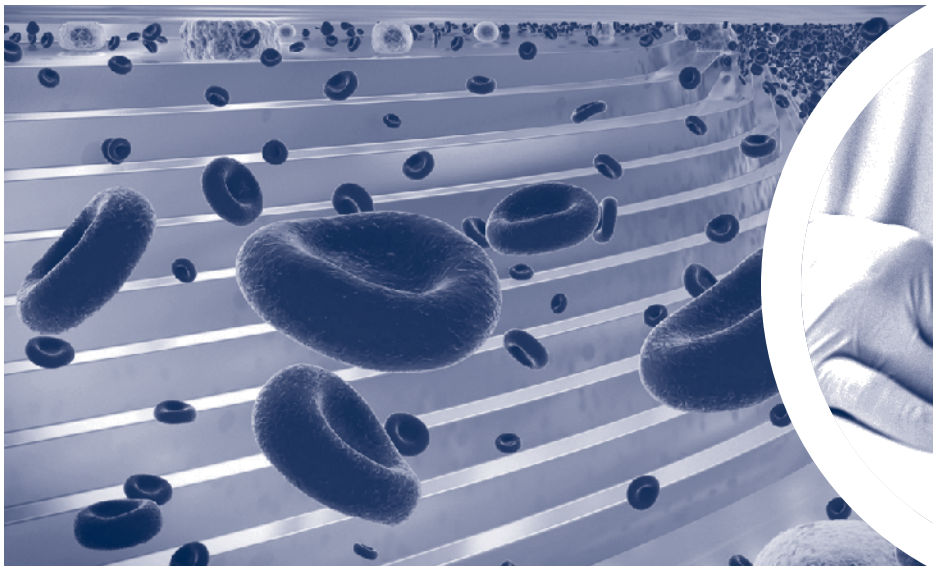
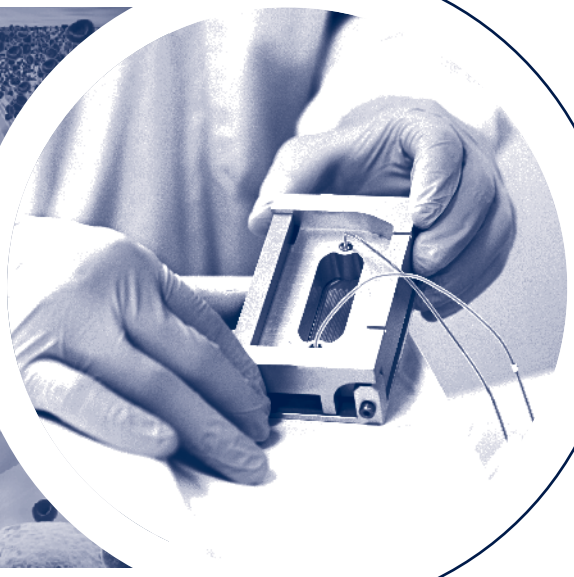
ANGLE plc

Interim Report for the six
months ended 31 October 2015





Liquid biopsy
Cells for precision medicine

ANGLE plc
Interim Results

Parsortix™ commercialisation on track

ANGLE plc (AIM: AGL and OTCQX: ANPCY), the specialist medtech company, released on 28 January 2016 its unaudited interim financial results for the six months ended 31 October 2015. The Company is focused on commercialising its patented Parsortix™ liquid biopsy system which has the potential to transform a wide range of cancer treatments by making it possible to capture intact tumour cells from patient blood for analysis at any stage of the diagnosis and treatment process.

Highlights

- Significant progress against key commercial objectives
  - Sales: pipeline established and first sales for research use secured post period end
  - FDA: active dialogue and progress with FDA authorisation; three leading US cancer centres selected to complete clinical validation
  - Ovarian cancer clinical application: clinical study protocols finalised and three leading European cancer centres in the process of initiating studies

- Key Opinion Leaders at prominent cancer centres continue to investigate additional potential clinical applications for Parsortix notably
  - Prostate cancer (Barts Cancer Institute)
  - Breast cancer (University of Southern California)
  - Lung cancer (Cancer Research UK Manchester)

- First peer-reviewed paper on the application of Parsortix published in PLOS ONE Public Library of Science
  - Two further peer-reviewed publications released post period end adding to the growing body of published evidence supporting the Parsortix performance

- Patent portfolio strengthened
  - Additional patents granted in Canada, China and Australia to add to the two existing granted US patents

- World-leading CTC experts, Jim Reuben (MD Anderson Cancer Center) and Daniel Danila (Memorial Sloan Kettering Cancer Center), join Scientific Advisory Board

Financial highlights

- Planned product development and commercialisation activities resulted in a reported loss for the six months ended 31 October 2015 of £2.3 million (H1 2015: loss £1.6 million)
- Cash balance at 31 October 2015 of £5.8 million (30 April 2015: £8.4 million). Cash received of £0.7 million post period end following the release of the full escrow from the sale of Geomerics

Garth Selvey, Chairman, commented:

"We have made consistent progress in our strategy towards full commercialisation of the Company's Parsortix liquid biopsy system. We believe that the unique features of the patented Parsortix system have the potential to transform cancer treatment and we are well placed to participate in the global liquid biopsy market forecast to be US$14 billion per annum in the United States alone by 2025."

To listen to the webcast of an analyst meeting please see
http://www.angleplc.com/investor-information/corporate-presentations/ and select
"Webcast 28 January 2016: Interim Results for the 6 months ended 31 October 2015"

These Interim Results 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 general economic climate and market conditions, as well as specific factors including the success of the Group's research and development and commercialisation strategies, the uncertainties related to regulatory clearance and the acceptance of the Group's products by customers.

Chairman's Statement

Introduction
ANGLE's patented Parsortix cell separation system is a potentially disruptive platform technology, which could transform the treatment of cancer by facilitating precision medicine (the right treatment to the right patient at the right time). It is a simple, fast and cost effective non-invasive blood test (liquid biopsy), which can harvest very rare circulating tumour cells (CTCs) in a cancer patient's blood – even where there is less than one CTC in a billion healthy cells. The aim of the resulting liquid biopsy, where the sample is obtained through a simple blood draw, is to enable the analysis of the cancer so that the patient can be offered personalised cancer care.

In the context of the rising incidence of cancer and increasing pressures on healthcare costs, liquid biopsy is set to enable precision medicine, reducing healthcare costs and improving patient outcomes. The fast growing liquid biopsy market is forecast to be worth US$14 billion by 2025 in the United States alone[1]. ANGLE is well placed to participate in this market.

In pursuit of this aim, we report below the recent significant progress ANGLE has made towards key commercial objectives:

- Sales for research use
- FDA authorisation for clinical use of the system in the United States
- Clinical studies for the first clinical application for Parsortix in ovarian cancer

In line with the Company's successful repositioning to focus solely on developing and commercialising Parsortix, the FTSE Industry Classification Benchmark has reclassified ANGLE from "Support Services" to "Healthcare, sub-sector Biotechnology".

Results
Planned product development and commercialisation of ANGLE's liquid biopsy system resulted in a reported loss for the six months ended 31 October 2015 of £2.3 million (H1 2015: loss £1.6 million).

The cash balance was £5.8 million at 31 October 2015 (30 April 2015: £8.4 million). Post period end £0.7 million cash was received with release of the full escrow from the sale of Geomerics.

System optimisation
Extensive product development and system optimisation has been successfully completed to address the operational requirements of a wide range of Key Opinion Leaders and beta customers.

Product development work has been completed to develop, test, optimise and document key operating protocols that enable customers to undertake analysis in specific areas of interest. An important aspect that has recently been finalised are the Parsortix protocols that enable a single blood sample to be utilised for both CTC and circulating tumour DNA (ctDNA) analysis.

Analysis of live CTCs from liquid biopsies opens up the full picture of the cancer and enables the investigation of DNA, RNA and protein expression as well as the potential to culture cells and use xenograft cancer models. ctDNA on the other hand is limited to partial DNA analysis based on fragments of dead cancer cells.

The Parsortix system is reliable, easy to use and produces robust reproducible results. There are now over 80 Parsortix instruments in active use and this number is growing rapidly. Over 12,000 blood separations have already been performed on the Parsortix system and the number of cassettes being used is approximately doubling every year with some 2,000 separations in financial year 2014, 4,000 separations in financial year 2015 and 6,000 separations performed in the current financial year to date.

These experimental data provide a broad body of initial evidence that demonstrates the system's potential to meet the requirements of a wide range of cancer types and forms of analysis. The system consequently has the potential to address a wide range of liquid biopsy applications in four key market segments:

- Diagnostic screening
- Therapeutic decision-making
- Minimal residual disease monitoring and diagnosis
- Post treatment monitoring

The system has already been demonstrated with ovarian, prostate, breast, lung, colorectal, pancreatic and renal cancers and multiple cell analysis techniques.

1 The Goldman Sachs Group, Inc. Global Investment Research "Liquid Biopsy: Could a simple blood test revolutionize cancer care?" Equity Research 6 October 2015

Chairman's Statement
Continued

Research use sales
The product development and system optimisation successfully completed during the period enabled first sales for research use to be completed shortly after the period end.

Good progress has been made in building research use sales, with sales to multiple customers of both Parsortix instruments and the accompanying single use cassette consumable. Customers include both new research users and also a number of our existing Key Opinion Leaders (KOLs) who are transitioning to undertake fully funded projects.

There is a growing pipeline of potential customers. This interest is supported by multiple third party cancer centre publications and notably Cancer Research UK's (CRUK's) publication of the results of its three year evaluation of the Parsortix system in the Royal Society of Chemistry's peer-reviewed publication, Analyst[1]. In that publication, CRUK state that ANGLE's Parsortix system "… offers a unique combination of features making it suitable for routine clinical analysis of patient blood samples".

We estimate that the research use sales market is worth approximately £250 million per annum. Whilst initial revenues are expected to be modest, we are seeking significant contributions from sales to this market over time.

ANGLE is initially targeting sales to leading cancer research centres. In addition to revenues, research use sales broaden the range of users of the system investigating new clinical applications in different cancer types and generating additional posters, publications and clinical evidence of the value of the Parsortix liquid biopsy.

This work may lead to the Parsortix system being adopted for new clinical applications and companion diagnostics (diagnostic tests to determine whether a cancer drug will benefit a patient). Widespread use of Parsortix in research is thus an important element in growing the overall market for ANGLE as well as being economically beneficial in its own right.

US Food and Drug Administration (FDA) authorisation
ANGLE is committed to driving acceptance and approval of its technology worldwide.

ANGLE already has an IVD (In Vitro Diagnostic Medical Device) CE Mark authorisation for clinical use of the Parsortix system in the European Union. The Company has been in dialogue with the FDA since 2014 to obtain similar authorisation in the United States.

ANGLE is seeking to become the first company to secure regulatory authorisation in the United States for a device to harvest circulating cancer cells from patient blood. Accordingly this is entailing extensive and detailed work to meet the requirements of the FDA's standards for authorisation.

ANGLE has appointed a full-time FDA experienced clinical studies director to manage the FDA authorisation process for the system and the planned analytical and clinical studies required to complete the authorisation. Detailed study plans have been developed and reviewed with the FDA to address the FDA's remaining requirements for authorisation.

To expedite the process and in response to recommendations by the FDA, ANGLE has taken the strategic decision to pursue FDA authorisation of the system first for metastatic breast cancer with ovarian cancer and other cancer types to follow.

Three world-leading US cancer centres have been selected to complete the necessary clinical validation work (patient studies) for metastatic breast cancer. These centres will provide the clinical evidence needed to secure the FDA authorisation in metastatic breast cancer and crucially, they may be major customers in the future and opinion leaders in securing uptake of the Parsortix system in clinical use once FDA authorisation has been secured.

The Directors believe that the approach being taken to secure a base FDA authorisation in metastatic breast cancer and then expand it to additional cancer types and specific clinical uses and the highly rigorous approach that is being taken towards FDA authorisation, allied to the patent protection that ANGLE has over its Parsortix system, will provide ANGLE with a strong competitive advantage in the emerging liquid biopsy market.

1 Clinical evaluation of a novel microfluidic device for epitope-independent enrichment of circulating tumour cells in patients with small cell lung cancer: Cancer Research UK Manchester Institute and Christie NHS Foundation Trust, Manchester UK published by Royal Society of Chemistry Analyst publication, November 2015

Ovarian cancer clinical application

The aim of ANGLE's ovarian cancer clinical application is that a simple blood test will be processed by the Parsortix system and then RNA analysis undertaken to identify women at high risk of having malignant ovarian cancer prior to their surgery for abnormal pelvic mass. This is a large unmet medical need as, without this knowledge, women with cancer may not receive the specialist care they require.

During the period, a significant body of work was undertaken to progress the ovarian cancer clinical application. The successful pilot study was expanded and further detailed investigation completed leading to the Medical University of Vienna presenting results at the leading European cancer conference ESMO in September 2015 of a 65-patient study using Parsortix. The data demonstrated unprecedented sensitivity and specificity in identifying ovarian cancer.

ANGLE has developed detailed study plans in conjunction with Medical University of Vienna and its Scientific Advisers to provide clinical evidence in support of the proposed clinical application in ovarian cancer.

Leading researchers at three major European cancer centres have been selected to undertake clinical studies and the study plans are in the process of ethics approval with each of these Centres.

Product development work has been completed in relation to the ovarian clinical application to optimise the methods to maximise CTC harvest and purity and to optimise PCR-based gene expression analysis techniques ahead of the studies. This work was undertaken through collaboration between ANGLE's R&D team and the Medical University of Vienna.

Once the studies have been successfully completed, ANGLE will be able to access the European segment of the estimated £300 million global liquid biopsy market for ovarian cancer. Parallel studies are planned for the United States with completion anticipated later in 2017, unlocking the US segment for ovarian cancer. A leading US cancer centre has been selected, which is currently completing internal ethics and research board approval with a view to being the lead institution for the US studies.

Additional potential clinical applications being investigated with Key Opinion Leaders

Prostate cancer

Barts Cancer Institute (BCI) published a 52-patient study using Parsortix in prostate cancer in the PLOS ONE Journal from the Public Library of Science. This demonstrated the capture of cancer cells from a Parsortix liquid biopsy successfully in 100% of patients, including 8 early stage patients. It further demonstrated that the cells harvested by the Parsortix system are clinically relevant and offer the potential for the Parsortix system to be used to provide a repeatable, non-invasive liquid biopsy for prostate cancer patients. BCI are now working to develop clinically significant outcomes from the liquid biopsy including the selection of treatments for individual patients based on analysis of their CTCs.

Breast cancer

The University of Southern California Norris Comprehensive Cancer Center presented promising early results at the World CDx Conference in Boston on its use of the Parsortix system for metastatic breast cancer analysis. The results demonstrated that cancer cells harvested from the blood by the Parsortix liquid biopsy had similar patterns of gene expression to the traditional solid biopsy of cancer tissue from metastatic sites. This generates the potential to replace a surgically invasive procedure of taking a solid biopsy from the patient's secondary cancer sites with a simple blood test. We look forward to the publication of the full results of their work later in the year.

Lung cancer

After the period end, Cancer Research UK Manchester Institute, the research arm of the Christie Hospital, Europe's largest cancer hospital by number of patients, published results of work undertaken over a three year period using the Parsortix system in the Royal Society of Chemistry's publication, Analyst. They concluded that the Parsortix system is suitable for routine clinical analysis of patient blood samples as liquid biopsies. As part of their investigation of the system, CRUK completed a test of lung cancer patients and confirmed the ability of the Parsortix system to harvest cancer cells for analysis from 100% of the patients. The Parsortix system out-performed the current gold standard CTC system both by obtaining cancer cells from patients where this system failed and by harvesting cells involved in metastasis that cannot be captured by this gold standard or other antibody-based systems.

Other

There are a wide range of other clinical applications in different cancer types which are currently being investigated with our Key Opinion Leaders. These will be reported once results have been published by the relevant KOL.

Chairman's Statement
Continued

Other important developments

Peer-reviewed publications

The first peer-reviewed publication about the Parsortix system was published in PLOS ONE Public Library of Science in September 2015 by Barts Cancer Institute in prostate cancer.

Since the period end, two more peer-reviewed publications have been published on Parsortix in Royal Society of Chemistry Analyst (Cancer Research UK Manchester in lung cancer) and in the International Journal of Cancer (The University Medical Center Hamburg-Eppendorf and ANGLE in multiple cancer types).

This is a significant step forward in third party validation and adds to the growing body of published evidence supporting Parsortix's performance. These papers are available from the Company's website at www.angleplc.com/the-parsortix-system/download-files/

Intellectual Property

Patents were granted in Canada, China and Australia to add to the two existing granted US patents. European patent grant is expected during 2016.

Scientific advisors

During the half year, we further strengthened the Company's Scientific Advisory Board with the appointment of two world leading experts in circulating tumour cells and liquid biopsy, Jim Reuben from MD Anderson Cancer Center and Daniel Danila from Memorial Sloan Kettering Cancer Center.

Outlook

We have made consistent progress in our strategy towards full commercialisation of the Company's Parsortix liquid biopsy system. We believe that the unique features of the patented Parsortix system have the potential to transform cancer treatment and we are well placed to participate in the global liquid biopsy market forecast to be US$14 billion per annum in the United States alone by 2025.

Garth Selvey
Chairman
27 January 2016

Consolidated Statement of Comprehensive Income

	Note	Six months ended 31 October 2015 (Unaudited) £'000	Six months ended 31 October 2014 (Unaudited) (Restated*) £'000	Year ended 30 April 2015 (Audited) £'000
Operating costs		**(2,399)**	(1,578)	(3,878)
Operating profit/(loss) from continuing operations		**(2,399)**	(1,578)	(3,878)
Net finance income/(costs)		**12**	7	9
Profit/(loss) before tax from continuing operations		**(2,387)**	(1,571)	(3,869)
Tax (charge)/credit	3	**104**	–	–
Profit/(loss) for the period from continuing operations		**(2,283)**	(1,571)	(3,869)
Profit/(loss) from discontinued operations		**10**	(35)	(18)
Profit/(loss) for the period		**(2,273)**	(1,606)	(3,887)
Other comprehensive income/(loss)				
Items that may be subsequently reclassified to profit or loss				
Exchange differences on translating foreign operations		**(35)**	49	92
Other comprehensive income/(loss)		**(35)**	49	92
Total comprehensive income/(loss) for the period		**(2,308)**	(1,557)	(3,795)
Profit/(loss) for the period attributable to:				
Owners of the parent				
From continuing operations		**(2,189)**	(1,441)	(3,576)
From discontinued operations		**10**	(35)	(18)
Non-controlling interests				
From continuing operations		**(94)**	(130)	(293)
From discontinued operations		**–**	–	–
Profit/(loss) for the period		**(2,273)**	(1,606)	(3,887)
Total comprehensive income/(loss) for the period attributable to:				
Owners of the parent				
From continuing operations		**(2,231)**	(1,359)	(3,421)
From discontinued operations		**10**	(35)	(18)
Non-controlling interests				
From continuing operations		**(87)**	(163)	(356)
From discontinued operations		**–**	–	–
Total comprehensive income/(loss) for the period		**(2,308)**	(1,557)	(3,795)
Earnings/(loss) per share	4			
Basic and Diluted (pence per share)				
From continuing operations		**(3.88)**	(3.48)	(8.12)
From discontinued operations		**0.02**	(0.08)	(0.04)
From continuing and discontinued operations		**(3.86)**	(3.56)	(8.16)

*Comparative figures have been restated to show continuing operations separately from discontinued operations.

Consolidated Statement of Financial Position

	Note	**31 October 2015 (Unaudited) £'000**	31 October 2014 (Unaudited) £'000	30 April 2015 (Audited) £'000
ASSETS				
Non-current assets				
Other receivables		**–**	618	–
Property, plant and equipment		**476**	338	423
Intangible assets	5	**1,168**	1,186	1,149
Total non-current assets		**1,644**	2,142	1,572
Current assets				
Inventories		**271**	106	197
Trade and other receivables		**786**	305	1,008
Taxation		**104**	–	–
Cash and cash equivalents		**5,828**	2,268	8,443
Total current assets		**6,989**	2,679	9,648
Total assets		**8,633**	4,821	11,220
EQUITY AND LIABILITIES				
Equity				
Issued capital	6	**5,898**	4,524	5,897
Share premium		**25,299**	18,414	25,299
Share based payments reserve		**493**	473	432
Other reserve		**2,553**	2,553	2,553
Translation reserve		**(9)**	(40)	33
Retained earnings		**(25,398)**	(21,253)	(23,260)
ESOT shares		**(102)**	(102)	(102)
Equity attributable to owners of the parent		**8,734**	4,569	10,852
Non-controlling interests		**(850)**	(570)	(763)
Total equity		**7,884**	3,999	10,089
Liabilities				
Current liabilities				
Trade and other payables		**749**	822	1,131
Total current liabilities		**749**	822	1,131
Total liabilities		**749**	822	1,131
Total equity and liabilities		**8,633**	4,821	11,220

Consolidated Statement of Cash Flows

	Six months ended		Year ended
	31 October 2015 (Unaudited)	31 October 2014 (Unaudited) (Restated*)	30 April 2015 (Audited)
	£'000	£'000	£'000
Operating activities			
Profit/(loss) before tax from continuing operations	**(2,387)**	(1,571)	(3,869)
Adjustments for:			
Depreciation of property, plant and equipment	**92**	43	111
(Profit)/loss on disposal of property, plant and equipment	**–**	–	1
Amortisation and impairment of intangible assets	**61**	46	204
Exchange differences	**(10)**	(19)	(41)
Net finance (income)/costs	**(12)**	(7)	(9)
Share based payments	**102**	41	111
Operating cash flows before movements in working capital:	**(2,154)**	(1,467)	(3,492)
(Increase)/decrease in inventories	**(165)**	(148)	(191)
(Increase)/decrease in trade and other receivables	**93**	(10)	(191)
Increase/(decrease) in trade and other payables	**(170)**	273	452
Net cash from/(used in) operating activities	**(2,396)**	(1,352)	(3,422)
Investing activities			
Purchase of property, plant and equipment	**(56)**	(153)	(325)
Purchase of intangible assets	**(89)**	(42)	(105)
Interest received	**12**	8	11
Net cash from/(used in) investing activities	**(133)**	(187)	(419)
Financing activities			
Net proceeds from issue of share capital	**1**	–	8,257
Net cash from/(used in) financing activities	**1**	–	8,257
Net increase/(decrease) in cash and cash equivalents from continuing operations	**(2,528)**	(1,539)	4,416
Discontinued operations			
Net cash from/(used in) operating activities	**(87)**	(93)	118
Net cash from/(used in) investing activities	**–**	–	8
Net increase/(decrease) in cash and cash equivalents from discontinued operations	**(87)**	(93)	126
Net increase/(decrease) in cash and cash equivalents	**(2,615)**	(1,632)	4,542
Cash and cash equivalents at start of period	**8,443**	3,898	3,898
Effect of exchange rate fluctuations	**–**	2	3
Cash and cash equivalents at end of period	**5,828**	2,268	8,443

*Comparative figures have been restated to show continuing operations separately from discontinued operations.

Consolidated Statement of Changes in Equity

	Equity attributable to owners of the parent									
	Issued capital (Unaudited) £'000	Share premium (Unaudited) £'000	Share based payments reserve (Unaudited) £'000	Other reserve (Unaudited) £'000	Translation reserve (Unaudited) £'000	Retained earnings (Unaudited) £'000	ESOT shares (Unaudited) £'000	Total Share-holders' equity (Unaudited) £'000	Non-controlling interests (Unaudited) £'000	Total equity (Unaudited) £'000
At 1 May 2014	**4,524**	**18,414**	**432**	**2,553**	**(122)**	**(19,777)**	**(102)**	**5,922**	**(407)**	**5,515**
For the period to 31 October 2014										
Consolidated profit/(loss)						(1,476)		(1,476)	(130)	(1,606)
Other comprehensive income										
Exchange differences in translating foreign operations					82			82	(33)	49
Total comprehensive income/(loss)					**82**	**(1,476)**		**(1,394)**	**(163)**	**(1,557)**
Share based payments			41					41		41
At 31 October 2014	**4,524**	**18,414**	**473**	**2,553**	**(40)**	**(21,253)**	**(102)**	**4,569**	**(570)**	**3,999**
For the period to 30 April 2015										
Consolidated profit/(loss)						(2,118)		(2,118)	(163)	(2,281)
Other comprehensive income										
Exchange differences in translating foreign operations					73			73	(30)	43
Total comprehensive income/(loss)					**73**	**(2,118)**		**(2,045)**	**(193)**	**(2,238)**
Issue of shares	1,373	6,885						8,258		8,258
Share based payments			70					70		70
Released on forfeiture			(1)			1		–		–
Released on exercise			(16)			16		–		–
Impairment of IP			(94)			94		–		–
At 30 April 2015	**5,897**	**25,299**	**432**	**2,553**	**33**	**(23,260)**	**(102)**	**10,852**	**(763)**	**10,089**
For the period to 31 October 2015										
Consolidated profit/(loss)						(2,179)		(2,179)	(94)	(2,273)
Other comprehensive income										
Exchange differences in translating foreign operations					(42)			(42)	7	(35)
Total comprehensive income/(loss)					**(42)**	**(2,179)**		**(2,221)**	**(87)**	**(2,308)**
Issue of shares	1	–						1		1
Share based payments			102					102		102
Released on forfeiture			(41)			41		–		–
At 31 October 2015	**5,898**	**25,299**	**493**	**2,553**	**(9)**	**(25,398)**	**(102)**	**8,734**	**(850)**	**7,884**

Share premium
Represents amounts subscribed for share capital in excess of the 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 account 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
This represents amounts attributed to non-controlling (minority) interests for profits or losses in the Statement of Comprehensive Income and assets or liabilities in the Statement of Financial Position.

Share based payments reserve
The share based payments reserve account is used for the corresponding entry to the share based payments charged through a) the Statement of Comprehensive Income for staff incentive arrangements relating to ANGLE plc equity b) the Statement of Comprehensive Income for staff incentive arrangements relating to the investments equity, and c) the Statement of Financial Position for acquired intangible assets in the investments comprising intellectual property (IP). These components are separately identified in the table below.

Transfers are made from this reserve to retained earnings as the related share options are exercised, cancelled, lapse or expire or as an investment becomes non-controlled (a deemed disposal).

	ANGLE employees (Unaudited) £'000	Investments employees (Unaudited) £'000	Investments IP (Unaudited) £'000	Total (Unaudited) £'000
At 1 May 2014	**274**	**41**	**117**	**432**
Charge for the period	41	–	–	41
At 31 October 2014	**315**	**41**	**117**	**473**
Charge for the period	70	–	–	70
Release on forfeiture	(1)	–	–	(1)
Release on exercise	(16)	–	–	(16)
Impairment of IP	–	–	(94)	(94)
At 30 April 2015	**368**	**41**	**23**	**432**
Charge for the period	102	–	–	102
Release on forfeiture	–	(41)	–	(41)
At 31 October 2015	**470**	**–**	**23**	**493**

For continuing and discontinued operations.

Notes to the Interim Financial Information

1 Basis of preparation and accounting policies

This Condensed Interim Financial Information is the unaudited interim consolidated financial information (the "Condensed Interim Financial Information") of ANGLE plc, a company incorporated in Great Britain and registered in England and Wales, and its subsidiaries (together referred to as the "Group") for the six month period ended 31 October 2015 (the "interim period").

The Condensed Interim Financial Information has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"), as adopted by the EU, and on the basis of the accounting policies which are expected to be adopted in the Report and Accounts for the year ending 30 April 2016. New and revised International Financial Reporting Standards (IFRS) and interpretations recently adopted by the EU and that became effective in the period did not have or are not expected to have a significant impact on the Group. Where necessary, comparative information has been reclassified or expanded from the previously reported Condensed Interim Financial Information to take into account any presentational changes which were made in the Report and Accounts 2015 and which may be made in the Report and Accounts 2016.

This Condensed Interim Financial Information does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006 and is unaudited. The comparative information for the six months ended 31 October 2014 is also unaudited. The comparative figures for the year ended 30 April 2015 have been extracted from the Group financial statements as filed with the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain statements under sections 498(2) or (3) of the Companies Act 2006.

The Condensed Interim Financial Information was approved by the Board and authorised for issue on 27 January 2016.

Going concern

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

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of approval of this Condensed Interim Financial Information. Based on the level of existing cash and the projected income and expenditure (the timing of some of which is at the Group's discretion), 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 Condensed Interim Financial Information.

Critical accounting estimates and judgements

The preparation of the Condensed Interim Financial Information requires the use of estimates, assumptions and judgements that affect the reported amounts of assets and liabilities at the date of the Financial Information and the reported amounts of revenues and expenses during the reporting period. Although these estimates, assumptions and judgements are based on management's 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 relate to 1) the valuation, amortisation and impairment of intangible assets and 2) share based payments.

2 Operating segment and revenue analysis

The Group's principal trading activity is undertaken in relation to the commercialisation of its Parsortix cell separation system.

The Group is organised and operates as one business segment. All significant decisions are made by the Board of Directors with implementation of those decisions on a Group-wide basis. The Group manages any overseas R&D and sales and marketing from the UK, the primary business segment. The Directors believe that these activities comprise only one operating segment and, consequently, segmental analysis is not considered necessary as the segment information is substantially in the form of and on the same basis as the Group's IFRS information.

As the Group progresses commercialisation, it is expected that the business reporting will evolve and likely involve a number of operating segments as well as geographical segmentation.

In the prior year the Group discontinued its Management services business. The Group also disposed of Geomerics Limited in an earlier year and the subsequent residual transactions have been treated as a discontinued operation. In accordance with IFRS 5 Non-current assets held for sale and discontinued operations, these businesses have been classified as discontinued operations and the prior half year period has been restated to show these discontinued operations separately from continuing operations. There is a retention payment due from the sale of Geomerics in December 2015 (received post period end) and this is held as an Other receivable.

3 Tax

The Group is eligible for the UK corporation tax substantial shareholdings exemption. This results in the capital gain from any disposals of UK investments where the Group has an equity stake greater than 10%, and subject to certain other tests, being free of corporation tax.

Loss relief may not absorb the tax in relation to all of the profits and where this occurs tax is provided on the basis of the estimated effective tax rate for the full year.

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

4 Earnings/(loss) per share

The basic and diluted earnings/(loss) per share is calculated on an after tax loss on continuing and discontinued operations of £2.3 million (six months to 31 October 2014: loss £1.6 million, year to 30 April 2015: loss £3.9 million).

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 excludes 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 the periods, share options are non-dilutive for the respective periods and therefore the diluted loss per share is equal to the basic loss per share.

The basic and diluted earnings/(loss) per share are based on 58,975,621 weighted average ordinary 10p shares (six months to 31 October 2014: 45,129,800; year to 30 April 2015: 47,625,033).

5 Intangible assets

	Intellectual property (Unaudited) £'000	Computer software (Unaudited) £'000	Product development (Unaudited) £'000	Total (Unaudited) £'000
Cost or deemed cost				
At 1 May 2014	**206**	**11**	**1,045**	**1,262**
Additions	22	1	10	33
Exchange movements	7	1	57	65
At 31 October 2014	**235**	**13**	**1,112**	**1,360**
Additions	44	–	27	71
Exchange movements	7	(1)	52	58
At 30 April 2015	**286**	**12**	**1,191**	**1,489**
Additions	33	–	56	89
Exchange movements	(1)	–	(9)	(10)
At 31 October 2015	**318**	**12**	**1,238**	**1,568**
Amortisation and impairment				
At 1 May 2014	**–**	**9**	**111**	**120**
Charge for the period	–	1	45	46
Exchange movements	–	–	8	8
At 31 October 2014	**–**	**10**	**164**	**174**
Charge for the period	–	–	64	64
Impairment	94	–	–	94
Exchange movements	–	–	8	8
At 30 April 2015	**94**	**10**	**236**	**340**
Charge for the period	–	1	60	61
Exchange movements	–	–	(1)	(1)
At 31 October 2015	**94**	**11**	**295**	**400**
Net book value				
At 31 October 2015	**224**	**1**	**943**	**1,168**
At 30 April 2015	192	2	955	1,149
At 31 October 2014	235	3	948	1,186

Notes to the Interim Financial Information Continued

5 Intangible assets continued

The carrying value of intangible assets is reviewed for impairment annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount is assessed on the basis of "value in use". The key assumptions to assess value in use are the estimated useful economic life, future revenues, cash flows and the discount rate to determine the net present value of these cash flows. Where value in use exceeds the carrying value then no impairment is made. Where value in use is less than the carrying value then an impairment charge is made.

Amortisation and impairment charges are included in operating costs in the Consolidated Statement of Comprehensive Income.

"Product development" relates to internally generated assets that were capitalised in accordance with IAS 38 Intangible Assets. 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 £614,126 (31 October 2014: £787,260; 30 April 2015: £669,093) in relation to the Parsortix instrument.

6 Share capital

The Company has one class of ordinary shares which carry no right to fixed income and at 31 October 2015 had 58,978,338 Ordinary shares of £0.10 each allotted, called up and fully paid. During the period the Company issued 4,000 new shares with a nominal value of £0.10 at an exercise price of £0.2575 per share as a result of the exercise of share options by a former employee.

7 Post reporting date events

As explained in the Chairman's Statement, subsequent to the period end the Company has made strong progress with Parsortix and also made further announcements in relation to additional publications and first commercial sales. £0.7 million was also received from the Geomerics sale escrow account.

Shareholder communications

The announcement is being sent to all shareholders on the register at 27 January 2016. Copies of this announcement are posted on the Company's website www.ANGLEplc.com and are available from the Company's registered office: 3 Frederick Sanger Road, Surrey Research Park, Guildford, Surrey, GU2 7YD.

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ANGLE plc
3 Frederick Sanger Road
The Surrey Research Park
Guildford
GU2 7YD

T +44 (0)1483 685830
F +44 (0)1483 685836
E enquiries@angleplc.com
www.angleplc.com