group, generally as a result of owning a shareholding of more than half of the voting rights. The Group controls an entity when it 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 over the entity.

Subsidiary undertakings are consolidated on the basis of the acquisition method of accounting. Under this method of accounting the results of subsidiaries sold or acquired are included in the consolidated statement of comprehensive income up to, or from the date control passes. Subsidiary undertakings' accounting policies are amended where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquired entity's identifiable net assets. The choice of measurement is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests on initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interest having a deficit balance.

Intra-group transactions and balances are eliminated fully on consolidation and the consolidated accounts reflect external transactions only.

1 Accounting policies continued

1.6 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of identifiable assets, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired entity. Identifiable assets are recognised if the asset is separable or arise from contractual or other legal rights and its fair value can be measured reliably. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets, including intangible assets, is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets acquired the difference is recognised directly in the income statement as a "bargain purchase". Acquisition-related costs are charged to the statement of comprehensive income as incurred.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are re-measured to fair value at the acquisition date (i.e. the date at which the Group attains control) and the resulting gain or loss, if any, is taken through the statement of comprehensive income.

1.7 Revenue

Revenue for the sale of instruments, cassettes and reagents "products" and instrument hire, fee-for-service, support and maintenance "services" is measured at the fair value of the consideration received or receivable for the sale of products and services net of sales taxes, rebates and discounts and excludes intercompany sales.

Sale of products

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products are transferred to the customer. This is usually when a Group company has delivered products to the customer, the customer has accepted delivery of the products and collection of the related receivables is reasonably assured.

A small number of customers may request "bill and hold" arrangements, where the Group holds the goods sold to the customer on their behalf until the customer is ready to receive them. Revenue is only recognised on a bill and hold basis when a formal contract is in place, the goods are on hand and are separately identified as belonging to the customer and are unable to be redirected to an alternative customer, are ready for delivery, and the customer has acknowledged formal acceptance of the bill and hold transaction.

Sale of services

Revenue from services provided is recognised over the period during which the service has been performed.

Income from support and maintenance is recognised in the period in which the related chargeable costs are incurred and when the service is completed or where applicable on a straight-line basis over the period of the contract to match the benefits to the customer.

Research and development fees

Revenue from third-party-funded contract research and development agreements is recognised as research and development services are delivered. Where services are in-progress at the reporting date, the Group recognises revenues proportionately, in line with the percentage of completion of the service.

Licence fee income

Revenue in respect of licence fee income is recognised when the agreement is signed, where the Group is entitled to receive the income, all obligations have been fulfilled and the agreement is non-cancellable.

Contract liabilities

Advance payments received from customers are credited to contract liabilities and the related revenue is released to the consolidated statement of comprehensive income in accordance with the recognition criteria described above.

1.8 Cost of sales

Cost of sales for products (Note 1.7) includes the direct costs incurred in manufacturing and bringing products to sale in the market (shipping, installation, training and evaluation). Cost of sales for services (Note 1.7) includes the direct costs incurred in providing the service (time, travel and parts) and are reflected in costs of sales as they are incurred.

1.9 Other operating income – grants

Grant income is disclosed as "Other operating income" on the face of the consolidated statement of comprehensive income.

Grant income receivable or received in respect of revenue expenditure is released to the statement of comprehensive income as the related expenditure is incurred when there is a reasonable assurance that the grant money will be received and any conditions attached to it have been fulfilled. Grant income receivable is held on the statement of financial position as contract assets and grant income received in advance of expenditure is held on the statement of financial position as contract liabilities.

Grant income receivable or received in respect of capital expenditure is recognised as contract liabilities in the statement of financial position and is released to the statement of comprehensive income on a straight-line basis over the expected useful life of the related assets.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.10 Employee benefits

Share-based payments

IFRS 2 Share-based Payment has been applied to all share-based payments.

Share-based incentive arrangements which allow Group employees to acquire shares of the Company may be provided to employees, subject to certain criteria. The fair value of options granted is recognised as a cost of employment within operating costs with a corresponding increase in equity. Share options granted are valued at the date of grant using an appropriate option pricing model and taking into account the terms and conditions upon which they were granted. Market related performance conditions are taken into account in calculating the fair value, while service conditions and non-market related performance conditions are excluded from the fair value calculation, although the latter are included in initial estimates about the number of instruments that are expected to vest. The fair value is charged to operating costs over the vesting period of the award, which is the period over which all the specified vesting conditions are to be satisfied. Options are fully vested and capable of exercise when the employee becomes unconditionally entitled to the options. The annual charge is modified to take account of revised estimates about the number of instruments that are expected to vest, for example, options granted to employees who leave the Group during the performance or service condition vesting period and forfeit their rights to the share options and in the case of non-market related performance conditions, where it becomes unlikely they will vest.

For options granted to employees under unapproved share-based payment compensation schemes, including the Long-Term Incentive Plan, to the extent that the share price at the reporting date is greater than the exercise price then a provision is made for any employer's National Insurance Contributions, or equivalent. Share option agreements in the UK and Canada include a tax indemnity that allows employer's National Insurance Contributions, or equivalent, to be recovered from the Option holder and where this is likely to be applied a receivable for such taxes is also recorded, otherwise a charge is made to the statement of comprehensive income.

Pension obligations

Pension costs are charged against profits as they fall due and represent the amount of contributions payable to the Group's defined contribution pension scheme or employee personal pension schemes on an individual basis. The Group has no further payment obligations once the contributions have been paid.

Compensated absences

A liability for short-term compensated absences, such as holiday, is recognised for the amount the Group may be required to pay as a result of the unused entitlement that has accumulated at the reporting date.

1.11 Taxes

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

Current tax is the expected tax payable on the taxable income for the period, using tax rates (and laws) that have been enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

The Group undertakes research and development activities. In the UK these activities qualify for tax relief and result in tax credits.

Deferred tax is provided for in full on all temporary differences resulting from the carrying value of an asset or liability and its tax base, except where they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability that at the date of initial recognition does not affect accounting or taxable profit or loss on a transaction that is not a business combination. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred tax liability is settled or deferred tax asset realised.

Deferred tax liabilities are recognised on any increase in the fair value of investments to the extent that substantial shareholdings relief or unutilised losses may be unavailable. Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

IAS 12 Income Taxes requires the separate disclosure of deferred tax assets and liabilities on the Group's statement of financial position. If there is a legally enforceable right to offset current tax assets and liabilities, and they relate to taxes levied by the same tax authority, and the Group intends to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously, then deferred tax assets and liabilities are offset.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

1 **Accounting policies** continued

1.12 Intangible assets

Intellectual property (IP)

IP assets (comprising patents, know-how, copyright and licences) are recognised as a purchase at cost or where acquired by the Group as a result of a business combination are initially recognised at fair value (Note 1.6 – in accordance with IFRS 3 Business Combinations), and are capitalised.

Internally generated IP costs are written off as incurred except where IAS 38 criteria, as described in research and development below, would require such costs to be capitalised.

The Group's view is that capitalised IP assets have a finite useful life and to that extent they should be amortised over their respective unexpired periods with provision made for impairment when required. Capitalised IP assets are not amortised until the Group is generating an economic return from the underlying asset. Amortisation is calculated using the straight-line method to allocate the costs of IP over their estimated useful economic lives. Estimated useful economic life is based on remaining patent life or specific terms of licences or agreements, or in the absence of any observable date, ten years. The amortisation period applied to these assets ranges from 8.5 to 19 years. Amortisation is included within operating costs.

Computer software

Under IAS 38 Intangible Assets, acquired computer software should be capitalised as an intangible asset unless it is an integral part of the related hardware (such as the operating system) where it remains as an item of property, plant and equipment.

Internally developed computer software will be capitalised in accordance with the research and development accounting policy. If the software is developed for in-house use the capitalised amount is reclassified from research and development to computer software.

Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful economic life and is included within operating costs. The useful economic life is estimated at three years, unless there are specific circumstances that dictate this should be for a shorter or longer period.

Research and development

Research expenditure is written off as incurred.

Development expenditure is written off as incurred, except where the Directors are satisfied that a new or significantly improved product or process results and other relevant IAS 38 criteria are met as to the technical, commercial and financial viability of individual projects that would require such costs to be capitalised. In such cases, the identifiable directly attributable expenditure is capitalised and amortised.

The Group's view is that capitalised assets have a finite useful life and to that extent they should be amortised over their respective unexpired periods with provision made for impairment when required. Assets capitalised are not amortised until the associated product is available for use or sale. Amortisation is calculated using the straight-line method to allocate the costs of development over the estimated useful economic lives. Estimated useful economic life is assessed by reference to the remaining patent life and may be adjusted after taking into consideration product and market characteristics such as fundamental building blocks and product life cycle specific to the category of expenditure. The amortisation period applied to these different categories ranges from 5.0 to 13.5 years. Amortisation is included within operating costs.

Other acquired intangible assets

Other intangible assets acquired by the Group as a result of a business combination that are separable or arise from contractual or other legal rights and can be reliably measured are initially recognised at fair value (Note 1.6 – in accordance with IFRS 3 Business Combinations) and are capitalised.

The Group's view is that these acquired intangible assets have a finite useful life and to that extent they should be amortised over their respective unexpired periods with provision made for impairment when required. Acquired intangible assets are not amortised until the Group is generating an economic return from the underlying intangible asset. Amortisation is calculated using the straight-line method to allocate the costs over their estimated useful economic lives. Estimated useful economic life is based on specific terms of contracts and agreements. Amortisation is included within operating costs. The acquired intangible assets that may be recognised and the amortisation period applied is:

Brands and trademarks	Over the expected useful life of an actively used and/or marketed brand or trademark
Critical supplier contracts and relationships, including exclusive agreements	Over the term of the agreement or the expected useful life of the relationship
Customer contracts and relationships	Over the term of the contract or the expected useful life of the relationship
Technology*	Over the remaining life of the key patents or the expected useful life (3 to 10 years)

* Technology includes patents, licensed IP, copyright on software and designs, developed and in-process products, completed and in-process research and development, documented trade secrets such as technical know-how, manufacturing and operating procedures, methods and processes.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.12 Intangible assets continued

Impairment of intangible assets excluding goodwill

The Group is required to review, at least annually, whether there are indications (events or changes in circumstances) that intangible assets have suffered impairment and that the carrying amount may exceed the recoverable amount. If there are indications of impairment then an impairment review is undertaken.

An impairment loss is recognised within operating costs for the amount by which the carrying amount in the cash-generating units (CGUs) exceeds its recoverable amount. The impairment loss is allocated to reduce the assets of the CGUs on a pro-rata basis. The recoverable amount is the higher of the asset's fair value less costs to sell and the value-in-use. In the event that an intangible asset will no longer be used, for example, when a patent is abandoned, the balance of unamortised expenditure is written off. Where intangible assets have suffered an impairment, they are reviewed for possible reversal of the impairment at each reporting date.

Impairment reviews require the estimation of the recoverable amount based on value-in-use calculations. Intangible assets relate typically to in-process development and patents and require broader assumptions than for developed technology. Key assumptions taken into consideration relate to technological, market and financial risks and include the chance of product launch taking into account the stage of development of the asset, the scale of milestone and royalty payments, overall market opportunities, market size and competitor activity, revenue projections, estimated useful lives of assets (such as patents), contractual relationships and discount and terminal value rates to determine present values of cash flows.

Goodwill

Goodwill arising in a business combination is recognised as an intangible asset at the date of acquisition and represents the excess of the cost of a business combination over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities including those intangible assets identified under IFRS 3 Business Combinations. After initial recognition, goodwill is stated at cost less any accumulated impairment losses.

Goodwill is deemed to have an indefinite useful life and is not amortised, but is reviewed for impairment annually or more frequently if events or changes in circumstances indicate a potential impairment. Goodwill arising on a business combination is allocated to the associated cash-generating units (CGUs) expected to benefit from the acquisition and any synergies of the combination. This is then assessed against the estimation of the recoverable amount based on fair value less costs to sell calculations of the CGUs for impairment. Where the recoverable amount of the CGUs is less than the carrying amount, including goodwill, an impairment loss is recognised in operating costs. The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGUs and then to assets of the CGUs on a pro-rata basis. An impairment loss recognised for goodwill is not reversed in a subsequent period.

1.13 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation or impairment value. Cost includes the original purchase price and expenditure that is directly attributable to the acquisition of the items to bring the asset to its working condition. Assets acquired through a business combination are initially recognised at their fair value. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful economic life. Assets held under finance leases, if any, are depreciated over their expected useful economic life on the same basis as owned assets, or where shorter, the lease term. Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The following rates are used:

Computer equipment	33.33%	Straight-line
Fixtures, fittings and equipment	20.00% – 33.33%	Straight-line
Laboratory equipment	20.00% – 50.00%	Straight-line
Moulds and tooling	Utilisation basis	Volume
Leasehold improvements	Term of the lease	Straight-line

1.14 Leases

At the inception of a contract the Group assesses whether the contract is, or contains, a lease. A lease is defined as a contract that conveys the right to use an underlying asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The lease liability represents the Group's obligation to make lease payments and the right-of-use asset representing the right to use the underlying asset.

In respect of short-term leases and leases of low-value assets, the Group has elected to recognise the payments as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

1 **Accounting policies** continued

***1.14 Leases** continued*

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). The right-of-use asset is measured as cost, which is made up of the initial lease liability, any direct costs incurred, and lease payments made at or before the commencement date net of any lease incentives received.

The Group depreciates right-of-use assets on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets over the term of the lease.

The right-of-use assets are also subject to impairment and are adjusted for any re-measurement of lease liabilities.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments, unpaid at the date, to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets and lease liabilities are separately identified as line items on the statement of financial position.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e. leases that have a 12 month or less lease term from date of commencement and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to leases of office and laboratory equipment that are considered low value. Lease payments relating to short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.15 Instruments loaned to customers

In order to support the development of the sales platform and use of the Parsortix system in the clinical market, the Parsortix instruments may be placed on long-term loan with leading cancer research centres (key opinion leaders) so that they can provide valuable feedback on the operation of the instruments and suggest new uses and protocols, act as reference customers, identify clinical applications and provide clinical data. Where these instruments are expected to be placed for a period longer than six months, the instruments are transferred at book value to property, plant and equipment and depreciated over three years. Where instruments are placed on a short-term loan for a customer evaluation and it is expected that the instrument will be sold at the end of the loan period, the instruments are included within inventories.

1.16 Inventories

Inventories comprises finished goods (instruments, cassettes and production parts) that are available for sale and use internally or with partners, raw materials and work in progress. Inventories are initially recognised at cost and subsequently held at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method. Cost includes materials and direct labour. Inventory acquired through business combinations are initially recognised at their fair value. Net realisable value is the estimated selling price, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Provision is made, if necessary, for any costs of modifications required to bring the asset to a working condition due to new standards and/or regulations, or for slow-moving or obsolete inventory. If net realisable value is lower than the carrying amount, a write down provision is recognised within operating costs for the amount by which the carrying amount exceeds its net realisable value.

Inventories of finished goods used for research and development projects are initially recognised at cost, as all inventories are held together and available for sale, and subsequently charged to research and development expenditure as they are used.

1.17 Employee Share Ownership Trust

The Group has an Employee Share Ownership Trust (ESOT) to assist with meeting the obligations under share option and other employee remuneration schemes. The ESOT is consolidated as if it is a subsidiary and accounted for as Treasury (own) shares. Shares in ANGLE plc held by the ESOT are stated at weighted average purchase cost and presented in the statement of financial position as a deduction from equity under the heading of "ESOT shares". Gain or loss is not recognised on the purchase or sale of ESOT shares and consideration paid or received is recognised directly in equity. Finance and administration costs relating to the ESOT are charged to operating costs as incurred.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.18 Foreign currency

The Consolidated Financial Statements are presented in Pounds Sterling, which is the Company's functional and presentational currency. The Group determines the functional currency of each entity and items included in the Financial Statements of each entity are measured using that functional currency. The functional currencies of the Group's operations are Pounds Sterling, US Dollars and Canadian Dollars.

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date.

Non-monetary assets and liabilities denominated in foreign currencies and held at cost use the exchange rate at the date of the initial transactions. Non-monetary assets and liabilities denominated in foreign currencies and held at fair value use the exchange rate at the date that the fair value was determined.

Profits and losses on both the individual transactions during the period and monetary assets and liabilities are dealt with in the statement of comprehensive income.

On consolidation, the statements of comprehensive income of the foreign subsidiaries are translated at the average exchange rates for the period and the statement of financial position at the exchange rates at the reporting date. The exchange differences arising as a result of translating statements of comprehensive income at average rates and restating opening net assets at closing rates are taken to the translation reserve. On disposal of a foreign operation, the cumulative amount recognised in the translation reserve relating to that particular foreign operation is recognised in the statement of comprehensive income.

1.19 Financial instruments

Financial assets and liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash and short-term deposits as defined previously and other short-term highly liquid investments that are readily convertible into cash and are subject to an insignificant risk of changes in value, net of outstanding short-term borrowings.

Deposits

Deposits in the statement of financial position comprise longer-term deposits with an original maturity of greater than three months.

Bank loans, loan notes and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowings. After initial recognition, these are subsequently measured at amortised cost.

Other assets

Assets, other than those specifically accounted for under a separate policy, include trade and other receivables and are recognised at amortised cost. Receivables may be impaired by means of a provision, to take into account any difficulties in recovering the outstanding amounts. Provisions for impairment are determined by comparing the carrying value and the likely realisable value, which is defined as the present value of the estimated recoverable amounts.

For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the ageing of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

Other liabilities

Liabilities, other than those specifically accounted for under a separate policy, include trade and other payables and are stated based on their amortised cost at the amounts which are considered to be payable in respect of goods or services received up to the reporting date.

1.20 Provisions

Provisions are recognised when the Group has a present obligation of uncertain timing or amount as a result of past events, and it is probable that the Group will be required to settle that obligation and a reliable estimate of the obligation can be made. The provisions are measured at the Directors' best estimate of the amount to settle the obligation at the reporting date, and are discounted back to present value if the effect is material. Changes in provisions are recognised in the statement of comprehensive income for the reporting period.

1 Accounting policies continued

1.21 *Operating segments*

The Group determines and presents operating segments based on the reporting information that is provided to the Board of Directors to allow it to make operating decisions. The Board of Directors is responsible for all significant decisions and collectively is the Chief Operating Decision-Making (CODM) body as defined by IFRS 8 Operating Segments.

An operating segment is a component of the Group that engages in business activities from which it may earn income and incur expenses, including income and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance.

1.22 Critical accounting estimates and judgements

The preparation of the Financial Statements requires the use of estimates, assumptions and judgements that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates, assumptions and judgements are based on the Directors' best knowledge of the amounts, events or actions, and are believed to be reasonable, actual results ultimately may differ from those estimates.

The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described below.

Valuation and amortisation of internally generated intangible assets (Notes 1.12 and 11)

IAS 38 Intangible Assets contains specific criteria that if met mean development expenditure must be capitalised as an internally generated intangible asset. The carrying value of the capitalised product development at the reporting date is £3.9 million (30 April 2019: £3.0 million). Judgements are required in both assessing whether the criteria are met, (for example, differentiating between enhancements and maintenance) and then in applying the rules (for example, determining an estimated useful life). Intangible assets are amortised over their useful lives. Useful lives are assessed by reference to observable data (for example, remaining patent life) and taking into consideration specific product characteristics (for example, product life cycle) and market characteristics (for example, estimates of the period that the assets will generate revenue). Each of these factors is periodically reviewed for appropriateness. Changes to estimates in useful lives may result in significant variations in the amortisation charge.

Impairment of intangible assets (Notes 1.12 and 11)

The Group is required to review, at least annually, whether goodwill has suffered any impairment and whether the carrying amount may exceed the recoverable amount.

The Group is required to review, at least annually, whether there are indications (events or changes in circumstances) that intangible assets excluding goodwill have suffered impairment and that the carrying amount may exceed the recoverable amount. If there are indications of impairment then an impairment review is undertaken.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value-in-use for the cash-generating unit giving rise to the intangible assets. The value-in-use method requires the estimation of future cash flows and the selection of a suitable discount rate in order to calculate the present value of these cash flows. When reviewing intangible assets for impairment the Group has to make various assumptions and estimates of individual components and their potential value and potential impairment impact. The Group considers that for each of these variables there is a range of reasonably possible alternative values, which results in a range of fair value estimates. None of these estimates of fair value is considered more appropriate or relevant than any other and therefore determining a fair value requires considerable judgement.

Share-based payments (Notes 1.10 and 19)

In calculating the fair value of equity-settled share-based payments the Group uses an options pricing model. The Directors are required to exercise their judgement in choosing an appropriate options pricing model and determining input parameters that may have a material effect on the fair value calculated. These input parameters include, among others, expected volatility, expected life of the options taking into account exercise restrictions and behavioural considerations of employees, the number of options expected to vest and liquidity discounts.

Research and development tax credit (Note 8)

The Directors make their best estimate of qualifying R&D expenditure to calculate the R&D tax credit. The interpretation of qualifying expenditure requires judgement.

Leases – calculating the incremental borrowing rate (Notes 1.14 and 13)

As the Group cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The rate was determined following discussions with our main commercial bank with regard to our particular circumstances. The rate therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Leases – extension and/or termination options (Notes 1.1, 1.14 and 13)

The Group has two lease contracts that include extension and/or termination options. The Directors exercise significant judgement in determining whether these extension and/or termination options are reasonably certain to be exercised, and agreed that it was reasonable to assume that both of these lease contracts would be extended beyond the termination option/notice period due to significant fit-out and renovations to create specialist laboratories and the prohibitive cost of finding equivalent alternative accommodation. The impact of including the extension and/or termination options is to increase both the carrying value of the right-of-use assets and the non-current lease liability at the reporting date by £0.9 million.

Notes to the Consolidated Financial Statements

continued

2 Operating segment and revenue analysis

Operating segment

The Group's principal trading activity is undertaken in relation to the commercialisation of its Parsortix cell separation system and its HyCEAD Ziplex multiplex analysis system. There are separate work streams on the Parsortix and HyCEAD Ziplex systems however the HyCEAD Ziplex system is used as the downstream analysis tool primarily in combination with Parsortix in the ovarian cancer clinical application. There is significant overlap of work between the teams involved in R&D and commercial activities and as a result the Directors believe that these activities are best shown as one operating segment. All significant decisions are made by the Board of Directors with implementation of those decisions on a Group-wide basis. The Group manages all overseas R&D and commercial activities from the UK.

Segmental analysis is not considered necessary for one operating segment, as the segment information is substantially in the form of and on the same basis as the Group's IFRS information.

Segmental reporting will continue to be reviewed and considered in light of the ongoing development and growth of the Group's businesses.

Revenue analysis

The Group revenues are to the research use market and involve a mix of customers located in various territories. These are early-stage revenues with a modest customer base.

Significant customers

The Group had one significant customer (revenues in excess of 10% of total revenues) which contributed 10% of Group revenues in the reporting period (year ended 30 April 2019: two significant customers contributing 13% and 12%).

Analysis of revenue from contracts with customers

The Group derives revenues from the sale of products and services in the following geographical regions:

	8 months ended 31 December 2019			Year ended 30 April 2019		
	Product-related £'000	Service-related £'000	**Total £'000**	Product-related £'000	Service-related £'000	Total £'000
Europe	288	67	**355**	499	110	609
North America / RoW	180	46	**226**	49	20	69
Total	468	113	**581**	548	130	678

All of the revenues are recognised in line with the Group's accounting policy (Note 1.7) and have been generated from contracts with customers.

Assets and liabilities related to contracts with customers

Services in-progress but not yet invoiced result in a contract asset and services paid for in advance but not yet delivered result in a contract liability and are recognised in line with the Group's accounting policy (Note 1.7). At the point where completed work is invoiced the contract asset is derecognised and a corresponding receivable is recognised.

Contract assets at the reporting date of £3,000 (30 April 2019: £nil) were subsequently invoiced.

Sales of Instruments include a service-based warranty which is renewable annually. Revenue associated with the unexpired warranty period and service is deferred at the reporting date.

Contract liabilities	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
At 1 May	**47**	57
Recognised in period, relating to amounts invoiced in prior periods	**(39)**	(47)
Deferred at period end relating to amounts invoiced in the current period	**46**	37
At period end	**54**	47

The Group has applied the practical expedient to disclosure of performance obligations at the reporting date because all contracts with customers have an original expected duration of one year or less.

The standard credit period allowed for trade receivables is 30 days, although this may be extended such that invoices become payable after completion of a key milestone.

3 Costs

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Operating costs		
Employment costs (Note 5)	**3,303**	4,737
Depreciation of property, plant and equipment (Note 12)	**432**	622
Depreciation of right-of-use assets (Note 13)	**219**	–
(Profit)/loss on disposal of property, plant and equipment	**13**	8
Amortisation of intangible assets (Note 11)	**240**	405
Impairment of intangible assets (Note 11)	**–**	47
Operating lease costs (Note 1.1)	**–**	372
Operating lease costs – short-term (Note 13)	**27**	40
Auditor's remuneration (see below)	**93**	65
Third-party research, development and clinical study costs	**1,949**	2,445
Patent and legal costs	**74**	171
Inventories used in research and development	**445**	325
Listed company costs	**281**	463
Foreign exchange	**35**	42
Other operating costs	**1,093**	1,855
Total operating costs	**8,204**	11,597
Cost of sales		
Inventories	**106**	122
Other	**36**	33
Total cost of sales	**142**	155
Total costs	**8,346**	11,752

Operating costs are shown net of product development and patent costs capitalised in accordance with IAS 38 (Note 11).

Third-party research and development costs include the cost of clinical studies (patient enrolment, core lab work etc), key opinion leader research agreements, instrument design, scientific advisory board fees and laboratory supplies.

Auditor's remuneration

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Audit services		
Statutory audit of parent and consolidated accounts	**65**	57
Statutory audit of subsidiaries	**10**	8
Non-audit services		
Tax compliance services	**18**	–
Total	**93**	65

The Group has taken advantage of the exemption from audit for certain subsidiary undertakings. Audit work is still required on the exempt subsidiaries to support the Group audit opinion and these costs are included with the "Statutory audit of parent and consolidated accounts".

Notes to the Consolidated Financial Statements

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4 Directors' emoluments

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Aggregate emoluments for qualifying services	**311**	709
Employer pension contributions (Note 6)	**10**	10
Sub-total per Directors' Remuneration Report (page 50)	**321**	719
Employer's National Insurance contributions	**36**	91
Total	**357**	810

The above includes the following amounts paid in respect of the highest paid Director:

Emoluments for qualifying services	**164**	403
Employer's National Insurance contributions	**21**	54
Total	**185**	457

Disclosures relating to individual Directors' emoluments are given in the Directors' Remuneration Report on page 50.

5 Employment

Employment costs

The aggregate of employment costs of employees (including Directors) for the period was:

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Wages and salaries	**2,830**	4,264
Social security costs	**309**	467
Pension contribution costs (Note 6)	**65**	101
	3,204	4,832
Share-based payment charge (Note 19)	**333**	332
Total staff costs	**3,537**	5,164
Staff costs capitalised as product development	**(234)**	(427)
Total staff costs in operating costs (Note 3)	**3,303**	4,737

The key management personnel are the Directors and their remuneration is disclosed in Note 4 and within the Directors' Remuneration Report on pages 50 and 51.

Number of employees

The average monthly number of employees (including Directors) during the period was:

	8 months ended 31 December 2019 Number	Year ended 30 April 2019 Number
Research and development, engineering, manufacturing, quality control and regulatory	**67**	50
Commercial and administrative	**20**	12
Total	**87**	62

6 Pension costs

The Group incurred UK pension contribution charges for the period of £44,832 (year ended 30 April 2019: £86,889) for payment directly to personal pension plan schemes and £19,686 to the ANGLE auto-enrolment pension scheme (year ended 30 April 2019: £13,923).

Contributions to personal pension plan schemes for the period of £5,858 (30 April 2019: £5,048) and to the ANGLE auto-enrolment pension scheme of £17,518 (30 April 2019: £17,714) were payable at the reporting date and are included in trade and other payables (Note 17).

One Director has received contributions under a defined contribution pension scheme (year ended 30 April 2019: one) – see Directors' Remuneration Report on page 50.

7 Net finance income/(costs)

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Finance income		
Bank interest	**40**	28
Finance costs		
Lease liabilities finance charges (Note 1.1)	**(64)**	–
Other interest charges	**(2)**	–
Net finance income/(costs)	**(26)**	28

8 Tax

The Group undertakes research and development activities. In the UK these activities qualify for tax relief resulting in research and development tax credits.

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Current tax:		
Research and development tax credit receivable for the current period	**(1,553)**	(1,869)
Prior year adjustment in respect of research and development tax credit	**71**	(70)
Deferred tax:		
Origination and reversal of timing differences	**–**	–
Tax charge/(credit)	**(1,482)**	(1,939)

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Profit/(loss) before tax	**(7,730)**	(10,871)
Corporation tax:		
Tax on profit/(loss) at 19.0% (year ended 30 April 2019: 19.0%)	**(1,469)**	(2,065)
Factors affecting charge:		
Permanent differences	**–**	11
Excess of depreciation (over)/under capital allowances	**(40)**	3
Enhanced research and development relief	**(873)**	(821)
Share-based payments	**63**	63
Unutilised losses carried forward	**749**	909
Other tax adjustments	**17**	31
Prior year adjustment	**71**	(70)
Tax charge/(credit)	**(1,482)**	(1,939)

Notes to the Consolidated Financial Statements

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8 Tax continued

The rate of tax used in the above reconciliation is the weighted average rate of tax applicable to the profit/losses of the consolidated entities in their respective countries.

The Group has accumulated losses available to carry forward against future trading profits of £41.5 million (30 April 2019: £36.5 million). No deferred tax asset has been recognised in respect of tax losses since it is uncertain at the reporting date as to when future profits will be available against which the unused tax losses can be utilised. The estimated value of the deferred tax asset not recognised, measured at a weighted average rate of 18.9% (30 April 2019: 20.0%) is £7.5 million (30 April 2019: £7.4 million).

The Finance (No 2) Act 2016, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and to 17% effective from 1 April 2020, was substantively enacted on 26 October 2016. However, on 17 March 2020, the rate reduction to 17% was repealed and the rate remains at 19% with effect from 1 April 2020.

9 *Earnings/(loss) per share*

The basic and diluted earnings/(loss) per share is calculated by dividing the after tax loss for the eight month period attributable to the owners of the parent of £6.2 million (year ended 30 April 2019: £8.9 million) by the weighted average number of shares in the period.

In accordance with IAS 33 Earnings per Share, 1) the "basic" weighted average number of Ordinary shares calculation excludes shares held by the Employee Share Ownership Trust (ESOT) as these are treated as treasury shares and 2) the "diluted" weighted average number of Ordinary shares calculation considers potentially dilutive Ordinary shares from instruments that could be converted. Share options are potentially dilutive where the exercise price is less than the average market price during the period. Due to the losses in both the 2019 reporting periods, share options are non-dilutive for those periods as adding them would have the effect of reducing the loss per share and therefore the diluted loss per share is equal to the basic loss per share.

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Profit/(loss) for the period attributable to owners of the parent	**(6,248)**	(8,942)

	Number of shares	Number of shares
Weighted average number of Ordinary shares	**163,795,270**	136,511,727
Weighted average number of ESOT shares	**(113,259)**	(113,259)
Weighted average number of Ordinary shares – basic	**163,682,011**	136,398,468
Effect of potential dilutive share options	**–**	–
Adjusted weighted average number of Ordinary shares – diluted	**163,682,011**	136,398,468

Earnings/(loss) per share attributable to owners of the parent		
Basic and Diluted (pence per share)	**(3.82)**	(6.56)

10 Investments

The Company has investments in the following subsidiaries:

Company name	Principal activity	Class of share held	Holding %
ANGLE Biosciences Incorporated[1]	Medical diagnostics	Common	100
ANGLE Europe Limited[1]	Medical diagnostics	Ordinary	100
ANGLE North America Incorporated	Medical diagnostics	Common and Preferred	100
ANGLE Technology Limited[1]	Medical diagnostics	Ordinary	100
ANGLE Technology Ventures Limited	Medical diagnostics	Ordinary	100
ANGLE Partnerships Limited[1]	Dormant	Ordinary	100
ANGLE Technology Licensing Limited	Dormant	Ordinary	100
ANGLE Technology LLC	Dormant	Membership units	100
ANGLE Technology Ventures LLC	Dormant	Membership units	100

(1) Subsidiary held directly

10 Investments continued

The Group structure is in the process of being further rationalised.

The Group has taken advantage of the exemption from audit in accordance with section 479A of the Companies Act 2006 for ANGLE Technology Limited and ANGLE Technology Ventures Limited.

ANGLE Biosciences Incorporated is incorporated and registered in British Columbia, Canada. Its registered address is 725 Granville Street, Suite 400, Vancouver, British Columbia, V7Y 1G5, Canada.

ANGLE Europe Limited, ANGLE Technology Limited, ANGLE Technology Ventures Limited, ANGLE Partnerships Limited and ANGLE Technology Licensing Limited are incorporated and registered in England and Wales. Their registered address is 10 Nugent Road, Surrey Research Park, Guildford, Surrey, GU2 7AF, UK.

ANGLE North America Incorporated, ANGLE Technology LLC and ANGLE Technology Ventures LLC are registered in the US. ANGLE North America's registered address is 1150 1st Avenue, Suite 1010, King of Prussia, PA 19406, USA. ANGLE Technology LLC and ANGLE Technology Ventures LLC registered address is Rees Broome, PC, 1900 Gallows Road STE 700, Tysons Corner, VA 22182.

11 Intangible assets

	Goodwill £'000	Acquired intangible assets £'000	Intellectual property £'000	Product development £'000	Total £'000
Cost					
At 1 May 2018	2,207	1,213	809	2,385	6,614
Additions	–	–	95	1,558	1,653
Disposals	–	–	–	(3)	(3)
Exchange movements	–	1	12	79	92
At 30 April 2019	2,207	1,214	916	4,019	8,356
Additions	–	–	57	1,053	1,110
Exchange movements	–	2	(3)	(23)	(24)
At 31 December 2019	**2,207**	**1,216**	**970**	**5,049**	**9,442**
Amortisation and impairment					
At 1 May 2018	–	87	181	758	1,026
Charge for the year	–	143	42	220	405
Disposals	–	–	–	(3)	(3)
Impairment	–	–	47	–	47
Exchange movements	–	–	6	42	48
At 30 April 2019	–	230	276	1,017	1,523
Charge for the period	–	96	25	119	240
Exchange movements	–	1	(2)	(21)	(22)
At 31 December 2019	–	**327**	**299**	**1,115**	**1,741**
Net book value					
At 31 December 2019	**2,207**	**889**	**671**	**3,934**	**7,701**
At 30 April 2019	2,207	984	640	3,002	6,833

The goodwill arose on the acquisition of the assets of Axela Inc. on 1 November 2017. It represents the highly knowledgeable, skilled and specialised workforce, cost savings and operating synergies expected to result from having a larger R&D base in North America, the ability to access new markets, the advantages of the combination of Parsortix and HyCEAD Ziplex technologies enabling sample-to-answer tests, capturing more of the value chain and competitive differentiation.

Notes to the Consolidated Financial Statements

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11 *Intangible assets* *continued*

Goodwill is deemed to have an indefinite useful life, is carried at fair value and is reviewed for impairment annually or more frequently if events or changes in circumstances indicate a potential impairment.

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units (CGUs) that are expected to benefit from that business combination. The goodwill has been allocated to the combined Group as a single CGU for the purposes of the impairment review, since this is the lowest level within the entity at which management monitors goodwill and the related cash flows are primarily generated from a combined existing and acquired technology product offering. The whole Group is expected to benefit from the business combination.

The carrying amount of goodwill has been assessed by reference to the fair value less costs to sell of the single CGU, which comprises the combined Group. The fair value of the Group can be estimated by reference to the market capitalisation of ANGLE plc, which at 31 December 2019 stood at £108.3 million, and which after taking into account any possible costs of disposal exceeds the carrying amount of the CGU by a considerable margin.

"Acquired intangible assets" also relates to the acquisition of the assets of Axela Inc. and comprises the fair value of the identifiable intangible assets arising at the date of acquisition. This comprises mainly the technology but also some modest amounts for customer contracts and relationships and critical supplier contracts and relationships. Identifiable intangible assets are amortised over their expected useful economic life.

"Product development" relates to internally generated intangible assets that were capitalised in accordance with IAS 38 Intangible Assets (Note 1.12). A negligible amount relating to other computer software has been combined in the total. Capitalised product development costs are directly attributable costs comprising cost of materials, specialist contractor costs, labour and overheads. Product development costs are amortised over their estimated useful lives commencing when the related new product is in commercial production. Development costs not meeting the IAS 38 criteria for capitalisation continue to be expensed through the statement of comprehensive income as incurred. Product development includes a carrying value of £2.6 million (30 April 2019: £2.3 million) in relation to the FDA development work.

The carrying value of intangible assets excluding goodwill is reviewed for indications of impairment whenever events or changes in circumstances indicate that the carrying value may exceed the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its "value-in-use". The key assumptions to assess value-in-use are the estimated useful economic life, future revenues, cash flows and the discount and terminal value rate to determine the net present value of these cash flows. Where fair value less costs to sell exceeds the carrying value then no impairment is made. Where fair value less costs to sell is less than the carrying value then an impairment charge is made.

Amortisation and impairment charges are charged to operating costs in the consolidated statement of comprehensive income.

12 Property, plant and equipment

	Leasehold improvements £'000	Computer equipment £'000	Laboratory equipment and tooling £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At 1 May 2018	**250**	**65**	**2,060**	**86**	**2,461**
Additions	69	35	198	67	369
Disposals	–	(8)	(19)	–	(27)
Transfers (to)/from inventories	–	–	(18)	–	(18)
Exchange movements	–	–	30	1	31
At 30 April 2019	**319**	**92**	**2,251**	**154**	**2,816**
Additions	1	20	451	3	475
Disposals	–	–	(13)	–	(13)
Transfers (to)/from inventories	–	–	66	–	66
Exchange movements	–	–	5	(1)	4
At 31 December 2019	**320**	**112**	**2,760**	**156**	**3,348**
Depreciation					
At 1 May 2018	**50**	**26**	**842**	**68**	**986**
Charge for the year	51	26	521	24	622
Disposals	–	(8)	(11)	–	(19)
Transfers (to)/from inventories	–	–	(131)	–	(131)
Exchange movements	–	–	10	1	11
At 30 April 2019	**101**	**44**	**1,231**	**93**	**1,469**
Charge for the period	42	22	350	18	432
Transfers (to)/from inventories	–	–	(54)	–	(54)
Exchange movements	–	–	(6)	(1)	(7)
At 31 December 2019	**143**	**66**	**1,521**	**110**	**1,840**
Net book value					
At 31 December 2019	**177**	**46**	**1,239**	**46**	**1,508**
At 30 April 2019	218	48	1,020	61	1,347

Laboratory equipment includes a carrying value of £308,207 (30 April 2019: £350,531) in relation to Parsortix instruments being used in-house and on long-term loan to key opinion leaders, including instruments for the FDA and ovarian cancer clinical studies. Tooling includes amounts in relation to moulds for the productionisation of cassettes, enabling higher volume production, lower pricing and compliance with medical device manufacturing quality requirements.

Depreciation charges are charged to operating costs in the consolidated statement of comprehensive income.

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13 Leases

The Group has lease contracts for office accommodation and specialist laboratories. These lease contracts generally have lease terms between 4 and 10 years, with earlier break clauses in some cases. The Group's obligations under its leases are secured by the lessor's title.

As set out in Note 1.1, the Group has used the "modified retrospective approach" to the implementation of IFRS 16 under which a lessee does not have to restate comparative information. Accordingly, no comparatives are stated in the notes below.

The carrying amounts of right-of-use assets recognised and the movements during the period are shown below:

Right-of-use assets **Laboratory and office premises**	**31 December 2019** **£'000**
At 1 May 2019	**1,718**
Depreciation	**(219)**
Exchange movements	**15**
Total	**1,514**

The carrying amounts of lease liabilities and the movements during the period are shown below:

Lease liabilities	**31 December 2019** **£'000**
At 1 May 2019	**1,718**
Payments in the period	**(244)**
Accretion of interest	**64**
Exchange movements	**15**
Total	**1,553**
Non-current	**1,201**
Current	**352**
Total	**1,553**

The Group had total cash outflows for leases of £243,798 for the period.

The Group has two lease contracts that include extension and/or termination options. The Directors exercise significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 1.22) and agreed that it was reasonable to assume that both of these lease contracts would be extended beyond the termination option/notice period due to significant fit-out and renovations to create specialist laboratories and the prohibitive cost of finding equivalent alternative accommodation.

The Group also holds certain leases with lease terms of 12 months or less and leases of low-value office equipment. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Payments made under such leases are expensed on a straight-line basis and the expense recorded in the period relating to such leases was £27,351.

Maturity analysis of the undiscounted lease payments:

	Within 1 year £'000	1 to 2 years £'000	2 to 5 years £'000	More than 5 years £'000
Undiscounted lease payments at 31 December 2019	375	432	742	274

14 Financial risk management

Overview

The Group is exposed, through its normal operations, to a number of financial risks, the most significant of which are credit, liquidity and investment (market) risks.

The Group's financial instruments comprise cash, trade and other receivables and trade and other payables which arise directly from its operations, and from time to time treasury deposits, overdrafts and finance leases.

It is the Group's policy that no trading in financial derivatives shall be undertaken.

Financial assets

Financial assets of the Group comprise cash at bank and in hand as well as treasury deposits, trade and other receivables (Note 16). It is the Group's policy to place surplus cash resources on deposit at both floating and fixed term deposit rates of interest with the objective of maintaining a balance between accessibility of funds and competitive rates of return. Fixed term deposits are for varying periods ranging from one to six months, to the extent that cash flow can be reasonably predicted.

Financial liabilities

Financial liabilities of the Group in the normal course of business comprise trade and other payables (Note 17), overdraft facilities and finance leases. It is the Group's policy to use various financial instruments with floating and fixed rates of interest with the objective of maintaining a balance between continuity of funding, matching the liability with the use of the asset and finding flexible funding options for a reasonable charge.

The Group currently does not utilise overdraft facilities or finance leases. The Group has no long-term borrowings or undrawn committed borrowing facilities. The Group is currently not exposed to any interest rate risk on its financial liabilities.

Liquidity risk

The principal risk to which the Group is exposed is liquidity risk, which is that the Group will not be able to meet its financial obligations as they fall due. The Group seeks to manage liquidity through planning, forecasting, careful cash management and managing the operational risk.

The nature of the Group's activities means it finances its operations through earnings and the issue of new shares to investors. The principal cash requirements are in relation to funding operations and meeting working capital requirements.

The Company may also find it difficult to raise additional capital to develop its business depending on progress with meeting milestones and/or market conditions.

Sensitivity analysis examining a small percentage increase and decrease in liquidity is of limited use and accordingly no analysis has been shown.

Capital risk management

The Group defines the capital that it manages as the Group's total equity. The Group's objectives when managing capital are to:

- safeguard the Group's ability to continue as a going concern;
- have available the necessary financial resources to allow the Group to meet milestones and deliver benefits from its operational activities; and
- optimise the return to investors based on the level of risk undertaken.

In order to maintain or adjust the capital structure, the Group may issue new shares or pay dividends or return capital to shareholders through share buybacks.

The Group's capital and equity ratios are shown in the table below:

	31 December 2019 £'000	30 April 2019 £'000
Total equity attributable to owners of the parent	**30,324**	19,336
Total assets	**34,302**	23,020
Equity ratio	**88.4%**	84.0%

Credit risk

The Group's credit risk is attributable to its cash and cash equivalents and trade receivables and other receivables. The Group's risk on cash and cash equivalents is limited as funds are held in banks with the highest credit ratings. The risk for trade receivables is that a customer fails to pay for goods or services received and the Group suffers a financial loss. The Group's objective with respect to credit risk is to minimise the risk of default by customers. For private and overseas clients Group policy is to assess the credit quality of each customer and where appropriate seek full or part-payment in advance.

The maximum exposure to credit risk at the reporting date is represented by the carrying amount of the assets described above.

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14 Financial risk management continued

Interest rate risk

There is currently no interest rate risk on financial assets and liabilities.

Cash held on deposit of £18.1 million earns interest at fixed rates of between 0.03% and 0.95% (30 April 2019: £10.2 million 0.03% and 1.40%). Fixed rate deposits of £10.2 million at 30 April 2019 were mis-classified as floating rate deposits.

There is currently no interest rate risk on financial liabilities as the Group has no interest bearing loans and borrowings.

All amounts, excluding lease liabilities, have maturity dates of less than 12 months (30 April 2019: £nil was greater than 12 months). Contractual maturities in respect of lease obligations are disclosed in Note 13 on page 76.

Foreign currency risk

The Group has overseas subsidiaries whose income and expenses are primarily denominated in US Dollars (USD) and Canadian Dollars (CAD). As a result the Consolidated Financial Statements will be affected by movements in the USD:Sterling and CAD:Sterling exchange rates.

The majority of the Group's operating revenues and expenses are in Sterling, Euros, USD and CAD. Sales are priced in Sterling, Euros and USD although the Group may have a limited amount of revenues denominated in other currencies. The Group monitors its currency exposures on an ongoing basis and is building US and European sales which provide a natural hedge. Excess exposure, if any, may be managed for all significant foreign currencies using forward currency contracts or currency swaps.

Sensitivity analysis

The impact of a 5% variation in currency exchange rates on the profit/(loss) for the period is as follows:

	8 months ended 31 December 2019 USD £'000	**8 months ended 31 December 2019 CAD £'000**	Year ended 30 April 2019 USD £'000	Year ended 30 April 2019 CAD £'000
Profit/(loss) – 5% strengthening	**(100)**	**(86)**	(167)	(109)
Profit/(loss) – 5% weakening	**111**	**95**	184	120

Hedging

The Group did not hedge its financial transactions in the periods ending 31 December 2019 or 30 April 2019.

Currency profile

The Group's financial assets and financial liabilities which are stated at amortised cost have the following currency profile:

	Sterling £'000	USD £'000	Euro £'000	CAD £'000	**31 December 2019 Total £'000**	Sterling £'000	USD £'000	Euro £'000	CAD £'000	30 April 2019 Total £'000
Financial assets:										
Trade and other receivables	–	40	188	–	**228**	28	22	73	–	123
Cash and cash equivalents	18,288	192	110	176	**18,766**	10,421	178	315	96	11,010
Total	18,288	232	298	176	**18,994**	10,449	200	388	96	11,133
Financial liabilities:										
Lease liabilities – non-current	692	122	–	387	**1,201**	–	–	–	–	–
Lease liabilities – current	139	44	–	169	**352**	–	–	–	–	–
Trade and other payables	836	801	188	117	**1,942**	1,398	294	1,311	215	3,218
Total	1,667	967	188	673	**3,495**	1,398	294	1,311	215	3,218

Fair values of financial assets and liabilities

The Directors believe that the fair value and the book value of financial assets and financial liabilities are not materially different. Trade payables and receivables have a remaining life of less than one year so their value on the consolidated statement of financial position is considered to be a fair approximation of fair value.

15 Inventories

	31 December 2019 £'000	30 April 2019 £'000
Raw materials and work in progress	–	18
Finished goods	788	970
Total	788	988

16 Trade and other receivables

	31 December 2019 £'000	30 April 2019 £'000
Current assets:		
Trade receivables	139	123
Other receivables	167	358
Prepayments and contract assets	321	461
Total	627	942

Other receivables principally comprise recoverable taxes (VAT and HST).

All trade and other receivable accounts are short-term. The Directors consider the carrying amount of trade and other receivables to approximate their fair value and that all the above financial assets are of good credit quality and no changes have been experienced since initial recognition. Receivables are unsecured and interest free, unless past their due date when interest may be charged.

The Group has applied the IFRS 9 simplified approach to measuring expected credit losses, and the expected credit loss rates are based on historical experience that the risk of loss is low. On this basis any credit loss provision would be negligible and no provision has been made.

	31 December 2019 £'000	30 April 2019 £'000
Age profile of trade receivables:		
Not past due	114	41
0 – 30 days past due	24	25
30 – 60 days past due	1	14
> 60 days past due	–	43
Total	139	123

The standard credit period allowed for trade receivables is 30 days, although this may be extended such that invoices become payable after completion of a key milestone.

17 Trade and other payables

	31 December 2019 £'000	30 April 2019 £'000
Current liabilities:		
Trade payables	914	1,540
Other taxes and social security costs	294	246
Other payables	23	22
Accruals and contract liabilities	1,194	1,876
Total	2,425	3,684

Accruals include amounts for professional fees, vacation, salary and bonuses (Note 23). Contract liabilities include amounts for pre-billed revenues (Note 2).

All trade and other payables are short-term. The Directors consider that the carrying value of trade and other payables are a reasonable approximation of fair value. The contractual maturity of all the amounts above are within one year of the reporting date.

Notes to the Consolidated Financial Statements

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18 Share capital

The share capital of the Company is shown below:

	31 December 2019 £'000	30 April 2019 £'000
Allotted, called up and fully paid		
172,771,483 (30 April 2019: 143,486,522) Ordinary shares of £0.10 each	**17,277**	14,349

The Company has one class of Ordinary shares which carry no right to fixed income.

The Company issued 29,268,294 new Ordinary shares with a nominal value of £0.10 at an issue price of £0.615 per share in a subscription of shares realising gross proceeds of £18.0 million. Shares were admitted to trading on AIM in July 2019.

The Company issued 16,667 new Ordinary shares with a nominal value of £0.10 at an exercise price of £0.385 per share as a result of the exercise of share options by an employee. Shares were admitted to trading on AIM in December 2019.

19 Share-based payments

The key disclosures that enable the user of the Financial Statements to understand the nature and extent of share-based payment charges through the statement of comprehensive income in relation to ANGLE plc shares are detailed below.

The share-based payment charge for the Company Employee Share Option Schemes and Long-Term Incentive Plan (LTIP) was £332,817 (year ended 30 April 2019: £331,553).

Company – Share Option Schemes

The Company operates Share Option Schemes as a means of encouraging ownership and aligning interests of staff and external shareholders. The Company also operates an LTIP for Executive Directors. These are a key part of the remuneration package and granted at the discretion of the Remuneration Committee taking into account the need to motivate, retain and recruit high calibre executives and staff.

Each scheme is governed by a specific set of rules and administered by the Directors of the Company. Options are generally granted at the market price of the shares on the date of grant, except for "Bonus Options" and "LTIP Options". Options granted may have a service condition and/or a non-market performance condition and/or a market performance condition (such as a target share price). If the performance conditions are not met, the options do not vest and will lapse at the date specified at the time of grant. Options are forfeited if the employee leaves the Group before the awards vest unless the conditions under which they leave are such that they are considered to be a "good leaver"; in this case some or all of their options may remain exercisable for a limited period of time, subject to any performance condition having been met. Options lapse if they are not exercised by the date they cease to be exercisable. LTIP Options also have an additional holding period of up to two years such that the minimum performance and holding period is five years.

EMI Share Option Scheme and Unapproved Share Option Schemes

The Company has an Enterprise Management Incentive (EMI) Share Option Scheme and Unapproved Share Option Schemes for the United Kingdom, Canada and the United States. Share options are granted under a service condition and/or a non-market performance condition and/or a market performance condition. Options cease to be exercisable after ten years from the date of grant or on an earlier specified date.

The movement in the number of employee share options is set out below:

	31 December 2019 Number of share options #	31 December 2019 Weighted average exercise price (£)	30 April 2019 Number of share options #	30 April 2019 Weighted average exercise price (£)
Outstanding at 1 May	**13,795,806**	**0.5432**	10,325,806	0.6235
During the period:				
Granted	**–**	**–**	4,345,000	0.3935
Exercised	**(16,667)**	**0.3850**	–	–
Forfeited/lapsed	**(883,333)**	**0.4221**	(875,000)	0.7477
Outstanding at period end	**12,895,806**	**0.5517**	13,795,806	0.5432
Capable of being exercised at period end	**4,715,805**	**0.4640**	3,497,475	0.4699

The options outstanding at 31 December 2019 had a weighted average remaining contractual life of five years and ten months (30 April 2019: six years and nine months).

19 Share-based payments continued

The Company uses a Trinomial option pricing model as the basis to determine the fair value of the Company's share options.

The following assumptions are used in the model to determine the fair value of share options at the respective date of grant that are still outstanding at 31 December 2019:

Date of grant	Exercise price (£)	Share price at date of grant (£)	Expected volatility	Risk free interest rate	Expected life of option (years)	Expected dividends	Vesting conditions	Outstanding share options
30 August 2011	0.2575	0.2575	45.00%	1.06%	3.5	Nil	(1)	1,189,353
18 November 2011	0.7550	0.7550	40.00%	0.62%	2.5	Nil	(2)	1,197,315
5 November 2012	0.2575	0.3750	40.00%	0.35%	3.0	Nil	(1)	380,647
5 November 2012	0.7550	0.3750	40.00%	0.23%	2.0	Nil	(2)	312,685
11 December 2013	0.7300	0.7300	40.00%	0.97%	3.0	Nil	(3)	490,000
18 July 2014	0.7500	0.7500	40.00%	1.40%	3.0	Nil	(4)	40,000
10 November 2014	0.8625	0.8625	40.00%	1.53%	5.0	Nil	(5)	1,500,000
10 November 2014	0.8625	0.8625	40.00%	1.03%	3.0	Nil	(4)	20,000
31 March 2015	0.8625	0.7850	40.00%	0.67%	3.0	Nil	(4)	390,000
12 November 2015	0.1000	0.7550	40.00%	0.68%	2.0	Nil	(6)	120,806
1 March 2016	0.5650	0.5650	40.00%	0.42%	3.0	Nil	(4)	150,000
25 November 2016	0.6450	0.6450	40.00%	0.30%	3.0	Nil	(4)	1,100,000
25 November 2016	0.6450	0.6450	40.00%	0.30%	3.0	Nil	(7)	1,500,000
1 November 2017	0.4000	0.4000	40.00%	0.57%	3.0	Nil	(8)	500,000
1 November 2017	0.4000	0.4000	40.00%	0.57%	3.0	Nil	(4)	450,000
16 November 2017	0.4025	0.4025	40.00%	0.55%	3.0	Nil	(4)	100,000
20 August 2018	0.4900	0.4900	40.00%	0.77%	3.0	Nil	(4)	100,000
20 December 2018	0.3850	0.3850	40.00%	0.75%	3.0	Nil	(4)	1,355,000
20 December 2018	0.3850	0.3850	40.00%	0.75%	3.0	Nil	(9)	2,000,000
Total								**12,895,806**

Expected volatility was derived from observation of the volatility of quoted shares in similar sectors to the Company and observation of the historic volatility of the Company's shares, adjusted for any unusual historic events and expected changes to future volatility. The expected life used in the model is based on management's best estimate taking into account the effects of non-transferability, exercise restrictions, behavioural conditions and expected future events.

The share options issued were subject to both performance and service (employment) conditions:

(1) Vesting is subject to a) a performance condition that the Company's share price together with any dividend payments has risen by at least 50% at some point from the market price on 30 August 2011, and b) a service condition with options vesting over a three-year period. These conditions have been met and the options are fully vested and capable of exercise.

(2) Vesting is subject to a) the performance conditions that (i) the Company's share price must have increased to £2.00 at some point since the date of grant and (ii) the Parsortix separation device must have been demonstrated to successfully capture circulating tumour cells from cancer patient blood (this condition has been met), and b) a service condition with options vesting over a three-year period (this condition has been met).

(3) Vesting is subject to a) specific performance conditions for senior management and b) a service condition with options vesting over a three-year period.

(4) Vesting is subject to a service condition with options vesting over a period up to three years.

(5) Vesting is subject to the performance conditions that a) the Company's share price must have increased to £2.00, £2.25, £2.50 and £2.75 at some point since the date of grant for each quarter of the allocation and b) a time/event condition with options vesting after five years or on the sale of the Parsortix business, whichever is earliest.

(6) Options were granted as Bonus Options in accordance with the Remuneration Committee's discretion to settle an element of the Annual Bonus in the form of share options. The Bonus Options vest immediately and are exercisable at par value.

(7) Vesting is subject to a) a performance condition that the Company's share price has risen by at least 100% at some point from the market price on 25 November 2016, and b) a service condition with options vesting over a three-year period.

(8) Vesting is subject to a) a performance condition that the Company's share price has risen by at least 100% at some point from the market price on 1 November 2017 (this condition has been met), and b) a service condition with options vesting over a three-year period.

(9) Vesting is subject to a performance condition that the Company's share price has risen to at least £1.056 on 21 December 2021.

Once all performance and/or service conditions have been met the employee becomes unconditionally entitled to the options and they are capable of exercise. Based on these performance and/or service conditions a number of options have vested and become capable of exercise. 16,667 options were exercised in the period (year ended 30 April 2019: nil).

Notes to the Consolidated Financial Statements

continued

19 Share-based payments continued

Long-Term Incentive Plan

The Company has a Long-Term Incentive Plan (LTIP) for Executive Directors. Disclosures for an award made during the prior year are set out in the Directors' Remuneration Report on pages 50 and 51.

The Company uses a Trinomial option pricing model as the basis to determine the fair value of the Company's LTIP Options.

The following assumptions are used in the model to determine the fair value of LTIP Options at the respective date of grant that are still outstanding at 31 December 2019:

Date of grant	Exercise price (£)	Share price at date of grant (£)	Expected volatility	Risk free interest rate	Expected life of option (years)	Expected dividends	Barrier (Performance condition) (£)	Outstanding LTIP Options
20 December 2018	0.0000	0.3850	40.00%	0.88%	5.0	Nil	1.056	1,200,000
20 December 2018	0.0000	0.3850	40.00%	0.88%	5.0	Nil	1.434	1,800,000
20 December 2018	0.0000	0.3850	40.00%	0.88%	5.0	Nil	2.063	3,000,000
Total								**6,000,000**

20 ESOT shares

	31 December 2019 £'000	30 April 2019 £'000
At period end	**102**	102

Employee Share Ownership Trust (ESOT) shares are ANGLE plc shares held by the ANGLE Employee Trust. At 31 December 2019 the Trust held 113,259 shares (30 April 2019: 113,259 shares). The market value of these shares at 31 December 2019 was £71,013 (30 April 2019: £86,077). Shares purchased by the ANGLE ESOT are used to assist in meeting the obligations under employee remuneration schemes.

21 Contingent liabilities

Geomerics Limited was sold to ARM Holdings plc in December 2013. As is normal for this type of transaction, the Sale and Purchase Agreement contained various warranties given by the sellers to the buyer and the warrantors have indemnified the buyer in respect of any claims against Geomerics Limited in connection with the business prior to acquisition. The warranties comprise a general warranty claim period of two years (now expired), an IP warranty claim period of four years (now expired) and a fundamental/tax warranty claim period of seven years (expires December 2020). In the unlikely event a claim is made and determined as valid then any amounts would be recoverable from the warrantors up to a capped amount.

22 Guarantees and other financial commitments

The Group has a number of retainers with professional advisors which can be terminated on short notice periods.

During the period, the Group entered into certain commitments in relation to the development of the Parsortix cancer diagnostic product. In aggregate these gave rise to financial commitments of up to £1.0 million over one year (30 April 2019: £1.7 million).

The Group has taken advantage of the exemption from audit in accordance with section 479A of the Companies Act 2006 for ANGLE Technology Limited and ANGLE Technology Ventures Limited. ANGLE plc has provided a statutory guarantee over these subsidiaries' liabilities in accordance with section 479C of the Companies Act 2006.

Other than these, the Group has no contractual commitments to provide financial support to its investments.

23 Related party transactions

Transactions between subsidiaries within the Group are not disclosed as they are eliminated on consolidation.

Directors' interests – related party interests and transactions

Apart from the interests disclosed in the Directors' Remuneration Report on pages 50 and 51 and below, none of the Directors had any interest at any time during the period ended 31 December 2019 in the share capital of the Company or its subsidiaries.

At the reporting date, £nil of remuneration (30 April 2019: £164,227) was due to Andrew Newland and £nil of remuneration (30 April 2019: £104,508) was due to Ian Griffiths.

Brian Howlett entered into a consultancy contract with effect from 7 January 2013 to provide specialist commercial advice outside of his normal Board responsibilities. Consultancy fees of £nil were paid in the period to Brian Howlett under this contract (year ended 30 April 2019: £nil).

SoBold Limited provides digital marketing services and website management to ANGLE with fees in the period of £25,450 (year ended 30 April 2019: £37,850) and a balance of £7,440 (30 April 2019: £3,720) due at the reporting date. Andrew Newland's son is the managing director and a main shareholder of SoBold Limited. The relationship is managed by Business Development Director, Michael O'Brien.

No other Director had a material interest in a contract, other than a service contract, with the Company or its subsidiaries, or investments during the period.

24 Post reporting date event

As reported in the Chairman's Statement and elsewhere, the Company has had some short-term negative impacts from government lock downs associated with COVID-19. Although this has created some uncertainty and a need to adapt the operating model it is not expected to have any significant long-term impact on the Company.

Company Statement of Financial Position

As at 31 December 2019

	Note	31 December 2019 £'000	30 April 2019 £000
Assets			
Investment in subsidiaries	C3	**4,476**	4,143
Other receivables	C4	**34,560**	32,635
Cash and cash equivalents		**17,695**	9,438
Total assets		**56,731**	46,216
Equity			
Share capital	C5	**17,277**	14,349
Share premium		**67,272**	53,273
Share-based payments reserve		**1,495**	1,243
Retained earnings		**(29,313)**	(22,649)
Equity attributable to owners		**56,731**	46,216

The Company's loss and total comprehensive loss for the eight month period to 31 December 2019 were £6,745,487 (year ended 30 April 2019: £978,700).

The Financial Statements on pages 84 to 87 were approved by the Board and authorised for issue on 24 June 2020 and signed on its behalf by:

Ian F Griffiths
Director

Andrew D W Newland
Director

Registered No. 04985171

Company Statement of Cash Flows

For the period ended 31 December 2019

	8 months ended 31 December 2019 £'000	Year ended 30 April 2019 £'000
Operating activities		
Profit/(loss) before tax	**(6,745)**	(979)
Adjustments for:		
Impairment of loans	**6,745**	979
Net cash from/(used in) operations	**–**	–
Investing activities		
Loans to subsidiaries	**(8,664)**	(8,988)
Net cash from/(used in) investing activities	**(8,664)**	(8,988)
Financing activities		
Net proceeds from issue of share capital	**16,921**	11,996
Net cash from/(used in) financing activities	**16,921**	11,996
Net increase/(decrease) in cash and cash equivalents	**8,257**	3,008
Cash and cash equivalents at start of period	**9,438**	6,430
Cash and cash equivalents at end of period	**17,695**	9,438

Company Statement of Changes in Equity

For the period ended 31 December 2019

	Equity attributable to owners				
	Share capital £'000	Share premium £'000	Share-based payments reserve £'000	Retained earnings £'000	Total equity £'000
At 1 May 2018	**11,709**	**43,449**	**1,049**	**(21,808)**	**34,399**
For the year to 30 April 2019					
Profit/(loss) for the year				(979)	(979)
Issue of shares (net of costs)	2,640	9,824			12,464
Share-based payments			332		332
Released on forfeiture			(138)	138	–
At 30 April 2019	**14,349**	**53,273**	**1,243**	**(22,649)**	**46,216**
For the 8 month period to 31 December 2019					
Profit/(loss) for the period				(6,745)	(6,745)
Issue of shares (net of costs)	2,928	13,999			16,927
Share-based payments			333		333
Released on forfeiture			(78)	78	–
Released on exercise			(3)	3	–
At 31 December 2019	**17,277**	**67,272**	**1,495**	**(29,313)**	**56,731**

Notes to the Company Financial Statements

For the period ended 31 December 2019

C1 Accounting policies

C1.1 Basis of preparation

The Parent Company Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) in issue that have been endorsed by the EU for the eight month period ended 31 December 2019. They have also been prepared in accordance with those parts of the Companies Act 2006 that apply to companies reporting under IFRS.

The accounting policies of the Company which have been applied consistently throughout the period are the same as those of the Group and are presented on pages 59 to 67.

C1.2 Presentation of Financial Statements

The financial information, in the form of the primary statements contained in this report, is presented in accordance with International Accounting Standard (IAS) 1 Presentation of Financial Statements.

C1.3 Judgements and key sources of estimation uncertainty

Accounting for intercompany loans

In accordance with IFRS 9, the Company is required to make an assessment of expected credit losses. Having considered the quantum and probability of credit losses expected to arise across a number of scenarios, an additional adjustment for expected credit loss of £6.7 million (year ended 30 April 2019: £1.0 million) was recognised in the reporting period.

The calculation of the allowance for lifetime expected credit losses requires a significant degree of estimation and judgement, in particular in determining the probability weighted likely outcome for each scenario considered to determine the expected credit loss in each scenario. Should the assumptions in the business plan vary, this could have a significant impact on the carrying value of the intercompany loans in following periods.

C1.4 Investments

Investments in subsidiaries are stated at cost plus capital contribution to the subsidiary in respect of share-based payments, less any provision for impairment. The Company considers the recoverability of loans and investments on an annual basis. Where there is an indication that the carrying value exceeds the recoverable amount an impairment review will be undertaken and a provision for impairment made when considered necessary. An impairment loss is recognised in the profit and loss in the statement of comprehensive income.

C2 Total comprehensive income

As permitted by Section 408 of the Companies Act 2006, the Parent Company's Statement of Comprehensive Income has not been included in these Financial Statements. The total comprehensive loss for the period was £6,745,487 (year ended 30 April 2019: £978,700).

The only employees of the Company are the Directors; the remuneration of the Directors is borne by Group subsidiary undertakings. Full details of their remuneration can be found in the Directors' Remuneration Report on pages 50 and 51.

Administrative expenses, including auditor's remuneration, are borne by other Group companies.

C3 Investment in subsidiary undertakings

	31 December 2019 £'000	30 April 2019 £'000
Cost		
At 1 May	**4,143**	3,811
Share-based payments charge	**333**	332
At period end	**4,476**	4,143

Details of the Company's subsidiary undertakings at 31 December 2019 are shown in Note 10 to the Consolidated Financial Statements along with other interests held indirectly through subsidiary undertakings.

C4 Other receivables

	31 December 2019 £'000	30 April 2019 £'000
Non-current assets: Amounts due from Group undertakings	**34,554**	32,635
Current assets: Issued share capital receivable	**6**	–
Total	**34,560**	32,635

Non-current assets	31 December 2019 £'000	30 April 2019 £'000
Amounts due from Group undertakings		
Cost		
At 1 May	**57,309**	47,853
Additions/(repayments)	**8,664**	9,456
At period end	**65,973**	57,309
Provision		
At 1 May	**24,674**	23,695
Impairment charge	**6,745**	979
At period end	**31,419**	24,674
Net book value		
At period end	**34,554**	32,635
At 1 May	**32,635**	24,158

The Company provides a centralised treasury function to trading subsidiaries through ANGLE Technology Limited. The amounts due from Group undertakings are interest free, unsecured and have no fixed date of repayment. Amounts due from Group undertakings are due on demand but are not expected to be recovered within 12 months.

C5 Share capital

The share capital of the Company is shown below:

	31 December 2019 £'000	30 April 2019 £'000
Allotted, called up and fully paid		
172,771,483 (30 April 2019: 143,486,522) Ordinary shares of £0.10 each	**17,277**	14,349

Details of the Company's share capital and changes in its issued share capital can be found in Note 18 to the Consolidated Financial Statements on page 80.

Details of the Company's share options schemes can be found in Note 19 to the Consolidated Financial Statements on pages 80 to 82.

C6 Related party transactions

Group transactions and balances

Details of balances owed by ANGLE Technology Limited are given in Note C4 above.

Directors' interests – related party interests and transactions

Details are given in Note 23 to the Consolidated Financial Statements on page 83.

C7 Post reporting date event

Details are given in Note 24 to the Consolidated Financial Statements on page 83.

Notice of Annual General Meeting

Directors:
I F Griffiths (Finance Director)
J Groen (Non-executive Director)
B Howlett (Non-executive Director)
A D W Newland (Chief Executive)
G R Selvey (Chairman)

Registered Office
10 Nugent Road
Surrey Research Park
Guildford
GU2 7AF

24 June 2020

Dear Shareholder

Annual General Meeting
You will find included with this document a Notice convening the Annual General Meeting (the "Meeting") of the Company for 2:00 pm on Thursday 27 August 2020 at which the following resolutions will be proposed:

1. **Resolution 1** to receive the Annual Report and Accounts of the Company for the eight month period ended 31 December 2019.
2. **Resolution 2** to approve the Directors' Remuneration Report for the eight month period ended 31 December 2019 set out on pages 50 and 51 of the Annual Report.

   Note: this is an advisory vote only.
3. **Resolution 3** to re-appoint the auditors of the Company, RSM UK Audit LLP, and authorise the Directors to determine their level of remuneration.
4. **Resolution 4** to grant the Directors authority to allot unissued shares in the capital of the Company up to an aggregate nominal amount of £5,759,883.

   Note: the Directors wish to renew their authorisations with respect to the allotment of new shares.
5. **Resolution 5** to disapply statutory pre-emption rights.

   Note: the Directors wish to renew their authorisations for the disapplication of the statutory pre-emption rights in respect of the allotment of new shares pursuant to rights issues or otherwise for cash, as detailed in the Notice of Annual General Meeting, to enable the Directors to take advantage of opportunities as they arise without the need for further shareholder approval.
6. **Resolution 6** to grant the Directors authority to purchase issued shares in the capital of the Company up to an aggregate nominal amount of £1,727,965.

   Note: whilst the Directors have no present intention of purchasing the Company's shares, the Directors are seeking authorisation as they wish to have the flexibility to do so if this was generally in the best interests of the shareholders and (except in the case of purchases intended to satisfy obligations under share schemes) the expected effect of the purchase would be to increase earnings per share of the remaining shares.

The authorities requested in items 4, 5 and 6 will expire at the 2021 Annual General Meeting or, if earlier, 31 August 2021.

Coronavirus (COVID-19)
Due to the unprecedented situation with COVID-19 and in line with the UK Government's measures to maintain social distancing, the Board has taken the decision to hold this year's Meeting as a "closed meeting" with the Chief Executive and Finance Director attending in person and the rest of the Board attending remotely. Shareholders will not be permitted to attend the Meeting in person. It will not be possible for shareholders to vote during the Meeting and shareholders are therefore strongly encouraged to submit their Proxy Votes online via www.signalshares.com or CREST where applicable. The Meeting will be streamed online and shareholders will be able to watch the AGM remotely via an electronic platform, details of which are provided in the Notice.

Business Update Presentation
The Board remains keen to encourage engagement with shareholders. The Company will provide a business update presentation after the formalities of the AGM are concluded. Shareholders are invited to submit questions in advance of the AGM, which the Board will aim to answer during the business update presentation. While it may not be possible to answer individual questions, questions will be grouped into key themes and we will endeavour to answer these during the presentation or as part of concluding matters. Questions should be submitted to investor@angleplc.com before 5:00pm on Wednesday 26 August 2020.

Details of how to join the Meeting and the business update presentation via an electronic platform are provided on page 92.

Action to be taken
Shareholders should register their Proxy Vote either online at www.signalshares.com or through CREST as outlined in the Notes to the Notice of Annual General Meeting as soon as possible, but in any event no later than 48 hours before the time fixed for the Meeting. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.

Recommendation
Your Directors consider the resolutions to be proposed at the Annual General Meeting to be in the best interests of the Company and its shareholders. Accordingly, the Directors unanimously recommend shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully

Garth Selvey
Chairman

(Company number 04985171)

NOTICE IS HEREBY GIVEN that the seventeenth **ANNUAL GENERAL MEETING** of ANGLE plc **("the Company")** will be held at 2:00 pm on Thursday 27 August 2020 at ANGLE plc, 10 Nugent Road, Surrey Research Park, Guildford GU2 7AF for the purpose of considering and, if thought fit, passing the following resolutions of which the resolutions numbered 1 through 4 will be proposed as ordinary resolutions and resolutions numbered 5 and 6 will be proposed as special resolutions. The meeting will be held as a "closed meeting" and shareholders will not be permitted to attend in person. Please refer to the notes to this Notice for details of how to watch the meeting online.

Ordinary Business

1. **TO** *receive the Accounts of the Company for the eight month period ended 31 December 2019, and the reports of the Directors and auditors thereon.*

2. **TO** approve the Directors' Remuneration Report as set out on pages 50 and 51 of the Annual Report for the eight month period ended 31 December 2019.

   Note: this is an advisory vote only.

3. **TO** re-appoint RSM UK Audit LLP as auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next annual general meeting of the Company at which accounts are laid and to authorise the Directors to determine their remuneration.

Special Business

4. **THAT**, for the purposes of section 551 of the Companies Act 2006 **("the Act")**, the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company, or grant rights to subscribe for or convert any security into shares in the Company, up to an aggregate nominal amount of £5,759,883 PROVIDED that this authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the earlier of the conclusion of the next Annual General Meeting of the Company or on 31 August 2021 EXCEPT that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or the granting of rights to subscribe for, or convert any security into, shares in the Company after such expiry and the Directors may allot shares and grant rights to subscribe for, or convert any security into, shares in the Company in pursuance of any such offer or agreement as if the authority conferred hereby had not expired. This authority shall replace any existing like authority which is hereby revoked with immediate effect.

5. **THAT**, subject to and conditional upon the passing of Resolution 4, the Directors be and they are hereby generally empowered, in addition to all existing authorities, pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 4 above as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

   (a) the allotment of equity securities in connection with an offer of equity securities open for acceptance for a period fixed by the Directors to holders of equity securities on the register of members of the Company on a date fixed by the Directors in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto but SUBJECT to such exclusions, variations or other arrangements as the Directors may deem necessary or expedient to deal with:

      i. fractional entitlements;
      ii. directions from any holders of shares to deal in some other manner with their respective entitlements;
      iii. legal or practical problems arising in any overseas territory;
      iv. the requirements of any regulatory body or stock exchange; or
      v. otherwise howsoever;

   (b) the allotment of equity securities (otherwise than pursuant to sub-paragraph (a) above) up to an aggregate nominal amount of £1,727,965,

   and the power hereby conferred shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 August 2021 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs) EXCEPT that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

Notice of Annual General Meeting

continued

6. **THAT**, the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary shares of £0.10 each in the capital of the Company provided that:

   (a) the maximum number of Ordinary shares that may be purchased is 17,279,648 (representing approximately 10% of the Company's issued share capital at the date of this notice);
   (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary share is £0.10;
   (c) the maximum price (exclusive of expenses) which may be paid for each Ordinary share is an amount equal to 105% of the average of the middle market quotations of an Ordinary share of the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary share is contracted to be purchased,

   and the power hereby conferred shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 August 2021 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs) EXCEPT that the Company may, before such expiry, enter into one or more contracts to purchase Ordinary shares under which such purchases may be completed or executed wholly or partly after the expiry of this authority and may make a purchase of Ordinary shares in pursuance of any such contract or contracts.

Registered Office
10 Nugent Road
Surrey Research Park
Guildford
GU2 7AF

By Order of the Board

Ian F Griffiths
Company Secretary

Dated 24 June 2020

Notes:

1. Under the Articles of Association of the Company, a member of the Company entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to vote instead of him. For the reasons given in the Chairman's letter that accompanies this Notice, under the current UK Government measures in relation to the Coronavirus (COVID-19) pandemic, shareholders and proxies will not be allowed to attend the Annual General Meeting and shareholders are not able to appoint a proxy other than the Chairman of the Meeting.

2. To be valid, an appointment of proxy must be registered with or returned to the Company's Registrars at least 48 hours before the time of the Meeting or any adjourned meeting by one of the following methods:

   - by logging on to www.signalshares.com and following the instructions;
   - you may request a hard copy Form of Proxy directly from the registrars, Link Asset Services, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link Asset Services are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. The Form of Proxy in hard copy duly executed, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority) must be deposited at the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU. If a hard copy Form of Proxy is used to appoint more than one proxy, the Form of Proxy should be photocopied and completed for each proxy holder and the proxy holder's name should be written on the Form of Proxy together with the number of shares in relation to which the proxy is authorised to act. The box on the Form of Proxy must also be ticked to indicate that the proxy instruction is one of multiple instructions being given; or
   - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in Note 5 of this document.

3. While appointment of a proxy electronically or completing and returning a Form of Proxy would generally not stop you from attending the Annual General Meeting and voting in person should you so wish, under the current UK Government measures in relation to the Coronavirus (COVID-19) pandemic, shareholders will not be allowed to attend the Annual General Meeting, vote in person or appoint a proxy other than the Chairman of the Meeting.

4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that, to be entitled to vote at the Meeting (and for the purpose of determining the number of votes they may cast), members must be entered on the Company's register of members at close of business on 25 August 2020. Changes to entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to vote at the Meeting.

5. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent RA10 by at least 48 hours before the time of the Meeting or any adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. EUI does not make available special procedures in CREST for any particular messages, therefore normal system timings and limitations will apply in relation to the input of CREST proxy instructions. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulations 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case your Proxy Vote must be received by the Company's registrars no later than at least 48 hours before the time of the Meeting or any adjourned meeting.

Explanatory Notes:

Resolution 1: Report and Accounts

The Directors are required to present to the Meeting the audited accounts and the reports of the Directors and the auditors for the eight month period ended 31 December 2019.

Resolution 2: Directors' Remuneration Report

This resolution seeks approval of the Directors' Remuneration Report for the eight month period ended 31 December 2019. The full text of the Directors' Remuneration Report is contained on pages 50 and 51 of the Company's Annual Report.

This is an advisory vote and no entitlement to remuneration for the eight month period ended 31 December 2019 is conditional on the resolution being passed.

Resolution 3: Re-appointment of auditors

The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the end of the next such meeting. This resolution proposes the appointment and, in accordance with standard practice, gives authority to the Directors to determine the remuneration to be paid to the auditors.

Resolution 4: Directors' authority to allot shares

Section 551 of the Act provides that the directors of a company may not allot shares (or grant rights to subscribe for shares or to convert any security into shares) in a company unless they have been given prior authorisation for the proposed allotment by ordinary resolution of the Company's shareholders or by the Articles of Association of a company.

Accordingly, this resolution seeks to grant a new authority under section 551 of the Act to authorise the Directors to allot shares in the Company or grant rights to subscribe for, or convert any securities into, shares of the Company and will expire on 31 August 2021 or at the conclusion of the next Annual General Meeting of the Company following the passing of this resolution, whichever occurs first.

If passed, Resolution 4 would give the Directors authority to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company up to a maximum nominal value of £5,759,883 representing approximately one-third of the Company's nominal value of the issued share capital at the date of this notice.

Resolution 5: Disapplication of pre-emption rights

Under section 561(1) of the Act, if the Directors wish to allot any of the unissued shares or grant rights over shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights.

Resolution 5 empowers the Directors to allot equity securities for cash other than in accordance with the statutory pre-emption rights in respect of (i) rights issues and similar offerings, where difficulties arise in offering shares to certain overseas shareholders, and in relation to fractional entitlements and certain other technical matters and (ii) generally in respect of Ordinary shares up to a maximum nominal value of £1,727,965, representing approximately 10% of the Company's nominal value of the issued share capital at the date of this notice. This is proposed as a special resolution.

Resolution 6: Authority for market purchase

Resolution 6 will permit the Company to purchase up to 17,279,648 Ordinary shares of £0.10 each (approximately 10% of the shares in issue as at the date of this notice) through the market subject to the pricing limits set out in the resolution and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 August 2021 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs). This is proposed as a special resolution.

General Information for Shareholders

In respect of the Annual General Meeting

Time of the Meeting
The AGM will start promptly at 2:00 pm on Thursday 27 August 2020.

The venue
The Meeting will be held at ANGLE plc, 10 Nugent Road, Surrey Research Park, Guildford, Surrey, GU2 7AF.

Attendance
Due to the unprecedented situation with COVID-19 and in line with Government's measures to maintain social distancing, the AGM will be held as a "closed meeting" and shareholders will not be permitted to join the AGM in person. Shareholders attempting to attend the AGM will be refused admission.

Shareholders are asked to exercise their votes by submitting their proxy as set out in the Notice of AGM above. All shareholders are strongly recommended to vote electronically at www.signalshares.com as your vote will automatically be counted.

Viewing the Meeting
Shareholders can join and view the AGM remotely and the Company will provide a business update presentation after the formalities of the AGM are concluded.

A live webcast of the AGM may be accessed via https://arkadin-event.webex.com/arkadin-event/onstage/g.php?MTID=e5ec2c5b7c9e4e639fa876ca436eb2e56

Please register in advance and log on to the webcast approximately 5 minutes before 2:00pm on Thursday 27 August 2020.

Alternatively, the webcast can be accessed by telephone and listened to by calling:
United Kingdom Toll-Free: 08003589473
United Kingdom Toll: +44 3333000804
PIN: 58174213#

URL for international dial in numbers:
https://events-ftp.arkadin.com/ev/docs/NE_W2_TF_Events_International_Access_List.pdf

The Board remains keen to encourage engagement with our shareholders. Shareholders are invited to submit questions in advance of the AGM, which the Board will aim to answer during the business update presentation. While it may not be possible to answer individual questions, questions will be grouped into key themes and we will endeavour to answer these during the presentation or as part of concluding matters. Questions should be submitted to investor@anglepic.com before 5:00pm on Wednesday 26 August 2020.

Explanation of Frequently Used Terms

Term	Explanation
Antibody	A protein made by white blood cells in response to an antigen (a toxin or foreign substance). Each antibody can bind to only one specific antigen. The purpose of this binding is to help destroy the antigen
Antigen	Proteins that can be used as markers in laboratory tests to identify cancerous and normal tissues or cells
AR-V7	The androgen receptor (AR) has been proposed as a mechanism of therapeutic resistance to AR signalling (ARS) inhibitors. Androgen receptor variant 7 (AR-V7) participates in regulating prostate cancer cell proliferation and gene expression and is correlated with drug resistance. Patients with low-risk disease should receive taxanes if they are AR-V7+ or ARS inhibitors if they are AR-V7-
AUC-ROC	The area under the curve (AUC) for a receiver operating characteristic (ROC) plot, a plot of 1-specificity on the x-axis vs. the sensitivity on the y-axis at each possible threshold for a test's results, is a measure of a diagnostic test's accuracy. The accuracy of the test depends on how well the test separates the two groups being compared into those with the outcome (sensitivity) and those without the outcome (specificity) in question. An AUC of 1 (100%) represents a perfect test while an AUC of 0.5 (50%) represents a worthless test. The traditional academic classification system for AUC-ROCs is 90% to 100% = excellent; 80% to 90% = good; 70% to 80% = fair; 60% to 70% = poor; 50% to 60% = fail. Source: University of Cambridge MRC Unit http://imaging.mrc-cbu.cam.ac.uk/statswiki/FAQ/roc
Benign	Not cancerous. Benign tumours may grow larger but do not spread to other parts of the body. Also called non-malignant
Biomarker	A biological molecule found in blood, other body fluids, or tissues that is a sign of a normal or abnormal process, or of a condition or disease. A biomarker may be used to see how a disease is developing or how well the body responds to a treatment for a disease or condition. Also called molecular marker and signature molecule
Biopsy	Process by which cancer cells are removed from the tumour for molecular analysis
Cancer	A term for diseases in which abnormal cells divide without control and can invade nearby tissues. Cancer cells can also spread to other parts of the body through the blood and lymph systems
Capture	Process for capturing target cells from sample
Capture efficiency	Proportion of target cells captured
Carcinogen	Any substance that is directly involved in causing cancer
CD45	The CD45 antibody recognises the human CD45 antigen, also known as the leukocyte common antigen. WBC are CD45+ whereas CTCs are CD45-. Staining with CD45 often used as a negative confirmation that CTCs are not WBC
Cell(s)	In biology, the smallest unit that can live on its own and that makes up all living organisms and the tissues of the body. The human body has more than 30 trillion cells
Cell culture	See cultured cells
Cell-free DNA	Genomic DNA found in the plasma
Cell labelling	Technique involving the staining of target cells with fluorescent and/or chromogenic markers for cell identification
Cell lines	Cultured cells
CE Mark	Regulatory authorisation for the marketing and sale of products for clinical use in the European Union. The CE marking is the manufacturer's declaration, following appropriate assessment by a CE Notified Body, that the product meets the requirements of the applicable EC directives
Chemotherapy	The treatment of cancer by chemicals (drugs). In cancer care the term usually means treatment with drugs that destroy cancer cells or stop them from growing
Circulating tumor cell	Cancer cell that is circulating in the patient's blood
CTC	Circulating tumor cell
CTC labelling	CTCs are often labelled with three markers and are formally identified as CTCs if they are CK+, CD45-, DAPI+
CLIA Laboratory	The Clinical Laboratory Improvement Amendments (CLIA) of 1988 are federal regulatory standards that apply to all clinical laboratory testing performed on humans in the United States (with the exception of clinical trials and basic research). A clinical laboratory is defined by CLIA as any facility which performs laboratory testing on specimens obtained from humans for the purpose of providing information for health assessment and for the diagnosis, prevention, or treatment of disease
Clinical application	Use in treating patients
Clinical samples	Patient samples usually blood
Clinical study	A type of research study that tests how well new medical approaches work in people. These studies test new methods of screening, prevention, diagnosis, or treatment of a disease
Clinical use	Use in treating patients
Companion diagnostic	A medical device which provides information that is essential for the safe and effective use of a corresponding drug or biological product

Explanation of Frequently Used Terms

continued

Term	Explanation
Contract Research Organisation (CRO)	A company hired by another company or research centre to take over certain parts of running a clinical trial. The company may design, manage, and monitor the trial, and analyse the results
ctDNA	ctDNA is cell-free circulating tumour fragments of DNA from dead cells, which may be found in the plasma component of the blood
Cultured cells	Cultured cells grown in the laboratory from human-derived cells used for experimental work
Cytokeratin (CK)	Cytokeratins are a family of intracytoplasmic cytoskeleton proteins with members showing tissue specific expression
CK+	A cell positive for the presence of cytokeratin protein or mRNA with the presence of distinct cytokeratins often used to identify epithelial cells
Cytopathological	A branch of pathology that studies and diagnoses diseases at the cellular level, generally used on samples of free cells or tissue fragments
DAPI	A nuclear stain that is often used to identify the nucleus in a cell
DEPArray™	A commercial single cell isolation system
Diagnosis	The process of identifying a disease, condition, or injury from its signs and symptoms. A health history, physical examination and tests, such as blood tests, imaging tests, and biopsies, may be used to help make a diagnosis
Diagnostic LeukApheresis (DLA)	Removal of the blood to collect specific blood cells such as leukocytes. The remaining blood is then returned to the body
Diagnostic test	A type of test used to help diagnose a disease or condition
DNA	Deoxyribonucleic acid (DNA) is the molecule that encodes the genetic instructions used in the development and functioning of all known living organisms and many viruses
Downstream technologies	Technologies used to undertake molecular analysis of harvested cells after the separation has taken place
EGFR	The epidermal growth factor receptor – a signalling molecule which is typically present on the cell surface and can control cell activity including cell proliferation. Mutations in EGFR or deregulation have been associated with a number of cancers including ~30% of all epithelial cancers
Enrichment	Generic term for concentrating target cells or molecules in a starting heterogeneous mixture
EpCAM	The Epithelial Cell Adhesion Molecule (EpCAM) protein is found spanning the membrane that surrounds epithelial cells, where it is involved in cell adhesion
EpCAM+ cells	Cells that express EpCAM. CTCs can be either EpCAM+ or EpCAM-
Epithelial cells	Cells that line the surfaces and cavities of the body
Epithelial-mesenchymal transition	Process by which epithelial cells lose their cell polarity and cell-cell adhesion, and gain migratory and invasive properties to become mesenchymal cells. EMT is thought to occur as part of the initiation of metastasis and is often responsible for cancer progression
EMT	Epithelial-mesenchymal transition
Epitope	A part of a molecule to which an antibody will bind
FDA	U.S. Food and Drug Administration responsible for authorised medical products in the United States
FDA Class II Device	Medical devices with an intended use that is considered medium or moderate risk. For non-exempt devices the FDA require a pre-market clearance or approval to be issued before a company can legally market their device. The company will be required to have general medical device quality system controls in place as well as device specific special controls (which may include device labelling and design control processes and documentation)
FDA 510(k)	A 510(k) is a premarket submission made to the FDA to demonstrate that the device to be marketed is at least as safe and effective, that is, substantially equivalent, to a legally marketed device that is not subject to Premarket Approval. Submitters must compare their device to one or more similar legally marketed devices and make and support their substantial equivalency claims
FDA De Novo	The De Novo process provides a pathway to classify novel medical devices for which general controls alone, or general and special controls, provide reasonable assurance of safety and effectiveness for the intended use, but for which there is no legally marketed predicate device (therefore the FDA 510(k) route does not apply). Devices that are classified into class I or class II through a De Novo classification request may be marketed and used as predicates for future premarket (510(k)) submissions
Flow-Thru Chip®	A disposable consumable containing a highly uniform porous substrate on which up to 576 individual zones are printed with reagents that specifically bind to molecules of interest in the sample. Sample flowing through the 10 micron pores is forced into contact with the coated surface, providing very rapid and efficient capture of any targets present in solution that each assay is designed to measure

Term	Explanation
Fluorescence In-Situ Hybridization (FISH)	A laboratory technique for detecting and locating a specific DNA sequence on genes or chromosome in tissue and cells. The technique relies on exposing genes or chromosomes to a small DNA sequence called a probe that has a fluorescent molecule attached to it. The probe sequence binds to its corresponding sequence on the genes or chromosome and they light up when viewed under a microscope with a special light
Gene expression	The process by which a gene gets turned on in a cell to make RNA and proteins. Gene expression may be measured by looking at the RNA or the protein made from the RNA
Genome	Genetic material of an organism. The genome includes both protein coding and non-coding sequences
Genotyping	Process of determining differences in the genetic make-up (genotype) by examining the DNA sequence
Gleason Score	A system of assessing how aggressive prostate cancer tissue is based on how it looks under a microscope. Gleason scores range from 2 to 10 and indicate how aggressive and fast-growing the cancer is. A low Gleason score means the cancer tissue is similar to normal prostate tissue and the tumour is less likely to spread; a high Gleason score means the cancer tissue is very different from normal prostate tissue and the tumour is more likely to spread
Gynaecological cancer	Cancer of the female reproductive tract, including the cervix, endometrium, fallopian tubes, ovaries, uterus, and vagina
Harvest	Process for recovering captured cells from the separation system to allow molecular analysis
Harvest efficiency	Proportion of target cells harvested
Harvest purity	The number of target cells (such as CTCs) in the harvest as a proportion of the WBC. The minimum purity from which downstream analysis is possible is 0.5%. Analysis of one target cell therefore requires no more than 200 WBC be in the harvest
HER2	A member of the epidermal growth factor receptor (EGFR/ERBB) family. Amplification or overexpression of HER2 has been shown to play an important role in the development and progression of certain aggressive types of breast cancer. In recent years the protein has become an important biomarker and target of therapy for ~ 30% of breast cancer patients
Heterogeneity	A word that signifies diversity
Histopathology	The study of diseased cells and tissues using a microscope
HNV	Healthy normal volunteer
HT29	Cultured colorectal cancer cell line
HyCEAD™	Hybrid Capture, Enrichment, Amplification and Detection A sample preparation method for capturing targeted nucleic acid sequences (RNA or DNA) directly from biological samples without the need for extraction, introducing universal priming sequences into copies of those specific sequence regions, and permitting amplification of all targets simultaneously in a single PCR reaction for direct detection on Ziplex
Immunohistochemistry	A lab test that uses antibodies to test for certain antigens (markers) in a sample of tissue. Immunohistochemistry is used to help diagnose diseases, such as cancer. It may also be used to help tell the difference between different types of cancer
Immunostain	A general term that applies to any use of an antibody-based method to detect a specific protein or antigen in a sample
Immunotherapy	Treatment that stimulates the body's immune system to fight cancer
In-cassette labelling or in-situ labelling	CTC labelling for cell identification undertaken inside the separation system
Indolent cancer	A type of low risk cancer that grows slowly
In vitro diagnostic (IVD)	An in vitro diagnostic is a method of performing a diagnostic test outside of a living body in an artificial environment, usually a laboratory
Key opinion leader	Key opinion leaders (KOLs) are research centres and/or physicians who influence their peers' medical practice
KRAS	A signalling molecule frequently mutated in the development of many cancers
Leukocytes	White blood cells
Liquid biopsy	Term used for the process of obtaining cancer cells (or cell-free DNA) from a blood sample. Unlike solid biopsy, liquid biopsy is non-invasive and repeatable
Localised	Describes disease that is limited to a certain part of the body. For example, localised cancer is usually found only in the tissue or organ where it began, and has not spread to nearby lymph nodes or to other parts of the body. Some localised cancers can be completely removed by surgery
Lymphocyte	A type of immune cell that is made in the bone marrow and is found in the blood and in lymph tissue. A lymphocyte is a type of white blood cell
Lysis	The breaking down of a cell, often by viral, enzymatic, or osmotic mechanisms that compromise its integrity
Malignant	Cancerous. Malignant cells form part of the tumour, and can invade and destroy nearby tissue and spread to other parts of the body

Explanation of Frequently Used Terms

continued

Term	Explanation
Marker	A diagnostic indication that disease may develop or is already present. A chemical substance produced by a cancer and used to monitor the progress of the disease. These chemicals are usually measured by a blood test
meEGFR	Arginine methylation of the epidermal growth factor receptor
Megakaryocyte	A large bone marrow cell with a lobulated nucleus responsible for the production of blood thrombocytes (platelets), which are necessary for normal blood clotting
Mesenchymal CTCs	CTCs generally lacking epithelial markers with mesenchymal features
Metastasis	Spread of a cancer from one site to another
Microfluidic device	An instrument that uses very small amounts of fluid on a microchip to do certain laboratory tests. A microfluidic device may use body fluids or solutions containing cells or cell parts to diagnose diseases
Microtentacles	Microtubule-based membrane protusions in detached cancer cells
Molecular analysis	Analysis of DNA, RNA and protein often used to determine the mutational status of a patient
Morphology	The study of the form and structure of cells
Mouse model	The use of special strains of mice to study a human disease or condition, and how to prevent and treat it
mRNA	Messenger RNA used to direct the synthesis of proteins
Mutation	A gene mutation is a permanent change in the DNA sequence that makes up a gene. Gene mutations can be inherited from a parent or can happen during a person's lifetime. Mutations passed from parent to child are called hereditary or germline mutations. Mutations that happen during a person's life, known as somatic mutations, can be caused by environmental factors such as ultraviolet radiation from the sun. Or they can occur if a mistake is made as DNA copies itself during cell division
Mutational analysis	Testing for the presence of a specific mutation or set of mutations
Next Generation Sequencing (NGS)	Also known as high-throughput sequencing, is the catch-all term used to describe a number of different modern sequencing technologies including Illumina (Solexa) sequencing, Roche 454 sequencing, Thermo Fisher Ion torrent: Proton/PGM sequencing. It is a method by which the bases of DNA and RNA can be determined, which is used in biological research and to obtain clinically relevant information
NICE	Abbreviation for the National Institute for Health and Care Excellence
Non-invasive	In medicine, it describes a procedure that does not require inserting an instrument through the skin or into a body opening. Although a needle is inserted to draw blood, liquid biopsies are referred to as non-invasive as they do not require surgery
NSCLC	Non Small Cell Lung Cancer
Off-chip labelling	CTC labelling for cell identification of harvested cells undertaken outside the separation system
Oncologist	A doctor who has special training in diagnosing and treating cancer and may also specialise in certain cancers or techniques
Oncology	A branch of medicine that specialises in the diagnosis and treatment of cancer. It includes medical oncology (the use of chemotherapy, hormone therapy and other drugs to treat cancer), radiation oncology (the use of radiation therapy to treat cancer) and surgical oncology (the use of surgery and other procedures to treat cancer)
Paired samples	Two related samples often used to compare different systems
Parsortix® system	The name of the core technologies developed and used by ANGLE to capture and harvest CTCs comprising the automated instrument to run blood samples through the microfluidic cassette and all the associated operating procedures and protocols
Pathologist	A doctor who has special training in identifying diseases by studying cells and tissues under a microscope
PathVysion	The name of the Abbott Molecular test kit. The PathVysion HER-2 DNA Probe Kit II (PathVysion Kit II) is designed to detect amplification of the HER-2/neu gene via FISH in formalin-fixed, paraffin-embedded human breast and gastric cancer tissue specimens. The PathVysion HER-2 DNA Probe Kit II is one of the first examples of what is recognised as genomic disease management, or personalised medicine. This means that the test helps enable the accurate assessment of a patient's HER-2 status at the DNA level with a high degree of accuracy and helps guide doctors to make the most appropriate therapy decisions based on the patient's own genetic profile
Patient study	A type of research study, on a smaller scale than a clinical study, that tests how well new medical approaches work in people. These studies test new methods of screening, prevention, diagnosis, or treatment of a disease
PCR	See Polymerase Chain Reaction
PD-L1	Programmed death ligand 1 (PD-L1) is the principal ligand of programmed death 1 (PD-1), a coinhibitory receptor that can be constitutively expressed or induced in myeloid, lymphoid, normal epithelial cells and in cancer
Pelvic mass	A general term for any growth or tumour on the ovary or in the pelvis. A pelvic mass can be cystic (cystadenoma), solid (fibroma) or both (dermoid). A pelvic mass can be benign or malignant

Term	Explanation
Peripheral blood	Blood circulating throughout the body
Personalised cancer care	Treating a patient individually based on their personal data often including mutational and disease status
Phenotype	A phenotype is the composite of an organism's observable characteristics or traits, such as its morphology, development, biochemical or physiological properties, behaviour and products of behaviour. A phenotype results from the expression of an organism's genes as well as the influence of environmental factors and the interactions between the two
Pilot study	The initial study examining a new method or treatment
Plasma	Pale-yellow liquid component of blood obtained following removal of cells
Polymerase Chain Reaction (PCR)	A laboratory technique used to amplify DNA sequences. The method involves using short DNA sequences called primers to select the portion of the genome to be amplified. The temperature of the sample is repeatedly raised and lowered to help a DNA replication enzyme copy the target DNA sequence. The technique can produce a billion copies of the target sequence in just a few hours
Precision medicine	The customisation of healthcare – with medical decisions, practices, and/or products being tailored to the individual patient. In this model, diagnostic testing is often employed for selecting appropriate and optimal therapies based on the context of a patient's genetic content or other molecular or cellular analysis
Pre-labelled cell lines	Cells which are labelled often with a fluorescent label to facilitate identification during analysis or enrichment
Prognosis	The likely outcome or course of a disease; the chance of recovery or recurrence
Prostate-Specific Antigen (PSA)	A protein made by the prostate gland and found in the blood. PSA blood levels may be higher than normal in men who have prostate cancer, benign prostatic hyperplasia (BPH), or infection or inflammation of the prostate gland
Protocol	A detailed plan of a scientific or medical experiment, treatment, or procedure. In clinical studies, it states what the study will do, how it will be done, and why it is being done. It explains how many people will be in the study, who is eligible to take part in it, what study drugs or other interventions will be given, what tests will be done and how often, and what information will be collected
PSA	See Prostate-Specific Antigen
Purity	The relative absence of extraneous matter in a sample
Q-Submission	The FDA's Pre-Submission Program which allows medical device and IVD manufacturers to discuss specific aspects of the regulatory process and requirements with FDA experts
Regulatory authorisation	The authorisation by the appropriate regulatory body for a specific territory that allows an in vitro diagnostic product to be sold for clinical use in that territory
Relapse	When an illness that has seemed to be getting better, or to have been cured, comes back or gets worse again
Remission	If a cancer is in remission, there is no sign of it in examinations or tests. Generally, the longer the remission, the less likely it is that the patient will relapse
Research use	Sales can be made to certain organisations of in vitro diagnostic products without the need for regulatory authorisation provided they are labelled as Research Use Only (RUO) or Investigational Use Only (IUO)
RNA	Ribonucleic acid performs multiple vital roles in the coding, decoding, regulation, and expression of genes. Together with DNA, RNA comprises the nucleic acids, which, along with proteins, constitute the three major macromolecules essential for all known forms of life
RNA-Sequencing (RNA-seq)	Also called whole transcriptome shotgun sequencing (WTSS), uses next-generation sequencing (NGS) to reveal the presence and quantity of RNA in a biological sample at a given moment in time
Screening	Checking for disease when there are no symptoms. Since screening may find diseases at an early stage, there may be a better chance of curing the disease
Sensitivity	Refers to the percentage of people who test positive for a specific disease or condition among people who actually have the disease or condition
Separation	Term used for processing of a sample through the Parsortix system
Single cell analysis	Extraction of a single target cell from the harvest for analysis
Solid biopsy	Standard process for surgically excising (cutting out) cells from a solid tumour when that tumour is accessible
Specificity	Refers to the percentage of people who test negative for a specific disease or condition among a group of people who do not have the disease or condition
Spiked cell experiments	Experiments where cultured cells are added (spiked) to HNV blood to assess the capture and harvest efficiency of the system
Stage	The extent of a cancer in the body. Staging is usually based on the size of the tumour, whether lymph nodes contain cancer and whether the cancer has spread from the original site to other parts of the body

Explanation of Frequently Used Terms

continued

Term	Explanation
Standard Operating Procedure (SOP)	Written instructions for doing a specific task in a certain way. In clinical trials, Standard Operating Procedures are set up to store records, collect data, screen and enrol subjects and submit Institutional Review Board (IRB) applications and renewals
Transcriptome (whole)	The transcriptome is the set of all messenger RNA molecules in one cell or a population of cells
Translational research	A term used to describe the process by which the results of research done in the laboratory are used to develop new ways to diagnose and treat disease
Triage	The process of determining the priority of patients' treatments based on the severity of their condition
Tumor/Tumour	An abnormal mass of tissue that results when cells divide more than they should or do not die when they should. *Tumours may be benign (not cancer), or malignant (cancer)* Tumor is the American English spelling and Tumour is the standard English spelling
Tumour heterogeneity	Describes the observation that different tumour cells can show distinct morphological and phenotypic profiles, including cellular morphology, gene expression, metabolism, motility, proliferation, and metastatic potential. This phenomenon occurs both between tumours (inter-tumour heterogeneity) and within tumours (intra-tumour heterogeneity) The heterogeneity of cancer cells introduces significant challenges in designing effective treatment strategies
Tumour marker	A substance found in tissue, blood, or other body fluids that may be a sign of cancer or certain benign (non-cancerous) conditions. Most tumour markers are made by both normal cells and cancer cells, but they are made in larger amounts by cancer cells. A tumour marker may help to diagnose cancer, plan treatment, or determine how well treatment is working or if the patient has relapsed Examples of tumour markers include CA-125 (in ovarian cancer), CA 15-3 (in breast cancer), CEA (in colon cancer), and PSA (in prostate cancer)
WBC	White blood cells
WGA	Whole genome amplification
Whole genome amplification	Method for amplification of an entire genome necessary for the picogram amounts of genomic DNA present in a single cell
Ziplex®	An automated hybridization array platform that combines chemiluminescence and Flow-Thru Chips for the detection of minute amounts of up to 500 nucleic acid or protein targets simultaneously

Primary source: www.cancer.gov/publications/dictionaries/cancer-terms

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