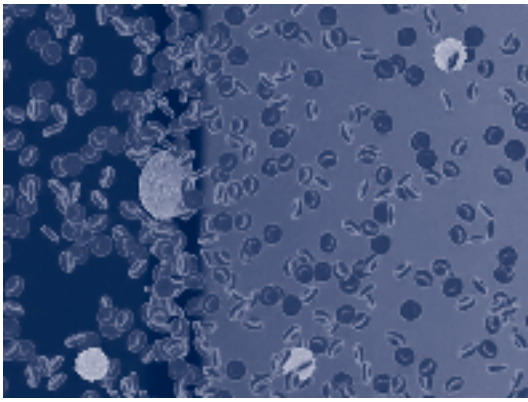
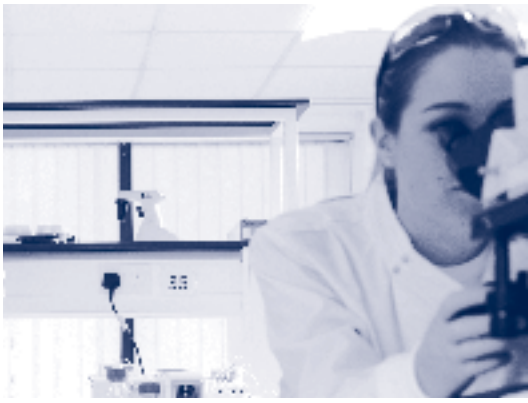
ANGLE plc

Interim Results for the six months ended 31 October 2014





ANGLE plc

Interim Results

Moving closer to a clinical application

ANGLE plc ("ANGLE" or "the Company" - AIM: AGL and OTCQX: ANPCY), the specialist medtech company, released on 29 January 2015 unaudited interim results for the six months ended 31 October 2014.

Highlights

- Collaboration agreements signed with a further five leading international cancer research centres bringing the total number of key opinion leaders working with the Parsortix system to eight covering the UK, Europe and the United States collectively covering breast, colorectal, oesophageal, ovarian, prostate and pancreatic cancers
- Four of the key opinion leaders publicly reported during the period bringing a total of five key opinion leaders reporting positively on their evaluation of the Parsortix system. The remaining three are in progress
- Continued progress towards FDA authorisation
- Second US patent granted relating to improvements in technology and specific use for foetal and cancer applications
- Management team strengthened with US specialist medtech commercialisation experience
- Loss for the half year of £1.6 million (H1 2014: loss £0.5 million) reflecting planned investment in Parsortix of £1.6 million (H1 2014: £1.1 million)
- Cash balance at 31 October 2014 of £2.3 million (30 April 2014: £3.9 million)

Progress post the half year end

- Commercial collaboration established with the diagnostics division of a large pharmaceutical company to investigate the combination of ANGLE's Parsortix circulating tumour cell (CTC) harvesting platform as a front end to the Collaborator's single cell analysis system
- Commercial collaboration established with EKF Diagnostics Holdings plc to investigate the combination of ANGLE's Parsortix circulating tumour cell (CTC) harvesting platform with EKF's PointMan™ DNA enrichment technology as a liquid biopsy to provide a combined solution
- Patient study provides basis for clinical application in ovarian cancer with the Medical University of Vienna reporting the Parsortix system delivers "unprecedented sensitivity and specificity". Following these excellent results in ovarian cancer, ANGLE has commenced a process, in collaboration with the Medical University of Vienna to develop a clinical application for ovarian cancer

Garth Selvey, Chairman, commented:

"Following patient study results from our key opinion leader the Medical University of Vienna showing 'unprecedented sensitivity and specificity' of the Parsortix system in ovarian cancer, ANGLE is now progressing its first clinical application in ovarian cancer. There is a very strong medical need for such an application in ovarian cancer detection and monitoring of patients and we estimate there is a sales potential in excess of £300 million per annum for this application. Our other seven key opinion leaders will continue to pursue clinical applications in other types of cancer including breast cancer, colorectal cancer and prostate cancer."

Chairman's Statement

Introduction
ANGLE was previously involved in the commercialisation of intellectual property and has set up and developed several medtech and technology-based companies. Having identified an outstanding commercial opportunity in Parsortix, ANGLE has transitioned over the past few years to become a specialist medtech operating company whose focus is Parsortix.

The transition to medtech will be completed later this year and it is expected that the Company will be reclassified by the London Stock Exchange from the support services sector to the healthcare equipment & services sector.

ANGLE's patented Parsortix system can harvest very rare circulating tumour cells (CTCs) in cancer patient blood – even where there is less than one CTC in a billion healthy cells. The aim of the resulting liquid biopsy (simple blood test) is to enable the investigation of mutations in the patient's cancer to enable personalised cancer care.

In the first six months of the year, ANGLE successfully completed evaluations with its key opinion leaders of the Parsortix system's capability to harvest CTCs from patient blood for analysis and moved into the commercialisation phase.

This has been followed by the initiation of patient studies by key opinion leaders into potential clinical applications in breast, ovarian and prostate cancers with further studies due to start in colorectal, oesophageal and pancreatic cancers. The first of these studies has reported "unprecedented sensitivity and specificity" in ovarian cancer.

Results
The loss for the half year was £1.6 million (H1 2014: loss £0.5 million), reflecting the planned investment in Parsortix.

Investment, principally relating to Parsortix, increased to £1.6 million (H1 2014: £1.1 million). This comprised operating costs of £1.4 million (H1 2014: £0.8 million) and capitalised expenditure of £0.2 million (H1 2014: £0.3 million).

The cash balance was £2.3 million at 31 October 2014 (30 April 2014: £3.9 million).

The Parsortix system
The Parsortix system comprises a desktop machine and consumable cassette, protected by patents, approved to CE Mark standard, available in volume under manufacturing agreements and already in active use in a number of prestigious research environments. The equipment can separate and harvest circulating tumour cells (CTCs) from patient blood (a liquid biopsy) where the ratio is of the order of one CTC to one billion healthy cells. In a research environment, this can help gain further knowledge about the progression of various cancers. In a clinical environment, the equipment can help a clinician select the most efficacious personalised care. Harvested CTCs may also be analysed further by a variety of other types of commercially available analytical equipment.

Chairman's Statement
Continued

Strategy
The strategy is to collect clinical data and establish commercially viable and effective clinical procedures for a limited number of cancers. This is being done with key opinion leaders (KOLs) in the UK, Europe and the USA. Much of the costs of such studies is covered by the key opinion leader and the Company's costs are contained. We are currently working with eight key opinion leaders. Selective revenue opportunities from research projects, where the use of Parsortix is already being specified in plans, are modest in comparison to the clinical market but will reinforce later entry into related clinical applications. Marketing to clinical users will be indirect and collaborative such that costs will be contained and available funds will be used to maximum effect. The early definition of clinical applications is number one on our critical path and we are delighted to have identified an excellent potential clinical application in ovarian cancer. Alongside this important accreditation work in the USA continues with the FDA and constructive dialogue is ongoing.

Medtech focus
ANGLE has transitioned from a 'broad portfolio investment' position to an operating medtech company with the potential to be a market leader in an estimated £8 billion market. All systems including remuneration have been simplified and adapted to the norms of the healthcare sector in a continuing effort to keep existing investors and attract new ones, both institutional and private.

ANGLE has also established an American Depositary Receipt (ADR) in the United States representing 10 ANGLE plc shares for 1 ADR, which now trades on the OTCQX market with the ticker ANPCY. The ADR is intended to enable US investors to invest in ANGLE shares to increase the liquidity in ANGLE shares and increase the sources of capital available to the Company.

The Company believes that the focus and progress of the Parsortix product accompanied with a well-defined strategy offers a new investment opportunity with a well defined route to success.

Key opinion leaders
A core part of ANGLE's strategy is to work closely with world class cancer research centres in order to access drug trials and develop patient data in support of clinical applications. An objective for the year was to extend the range and number of key opinion leaders working with the Parsortix system.

At the start of the year, the Company had three established key opinion leaders:

- Cancer Research UK Manchester (formally known as Paterson Institute for Cancer Research) working on colorectal, pancreatic and lung cancer
- University of Surrey Oncology Department working on colorectal cancer and melanoma
- Medical Research Council Cancer Unit at the University of Cambridge and Addenbrooke's Hospital working on oesophageal, colorectal and pancreatic cancer

During the half year, strong progress was made with extending the key opinion leader relationships into continental Europe and the United States. Collaboration agreements have been signed with a further five world class cancer research centres:

- University Medical Center Hamburg-Eppendorf working on a range of cancer types including non small cell lung cancer, colorectal and breast cancers
- Medical University of Vienna working on ovarian cancer
- University of Southern California Norris Comprehensive Cancer Center working on breast cancer
- Sidney Kimmel Cancer Center at Thomas Jefferson University working on breast cancer
- Barts Cancer Institute working on prostate cancer

There are now a total of eight world-class cancer centres working with ANGLE's Parsortix system in the UK, continental Europe and the United States to develop applications in the most prevalent types of cancer.

Key opinion leader evaluations
During the half year, four of the Company's key opinion leaders reported publicly on their use of the Parsortix system. All four reported favourably and key aspects of the Parsortix system identified included:

- Cancer Research UK Manchester: The Parsortix system is applicable to all types of CTCs including mesenchymal CTCs because it does not rely on antibody-based capture. The Parsortix system offers a very high level of purity of harvested CTCs enabling molecular analysis

- Medical University of Vienna: The Parsortix system can handle large volumes of patient blood, up to 20ml, and continues to capture CTCs efficiently. CTCs harvested from the Parsortix system can be analysed using qPCR (an established form of molecular analysis) and the Parsortix system efficiently reduces the level of contaminating white blood cell background to below the limit of detection of qPCR

- University Medical Center Hamburg-Eppendorf: The Parsortix system is an effective device for the enrichment of epithelial and/or mesenchymal-like CTCs. The system overcomes hurdles of label-dependent techniques since it is not based on antibody affinity capture. Using the Parsortix system, tumour cells as well as tumour cell clusters are easily accessible and ready for molecular analysis

- Barts Cancer Institute: the Parsortix system worked well with prostate cancer patients. The Parsortix system captured a high purity of CTCs and was 30 times purer than a leading antibody-based system. The Parsortix CTC harvest was well suited for downstream molecular analysis and was demonstrated with fluorescence in-situ hybridisation analysis (an established form of molecular analysis)

These evaluations confirm the system's capability to harvest cancer cells from patient blood for analysis and brings to a total of five key opinion leaders reporting uniformly positively on their evaluation of the Parsortix system. The remaining three are in progress.

Continued progress towards FDA authorisation
The Parsortix system is CE Mark authorised for clinical sales in the European Union.

A submission was made to the FDA at the end of March 2014 seeking clearance for the use of the system as a platform for the capture and harvesting of large cells from blood for the purposes of analysis.

The FDA has engaged constructively with ANGLE and its advisors in an ongoing dialogue in relation to this novel clinical approach.

Research use sales to support drug trials and other research
So far, despite customer interest, ANGLE has deliberately held back on sales in order to concentrate on key opinion leaders and refine the system based on their feedback. Following uniformly positive evaluations of the system by five different key opinion leaders, ANGLE now intends to progress sales for research use addressing this estimated £250 million per annum market.

The Parsortix system has already been specified in the plans for several research projects, which are expected to lead to first sales during 2015.

ANGLE is seeking the adoption of the Parsortix system in pharmaceutical company drug trials using the CTC as a marker to indicate therapy effectiveness. There are estimated to be an addressable 750 Phase II cancer drug trials initiated each year. These typically cover 100 patients over two years with the need for three blood tests per patient. We estimate that each such trial has the potential to generate in excess of £100,000 revenue for ANGLE if the Parsortix system is used.

There are estimated to be an addressable 120 Phase III cancer drug trials initiated each year. These typically cover 1,000 patients over three years with the need for five blood tests per patient. We estimate that each such trial has the potential to generate in excess of £750,000 revenue for ANGLE if the Parsortix system is used.

Securing 5% of the Phase II and Phase III cancer drug trials as customers would generate an estimated £8 million of sales per annum.

As well as generating sales revenue, use of the Parsortix system in successful cancer drug trials may lead to the adoption of Parsortix as a companion diagnostic to the new drug when launched in the market. This would result in the Parsortix system being routinely used with that drug to assess the suitability of the drug for each patient and then to assess its efficacy once used.

Chairman's Statement
Continued

Sales for clinical use
Sales of the Parsortix system for clinical use is the primary objective for commercialisation of the business. We estimate that the clinical market available to ANGLE is worth in excess of £8 billion per annum.

Accessing this market requires both regulatory authorisation and strong patient data proving the benefit of the clinical application to the patient. Both of these requirements are understandably highly challenging.

As well as the work on regulatory authorisation described above, ANGLE has a comprehensive strategy in place to deliver the necessary patient data. This involves working with key opinion leaders on patient studies to identify clinical applications and then undertaking prospective clinical studies to demonstrate the medical benefit to the patient.

To this end, ANGLE has established multiple patient studies with the key opinion leaders to investigate new clinical applications for the treatment of patients using the Parsortix system. The studies are being coordinated on a highly cost efficient basis leveraging the resources and capabilities of the key opinion leaders.

Patient studies are being conducted in ovarian cancer (already reported), breast cancer and prostate cancer and studies are due to start soon in colorectal, oesophageal and pancreatic cancers.

Ovarian cancer – Medical University of Vienna
The first such patient study has just been completed by the Medical University of Vienna, who reported "unprecedented sensitivity and specificity" using the Parsortix system in combination with their own RNA markers. Vienna consider the patient study to have been highly successful and a strong basis for a clinical application in ovarian cancer.

Other patient studies are expected to report during 2015. These include potential clinical applications in relation to breast cancer, prostate cancer and colorectal cancer.

Where patient studies are successful, as in the case of ovarian cancer, they will then be followed by clinical studies to substantiate the medical benefit to patients from taking therapeutic decisions based on analysis of the CTCs harvested using the Parsortix system. The results of these studies together with FDA authorisation will be the trigger for widespread use of the Parsortix system in patient care.

Ovarian Cancer
Annually 239,000 women are diagnosed with ovarian cancer worldwide. There is a high mortality rate and 152,000 die from it each year. Ovarian cancer is commonly known as the silent killer due to its lack of symptoms in its earlier stages. It is frequently diagnosed late in which case the UK five year survival rate is only 3.5% for Stage IV and 18.6% for Stage III at diagnosis (Source: Cancer Research UK Ovarian Cancer survival statistics). In contrast where it is diagnosed at Stage I, the UK five year survival rates are much higher at 90%. As a result there is an acute medical need for improved ovarian cancer detection.

The Parsortix system used in combination with Vienna's RNA markers was able to detect cancer in primary epithelial ovarian cancer patients with a sensitivity of 90% and a specificity of 100%. Epithelial ovarian cancer (also known as ovarian carcinoma) is the most common ovarian cancer and accounts for some 90% of cases. If these results are repeated in the clinical study, this offers the potential for a blood test to enable early diagnosis of ovarian cancer.

For each ovarian cancer patient, there is the potential for the Parsortix system to be deployed, on average, 3 times in screening, 5 times in monitoring therapy and twice in remission monitoring. We estimate that the market size for Parsortix sales of a clinical application in ovarian cancer, for Europe and the United States markets only, is in excess of £300 million per annum.

The Vienna team has worked for many years with a wide range of CTC systems, both those commercially available from ANGLE's competitors and new technologies under development including commercial and academic systems. Due to lack of suitable cell surface markers, antibody-based systems are ineffective for ovarian cancer. The best result that has been obtained to date with other non-antibody based systems is a CTC detection sensitivity level of 24.5% (i.e. fails to capture CTCs from three quarters of ovarian cancer patients).

A key priority now is for ANGLE to work with the Medical University of Vienna, and other leading ovarian cancer centres with whom they partner, to deliver a robust clinical study supporting clinical application. This will be progressed as quickly as possible and is expected to take 18 months to complete. This would allow for initial sales for this clinical application in ANGLE financial year ending 30 April 2017.

Other Clinical Applications
Metastatic breast cancer screening
ANGLE is working with the University of Southern California Norris Comprehensive Cancer Center on a patient study using Parsortix as a liquid biopsy for metastatic breast cancer patients.

If successful, such a liquid biopsy could replace the need for surgical biopsy of the secondary cancer site such as liver resection. This would reduce the need for surgical intervention (no patient wants unnecessary operations) and reduce healthcare costs as a blood test is much cheaper than an operation and an over-night hospital stay. Furthermore, it could easily be repeated as often as required, which is not possible with a traditional solid biopsy.

The patient study is using the Parsortix liquid biopsy to harvest CTCs for RNA analysis of the cancer cells to determine the disease status of the metastatic sites so that therapeutic decisions can be made for the patient's ongoing treatment. The results of the RNA analysis allow the oncologists to make key decisions over which therapies may be most effective for the patient at that stage of their disease. Possible therapeutic decisions include:

- Clinical grade therapies: The RNA analysis will allow the determination of (i) HER2 status (ii) oestrogen receptor (ER) and (iii) progesterone receptor (PR). Women who have breast cancer with hormone receptors are prescribed hormonal treatments, such as tamoxifen or anastrozole. Women with breast cancers that have high levels of HER2 receptors are given a drug called trastuzumab (Herceptin®)

- Research grade therapies: In addition there are numerous (dozens) breast cancer drug trials in progress, which can be prescribed to late stage patients once the RNA analysis is completed, that may enable an improved outcome. Examples include trials of new drugs in relation to the P1K3CA gene and triple negative breast cancer

The incidence of new breast cancer cases in 2012 is estimated at 1,700,000 worldwide. Of these a total of approximately 33% either present at Stage IV (metastatic cancer) or progress to Stage IV. The targeted clinical application has the potential to address some 300,000 metastatic patients per annum in the accessible market geographies. If a liquid biopsy is undertaken on a six monthly basis for these patients over a five year follow-up period and ANGLE secures a 10% share of the resulting market, the sales potential accessible to ANGLE is worth around £100 million per annum for this clinical application.

The aim is to complete the patient study in the middle of 2015 and then follow it with a clinical study targeting the end of 2016 for completion. This would allow for initial sales for this clinical application in ANGLE year ending 30 April 2017.

Other cancer types
Similar to the metastatic breast cancer clinical application, ANGLE is working with Barts Cancer Institute on a patient study in relation to a potential metastatic prostate cancer clinical application.

Work is also being undertaken with Cancer Research UK Manchester with patient studies due to start soon in relation to colorectal cancer and pancreatic cancer and with the Medical Research Council's Cancer Unit at the University of Cambridge in relation to oesophageal cancer.

Commercialisation partnerships with diagnostic companies
The Parsortix system is "open-source" and has been designed to work with all existing analytical systems in the same way that the existing solid biopsy provides cancer cells for a wide variety of analytical systems. Such systems cannot otherwise be used with CTCs. Combination with the Parsortix system gives the analytical system the potential for an additional source of revenue analysing a different form of patient tissue.

ANGLE's commercialisation strategy is to establish a series of partnerships with multiple leading diagnostic companies to offer a complete solution to the oncologist. ANGLE believes this is the optimal approach for unlocking the multi-billion dollar worldwide market available to the Company and its potential strategic partners.

Partners will be selected for their specialist technical capabilities enabling new high medical utility applications and/or their market strength and existing installed base of diagnostic systems enabling accelerated market adoption of the Parsortix system.

Commercial returns from these partnerships may include upfront payments, milestone payments as the combined product is brought to market and royalty income and/or sales revenues as the product is sold in the market.

Through partnerships with established analytical platforms, ANGLE intends to leverage their distribution channels whilst at the same time limiting the need for its own investment in direct sales and marketing. It is expected that the Parsortix system may be integrated as a front end into multiple analytical platforms as "Parsortix inside".

Earlier this month, ANGLE announced the first two such commercial collaborations.

Chairman's Statement
Continued

Diagnostics division of a large pharmaceutical company
The first was with the diagnostics division of a large pharmaceutical company (the "Collaborator") to investigate the combination of ANGLE's Parsortix CTC harvesting platform with the Collaborator's single cell analysis system. The Collaborator is evaluating the use of the Parsortix system as a standard pre-enrichment system for their single cell analysis system.

If the collaboration is successful, the Parsortix system may be sold by the Collaborator along side its own system as a source of patient sample for analysis using the Collaborator's analytical platform.

EKF Diagnostics Holdings plc
The second commercial collaboration was with EKF Diagnostics Holdings plc, the AIM listed point-of-care, central laboratory and molecular diagnostics business to investigate the combination of ANGLE's Parsortix CTC harvesting platform with EKF's PointMan™ DNA enrichment technology as a liquid biopsy. The collaboration will initially work on colorectal cancer and then expand to cover other cancer types. CTCs will be harvested from cancer patients' blood using ANGLE's Parsortix system and then analysed using EKF's PointMan™ DNA enrichment technology to identify genetic variation in the cancer, which may aid therapeutic decision making.

ANGLE believes that the combination of ANGLE's Parsortix system with EKF's PointMan™ technology may be advantageous for two reasons. Firstly the PointMan™ system preferentially amplifies variant sequences of interest whilst suppressing amplification of the wild type i.e. normal DNA. As a result it has the potential to identify all mutations in gene sequences associated with clinical utility of targeted cancer therapies. In contrast competing genetic analysis systems generally amplify only those areas which may be predicted to be mutant and therefore can miss unexpected mutations. Secondly the system is highly sensitive with the ability to work with very low levels of target material, potentially as low as one CTC.

If the collaboration is successful, ANGLE and EKF will explore ways to offer their respective systems as a combined solution.

Second US patent granted
The Company continues to strengthen its intellectual property. During the half year, a second US patent was granted protecting the Parsortix system. Patents are being prosecuted worldwide.

Management team strengthened
During the half year, ANGLE appointed a senior US business development executive, Peggy Robinson as US Vice President. From 2007 to 2011, Peggy was director of marketing for Johnson & Johnson company Veridex, and its predecessor Immunicon, responsible for the launch and market expansion of CellSearch. Following this, in 2011 and 2012, Peggy was Director of Strategic Alliances / Services for Veridex. During this time she developed and implemented strategies to form collaborations for CellSearch with pharmaceutical and biotech companies. More recently, Peggy has been consulting on business strategies, marketing, strategic alliances, key opinion leaders and product development of new technologies, with an emphasis on cancer, chronic disease and companion diagnostics.

Outlook
Following patient study results from our key opinion leader the Medical University of Vienna showing 'unprecedented sensitivity and specificity' of the Parsortix system in ovarian cancer, ANGLE is now progressing its first clinical application in ovarian cancer. There is a very strong medical need for such an application in ovarian cancer detection and monitoring of patients and we estimate there is a sales potential in excess of £300 million per annum for this application. Our other seven key opinion leaders will continue to pursue clinical applications in other types of cancer including breast cancer, colorectal cancer and prostate cancer.

Garth Selvey
Chairman
28 January 2015

Consolidated Statement of Comprehensive Income

	Note	Six months ended 31 October 2014 (Unaudited) £'000	Six months ended 31 October 2013 (Unaudited) £'000	Year ended 30 April 2014 (Audited) £'000
Revenue	2	**288**	414	801
Change in fair value		**17**	404	1,334
Operating costs		**(1,918)**	(1,374)	(3,485)
Operating profit/(loss)		**(1,613)**	(556)	(1,350)
Net finance income/(costs)		**7**	80	112
Profit/(loss) before tax		**(1,606)**	(476)	(1,238)
Tax	3	**–**	–	–
Profit/(loss) for the period		**(1,606)**	(476)	(1,238)
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Exchange differences on translating foreign operations		**49**	(44)	(96)
Other comprehensive income		**49**	(44)	(96)
Total comprehensive income for the period		**(1,557)**	(520)	(1,334)
Profit/(loss) for the period attributable to:				
Owners of the parent		**(1,476)**	(396)	(1,064)
Non-controlling interests		**(130)**	(80)	(174)
Profit/(loss) for the period		**(1,606)**	(476)	(1,238)
Total comprehensive income for the period attributable to:				
Owners of the parent		**(1,394)**	(455)	(1,198)
Non-controlling interests		**(163)**	(65)	(136)
Total comprehensive income for the period		**(1,557)**	(520)	(1,334)
Earnings/(loss) per share	4			
Basic and Diluted (pence per share)		**(3.56)**	(1.05)	(2.74)

All activity arose from continuing operations.

Consolidated Statement of Financial Position

	Note	**31 October 2014 (Unaudited) £'000**	31 October 2013 (Unaudited) £'000	30 April 2014 (Audited) £'000
ASSETS				
Non-current assets				
Other receivables		**618**	–	601
Property, plant and equipment		**338**	198	139
Intangible assets	5	**1,186**	1,099	1,142
Total non-current assets		**2,142**	1,297	1,882
Current assets				
Non-controlled investments		**–**	4,839	–
Inventories		**106**	15	52
Trade and other receivables		**305**	530	328
Cash and cash equivalents		**2,268**	358	3,898
Total current assets		**2,679**	5,742	4,278
Total assets		**4,821**	7,039	6,160
EQUITY AND LIABILITIES				
Equity				
Issued capital	6	**4,524**	4,524	4,524
Share premium		**18,414**	18,414	18,414
Share based payments reserve		**473**	397	432
Other reserve		**2,553**	2,553	2,553
Translation reserve		**(40)**	(47)	(122)
Retained earnings		**(21,253)**	(19,069)	(19,777)
ESOT shares		**(102)**	(102)	(102)
Equity attributable to owners of the parent		**4,569**	6,670	5,922
Non-controlling interests		**(570)**	(376)	(407)
Total equity		**3,999**	6,294	5,515
Liabilities				
Non-current liabilities				
Controlled investments – loans		**–**	132	–
Total non-current liabilities		**–**	132	–
Current liabilities				
Trade and other payables		**822**	613	645
Total current liabilities		**822**	613	645
Total liabilities		**822**	745	645
Total equity and liabilities		**4,821**	7,039	6,160

Consolidated Statement of Cash Flows

	Six months ended		Year ended
	31 October 2014 (Unaudited) £'000	31 October 2013 (Unaudited) £'000	30 April 2014 (Audited) £'000
Operating activities			
Profit/(loss) before tax from continuing operations	**(1,606)**	(476)	(1,238)
Adjustments for:			
Depreciation of property, plant and equipment	**43**	29	57
Disposal of property, plant and equipment	**–**	–	13
Amortisation and impairment of intangible assets	**46**	150	99
Exchange differences	**(19)**	(2)	9
Net finance (income)/costs	**(7)**	(80)	(112)
Change in fair value	**(17)**	(404)	(1,334)
Share based payments	**41**	27	62
Operating cash flows before movements in working capital:	**(1,519)**	(756)	(2,444)
(Increase)/decrease in inventories	**(148)**	47	22
(Increase)/decrease in trade and other receivables	**22**	(99)	131
Increase/(decrease) in trade and other payables	**200**	61	56
Net cash from/(used in) operating activities	**(1,445)**	(747)	(2,235)
Investing activities			
Purchase of property, plant and equipment	**(153)**	(84)	(83)
Purchase of intangible assets	**(42)**	(235)	(270)
Provision of short term loans	**–**	(407)	(511)
Proceeds on disposal of investment	**–**	–	5,160
Interest received	**8**	4	11
Net cash from/(used in) investing activities	**(187)**	(722)	4,307
Financing activities			
Net proceeds from issue of share capital	**–**	–	–
Interest paid	**–**	–	–
Net cash from/(used in) financing activities	**–**	–	–
Net increase/(decrease) in cash and cash equivalents	**(1,632)**	(1,469)	2,072
Cash and cash equivalents at start of period	**3,898**	1,828	1,828
Effect of exchange rate fluctuations	**2**	(1)	(2)
Cash and cash equivalents at end of period	**2,268**	358	3,898

Consolidated Statement of Changes in Equity

	Attributable to equity holders 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 2013	**4,524**	**18,414**	**370**	**2,553**	**12**	**(18,673)**	**(102)**	**7,098**	**(311)**	**6,787**
For the period to 31 October 2013										
Consolidated profit/(loss)						(396)		(396)	(80)	(476)
Other comprehensive income										
Exchange differences in translating foreign operations					(59)			(59)	15	(44)
Total comprehensive income					**(59)**	**(396)**		**(455)**	**(65)**	**(520)**
Share based payments			27					27		27
At 31 October 2013	**4,524**	**18,414**	**397**	**2,553**	**(47)**	**(19,069)**	**(102)**	**6,670**	**(376)**	**6,294**
For the period to 30 April 2014										
Consolidated profit/(loss)						(668)		(668)	(94)	(762)
Other comprehensive income										
Exchange differences in translating foreign operations					(75)			(75)	23	(52)
Total comprehensive income					**(75)**	**(668)**		**(743)**	**(71)**	**(814)**
Share based payments			35					35		35
Disposal of controlling interest						(40)		(40)	40	–
At 30 April 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					**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**

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
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 controlled investments equity, and c) the Statement of Financial Position for acquired intangible assets in the controlled 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 a controlled investment becomes non-controlled (a deemed disposal).

	ANGLE employees (Unaudited) £'000	Controlled investments employees (Unaudited) £'000	Controlled investments IP (Unaudited) £'000	Total (Unaudited) £'000
At 1 May 2013	**212**	**41**	**117**	**370**
Charge for the period	27	–	–	27
At 31 October 2013	**239**	**41**	**117**	**397**
Charge for the period	35	–	–	35
At 30 April 2014	**274**	**41**	**117**	**432**
Charge for the period	41	–	–	41
At 31 October 2014	**315**	**41**	**117**	**473**

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 2014 (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 2015. 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 may be made in the Report and Accounts 2015.

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 2013 is also unaudited. The comparative figures for the year ended 30 April 2014 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 28 January 2015.

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 signing of this Condensed Interim Financial Information. Based on the level of existing cash, expected availability of funding from investors and 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 and 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 and 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 and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to 1) the valuation and impairment of unlisted investments held at fair value and 2) the valuation, amortisation and impairment of intangible assets.

2 Operating segment and revenue analysis

The Group's principal trading activity is undertaken in relation to Parsortix, a specialist medical diagnostics company with pioneering products in cancer diagnostics and foetal health.

For management reporting purposes, the Group is divided into the following operating segments:

- **Medical diagnostics**
- **Legacy businesses comprising:**
  - non-controlled investments
  - management services

The nature of these operations is significantly different.

ANGLE has redesigned its business as a specialist medtech company. The management services business is a legacy business. The remaining contracts complete on 31 March 2015 and no new contracts are being sought. Once this is completed, ANGLE intends to seek reclassification with the London Stock Exchange into the healthcare sector.

In assessing performance and making resource allocation decisions, the Board of Directors reviews each segment. The tables below show the operating results by segment together with assets and liabilities.

	Medical diagnostics (Unaudited) £'000	Non-controlled investments (Unaudited) £'000	Management services (Unaudited) £'000	Total (Unaudited) £'000
Period ended 31 October 2014				
Statement of Comprehensive Income				
Revenue			288	288
Change in fair value		17		17
Amortisation and impairment of intangible assets	(46)			(46)
Other operating costs	(1,533)		(339)	(1,872)
Operating costs	(1,579)		(339)	(1,918)
Operating profit/(loss)	**(1,579)**	**17**	**(51)**	**(1,613)**
Finance income/(costs)	7			7
Profit/(loss) before tax	**(1,572)**	**17**	**(51)**	**(1,606)**
Statement of Financial Position				
Assets				
Other receivables (non-current)				618
Property, plant and equipment				338
Intangible assets				1,186
Inventories				106
Trade and other receivables				305
Cash and cash equivalents				2,268
Total assets				**4,821**
Liabilities				
Trade and other payables				822
Total liabilities				**822**

Notes to the Interim Financial Information

Continued

	Medical diagnostics (Unaudited) £'000	Non-controlled investments (Unaudited) £'000	Management services (Unaudited) £'000	Total (Unaudited) £'000
Period ended 31 October 2013				
Statement of Comprehensive Income				
Revenue	102		312	414
Change in fair value		404		404
Amortisation and impairment of intangible assets	(150)			(150)
Other operating costs	(903)		(321)	(1,224)
Operating costs	(1,053)		(321)	(1,374)
Operating profit/(loss)	**(951)**	**404**	**(9)**	**(556)**
Finance income/(costs)	80			80
Profit/(loss) before tax	**(871)**	**404**	**(9)**	**(476)**
Statement of Financial Position				
Assets				
Property, plant and equipment				198
Intangible assets				1,099
Investments (current)				4,839
Inventories				15
Trade and other receivables				530
Cash and cash equivalents				358
Total assets				**7,039**
Liabilities				
Trade and other payables				613
Loans and borrowings				132
Total liabilities				**745**

	Medical diagnostics (Audited) £'000	Non-controlled investments (Audited) £'000	Management services (Audited) £'000	Total (Audited) £'000
Year ended 30 April 2014				
Statement of Comprehensive Income				
Revenue	156		645	801
Change in fair value	132	1,202		1,334
Amortisation and impairment of intangible assets	(99)			(99)
Other operating costs	(2,731)		(655)	(3,386)
Operating costs	(2,830)		(655)	(3,485)
Operating profit/(loss)	**(2,542)**	**1,202**	**(10)**	**(1,350)**
Finance income/(costs)	12	100		112
Profit/(loss) before tax	**(2,530)**	**1,302**	**(10)**	**(1,238)**
Statement of Financial Position				
Assets				
Other receivables (non-current)				601
Property, plant and equipment				139
Intangible assets				1,142
Inventories				52
Trade and other receivables				328
Cash and cash equivalents				3,898
Total assets				**6,160**
Liabilities				
Trade and other payables				645
Total liabilities				**645**

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.

Tax is therefore based on the profits in the Management services business as relieved by losses incurred in the Group's other UK trading activities. 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.

Controlled investments undertake 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 of £1.6 million (six months to 31 October 2013: loss £0.5 million, year to 30 April 2014: loss £1.2 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 45,129,800 weighted average ordinary 10p shares (six months to 31 October 2013: 45,129,800; year to 30 April 2014: 45,129,800).

Notes to the Interim Financial Information
Continued

5 Intangible assets

	Intellectual property (Unaudited) £'000	Computer software (Unaudited) £'000	Goodwill (Unaudited) £'000	Product development (Unaudited) £'000	Total (Unaudited) £'000
Cost or deemed cost					
At 1 May 2013	**524**	**12**	**98**	**973**	**1,607**
Additions	–	–	–	201	201
Exchange movements	(1)	–	–	(36)	(37)
At 31 October 2013	**523**	**12**	**98**	**1,138**	**1,771**
Additions	30	1	–	16	47
Reclassification	62	–	–	(62)	–
Disposals	(400)	(2)	(98)	–	(500)
Exchange movements	(9)	–	–	(47)	(56)
At 30 April 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**
Amortisation and impairment					
At 1 May 2013	**400**	**10**	**98**	**19**	**527**
Charge for the period	–	–	–	150	150
Exchange movements	–	–	–	(5)	(5)
At 31 October 2013	**400**	**10**	**98**	**164**	**672**
Charge for the period	–	1	–	(52)	(51)
Disposals	(400)	(2)	(98)	–	(500)
Exchange movements	–	–	–	(1)	(1)
At 30 April 2014	**–**	**9**	**–**	**111**	**120**
Charge for the period	–	1	–	45	46
Exchange movements	–	–	–	8	8
At 31 October 2014	**–**	**10**	**–**	**164**	**174**
Net book value					
At 31 October 2014	**235**	**3**	**–**	**948**	**1,186**
At 30 April 2014	206	2	–	934	1,142
At 31 October 2013	123	2	–	974	1,099

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 a 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.

6 Share capital

The Company has one class of ordinary shares which carry no right to fixed income and at 31 October 2014 had 45,243,059 Ordinary shares of £0.10 each allotted, called up and fully paid. During the period the Company issued 60,000 and subsequent to the period end a further 2,500,000 new share options with performance and/or vesting conditions.

7 Post reporting date events

As explained in the Chairman's Statement, the Company has made strong progress with Parsortix.

Shareholder communications

The Interim Report is being sent to all shareholders on the register at 28 January 2015. Copies of this Interim Report 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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