

12 February 2020

**Oncimmune Holdings plc
("Oncimmune" or the "Company")**

Half Year Report

Positive progress made on the commercialisation and development of EarlyCDT[®] Lung

Biodesix to launch EarlyCDT Lung in US by early March 2020

Service contract signed with a large pharmaceutical group

In late stage talks on multiple potential service contracts

Oncimmune Holdings plc (AIM: ONC.L), the leading global immunodiagnostics group, today announces its half year results for the six months ended 30 November 2019.

Corporate & Operational Highlights

Product Commercial Progress

- Discussions ongoing with several potential commercial partners within NHS England, including Cancer Alliances and Clinical Commissioning Groups who anticipate using EarlyCDT Lung for clinical assessment of indeterminate pulmonary nodules (IPNs) and/or as a screening test for lung cancer.
- Increased activity across our global distributor network with expected FY H2 sales from Spain, Brazil, Malaysia and Singapore.
- Approval of both EarlyCDT Lung and EarlyCDT Liver in China remains on track, with first sales expected in Q1 of calendar year 2021.
- Completion of the strategic commercialisation agreement with Biodesix, Inc. for EarlyCDT Lung in the United States with Biodesix commercial launch expected in early March (Q1) 2020; the agreement is valued at up to \$28m over the initial 5 year period.
- Exclusivity agreement with R-Pharm for the use of EarlyCDT Lung in Russia (and certain other countries) with a value of at least £5m, including milestone payments of up to £2.75m, with regulatory approval for screening expected in calendar H1 2020. In addition, R-Pharm is investing up to £3.5m in screening infrastructure in Russia.
- NICE MedTech Innovation Briefing reviewing the use of EarlyCDT Lung in the clinical assessment of IPNs.
- Presentation on the Presidential Symposium at the IASLC World Conference on Lung Cancer of positive top line results of the Early Detection of Cancer of the Lung Scotland ("ECLS") trial with 12,209 patients, which is believed to be the largest randomised controlled study using blood biomarkers for the detection of lung cancer.

Service Commercial Progress

- A growing pipeline of potential commercial projects with major pharmaceutical companies that are at various stages of negotiation for our Dortmund Research Centre in Germany. Preparatory work on several of these projects having already commenced.

Corporate and Strategic Update

- Winner of BioNewsRound Award by One Nucleus for life science companies that have announced exciting developments for patients and the sector over the past year.
- Oncimmune's Nottingham R&D operation completed its move to MediCity Nottingham, a dedicated innovation facility.
- Appointments of Professor Tariq Sethi as Chief Scientific Officer and Matthew Luttrell as Chief Commercial Officer.

Financial Highlights:

- Revenue for the period was £0.31m (H1 2018: £0.12m). Cost of sales were £0.36m (H1 2018: £0.60m).
- Total administrative expenses were £5.11m (H1 2018: £2.63m); of which c.£1.3m relates to reshaping the business (£0.7m relate to the Bidesix and Protagen Diagnostics transactions and £0.6m relates to increased staff costs); a further £0.7m relates to the IPF credit facility and increased patent costs as the Protagen patent estate was integrated.
- The implementation of an ongoing cost reduction programme post the period has delivered annual cost savings of c.£1.0m, with the sale of the US subsidiary's laboratory to Bidesix expected to contribute further annual cost savings of c.£2.2m.
- Research & Development costs were £1.01m (H1 2018: £0.69m).
- Comprehensive loss after tax was £5.79m (H1 2018: £3.87m).
- Cash balance at the period end of £7.51m (H1 2018: £9.05m).
- Sale of the US subsidiary's laboratory to Bidesix for \$1.0m, in quarterly instalments of \$250,000 with the last payment due in July 2020.
- Secured and fully drawn credit facility of €8.5m with IPF Management SA.

Dr Adam M Hill, CEO of Oncimmune said: *"We grew revenues in the period and are expecting FY H2 2020 sales to continue to accelerate through increasing product sales and from our service business. We look forward to the commercial rollout of EarlyCDT Lung in several markets, including the US, in 2020 to further expand the reach of our technology to patients. With multiple late stage negotiations underway and a strong conviction in the vital importance of our technology, we have growing confidence in the business to further change patients' lives and deliver growth."*

For further information:

Oncimmune Holdings plc

Adam Hill, Chief Executive Officer
Matthew Hall, Chief Financial Officer
contact@oncimmune.co.uk

Zeus Capital Limited (Nominated Adviser and Joint Broker)

Andrew Jones, Daniel Harris, Victoria Ayton
+44 (0)20 3829 5000

finnCap (Joint Broker)

Geoff Nash, Matthew Radley, Tim Redfern
+44 (0)20 7220 0500

Bryan, Garnier & Co Limited (Joint Broker)

Phil Walker, Dominic Wilson
+44 (0)20 7332 2500

Media enquiries:**FTI Consulting**

Ben Atwell, Michael Trace, Alex Davis
Oncimmune@fticonsulting.com
+44 (0)20 3727 1000

About Oncimmune**Beating cancer, one test at a time**

The battle against cancer hinges on early detection and then the delivery of effective treatment. Oncimmune is working to revolutionise both the detection of cancer and its treatment by harnessing the sophisticated disease detecting capabilities of the immune system to find cancer in its early stages. Our range of diagnostic tests assist clinicians to identify the presence of cancer four years or more before standard clinical diagnosis, whilst our technology platform and sample biobanks are helping healthcare companies to develop new cancer treatments.

Oncimmune was founded in 2002 and launched its platform technology in 2009, followed by its first commercial tests, EarlyCDT Lung and EarlyCDT Liver. To date, over 158,000 tests have been performed for patients worldwide. EarlyCDT Lung was also used in what is believed to be the largest randomised controlled trial for the early detection of lung cancer using biomarkers, the successful National Health Service (NHS) ECLS trial of 12,209 high-risk smokers in Scotland which demonstrated EarlyCDT Lung reduced the incidence of patients with late-stage lung cancer or unclassified presentation at diagnosis, compared to standard clinical practice.

Oncimmune, headquartered at its laboratory facility in Nottingham, UK, has a discovery research centre in Dortmund, Germany and in London, UK and a partner representative office in Shanghai, China. Oncimmune joined the Alternative Investment Market (AIM) of the London Stock Exchange in May 2016 under the ticker ONC.L.

What is EarlyCDT Lung?

A blood test using a panel of seven immunogenic proteins for the testing of tumour-related antibodies specific to lung cancer.

For more information, visit www.oncimmune.com

Chairman & Chief Executive's Review

Cancer is no longer an incurable disease; time to detection has a significant impact on outcomes as does selection of patients into therapies that optimises treatment effectiveness. Oncimmune continues to work to profile immune tolerance in order to improve the detection of cancer. More recently, Oncimmune has focused on improving treatment selection by harnessing the sophisticated stratifying capabilities of the immune system.

Oncimmune's goal is to deliver value and improved patient outcomes from its proprietary tumour-related antibody platform through early cancer detection and across the cancer care pathway.

The benefits of early detection of cancer are clear and well understood; it has been shown that for almost all solid cancers, there is a marked improvement in survival following diagnosis at an earlier stage. Oncimmune's proprietary platform and comprehensive immunogenic protein library also has the potential to be applied across a breadth of applications and with a range of partner companies.

We are focused on the core business of developing and commercialising clinical tests for the early detection of single cancer types, as well as exploiting the commercial service opportunities presented by Oncimmune's proprietary platform technology.

We are encouraged by the market's increasing recognition of the importance of early detection of cancer on outcomes. We are confident that the various negotiations Oncimmune is engaged with Clinical Commissioning Groups (CCGs), other payers and therapeutic companies will deliver value in the medium term.

Strategy and Commercialisation Model

In September 2018, we announced a three-year strategic plan to deliver both the Company's mission and create medium term value for shareholders. At this time last year, we announced three immediate priorities:

- To provide the organisation with the focus and leadership needed to execute our current and future commitments;
- To ensure that we are capitalising on the latent value of our immunogenic protein platform technology; and
- To lay the groundwork needed to maximise the reach and impact of our science.

The first 12 months of delivering the forward strategy has confirmed the value and utility of Oncimmune's immunogenic protein library, our ability to rapidly develop new in-vitro diagnostic panels for a range of cancers to detect cancer early, and the potential of this technology to have an impact across the cancer care continuum - presenting multiple paths to both partner and shareholder value.

In addition to maintaining focus on the core business of developing and commercialising diagnostics tests for the early detection of a range of solid cancer types, this year the Company unlocked the latent value from Oncimmune's technology platform by allowing access to the technology to partners that seek to develop new cancer treatments or to identify the most appropriate cancer patients for a particular treatment through strategic partnerships.

Commercialisation of EarlyCDT Lung

We are encouraged by the progress made over the first half year across our commercial activities. We believe that the effects of the early detection of cancer on improving outcomes is gaining broad acceptance in the clinical and regulatory communities and, in the area of lung cancer, EarlyCDT Lung's potential as an accurate and cost-effective test for lung cancer is becoming understood.

Within the UK, we are engaged across the full spectrum of those who are either responsible for lung cancer strategies through to the Cancer Alliances and CCGs who have identified an immediate need to diagnose and treat lung cancer patients. To date, our discussions with these potential commercial

partners, particularly within NHS England, are progressing well. In some cases, these potential partners have identified patients who may be offered places in their lung health check programmes and hope to use EarlyCDT Lung to help diagnose whether indeterminate pulmonary nodules (IPNs) detected by computed tomography (CT) scan are cancerous. Using Oncimmune's test could help minimise the number of false positives (and therefore unnecessary interventions) that CT scans might otherwise produce. Other CCGs are considering using EarlyCDT Lung as a targeted screening diagnostic test as an alternative to CT scanning. In addition, we are continuing our dialogue across the wider NHS, including with NHS Scotland and other devolved administrations. These discussions may or may not lead to sales, but we remain cautiously optimistic of future uptake of the EarlyCDT Lung test.

The National Institute for Health and Care Excellence (NICE) is currently reviewing the potential of EarlyCDT Lung for the clinical evaluation of IPNs detected by CT scanning. NICE's MedTech Innovation Briefing (MIB) is expected to be published in calendar H1 2020. An MIB is critical to support adoptions, particularly in regions with CT screening programmes who will have a significant follow up burden with false positives.

As the awareness of the potential clinical benefits from using the EarlyCDT Lung test become better understood by clinicians and payers in the UK, we are increasingly being approached by potential commercial partners who have large numbers of patients who could potentially benefit from both earlier detection of lung cancer and the ability of EarlyCDT Lung test to unlock improved rates of survival as well as significant cost savings.

Across our distributor network we are experiencing increased sales activity. Sabartech, our distributor in Spain, is now ordering on a consistent basis and volumes are increasing. Elsewhere our distributors in Brazil, Malaysia and Singapore have committed to order greater volumes in FY H2 2020. R-Pharm, who have the exclusive use of EarlyCDT Lung for screening in Russia, is currently progressing regulatory approval which is expected by mid-2020. R-Pharm is expected to focus initially on implementing a screening programme across the c.12m population of Moscow. Russia has 38m smokers, the highest number in Europe¹.

1. http://www.euro.who.int/_data/assets/pdf_file/0006/337434/Tobacco-Control-Fact-Sheet-Russian-Federation.pdf?ua=1

In the US, the Company completed its strategic commercialisation agreement with Biodesix, Inc. for EarlyCDT Lung on 31 October 2019. Commercial launch by Biodesix of EarlyCDT Lung in the US will commence in February 2020. This agreement is valued at up to \$28m over the initial 5 year period.

We continue to build evidence on clinical utility following the launch of EarlyCDT Liver as a CLIA lab provisioned test in the US whilst recognising that our primary commercial focus for the liver test will be China and Asia Pacific.

China R&D and Commercial Update

Earlier in 2019 we announced that the Company's Chinese partner, Gene Tech (Shanghai) Co. Ltd ("Gene Tech"), had commenced a multi-centre case control study on early lung cancer detection (for screening and nodules) in the People's Republic of China. This study uses an extended panel of tumour-associated antigens to accommodate variations in the biomarkers expressed on cancer cells in Asian populations. Led by Professor Bai, Professor and Chair of the Department of Pulmonary Medicine at Zhongshan Hospital, Fudan University, Shanghai, approximately 1,000 early lung cancers will be studied at five leading academic health centres across China.

At the end of 2019, approximately 500 patients had been recruited of which, 193 had confirmed lung cancer and a further 101 patients with identified IPNs are being monitored for further follow up.

Further results from this study are expected by the middle of calendar year 2020 and will be used to support our application for approval of EarlyCDT Lung with China's National Medical Products Administration ("NMPA").

In addition, Oncimmune expects first sales of EarlyCDT Lung from China in Q1 of calendar year 2021.

EarlyCDT Liver is subject to NMPA approval, and regulatory activities are progressing to plan. Whilst lung cancer remains the number one killer of both men and women in China, with over 770,000 new cases diagnosed annually, liver cancer is the third largest cancer killer with over 390,000 new cases diagnosed annually.

Oncimmune Germany GmbH

The acquisition of Oncimmune Germany (previously called Protagen Diagnostics AG) provides the Group with an additional revenue source through service contracts with pharmaceutical and biotechnology companies. The service offering supports clinical trial patient management, disease stratification and treatment response prediction.

We have been pleased with the level of interest in this service and in the growing pipeline of projects with major pharmaceutical companies and biotechs. Since announcing our results for the year ended 31 May 2019 in October 2019, we have commenced preparatory work on a number of significant projects. We expect some of these projects to have completed before the end of this financial year, and look forward to working with these third parties to unlock the potential of these services over the course of 2020 and beyond. These projects are intended to lead to larger collaboration relationships under which further projects could follow.

NHS Lung Cancer Screening Trial

On 4 June 2019, the Company announced the top line results of the ECLS study conducted by NHS Scotland. The ECLS study, is believed to be the largest² randomised controlled study for the early detection of lung cancer using blood biomarkers, recruiting 12,209 patients each of whom were followed up for a minimum of two years. It was announced that the study met its primary end-point showing that the use of EarlyCDT Lung with subsequent X-ray and CT scan reduced the number of patients with late-stage lung cancer³ or unclassified presentation at diagnosis, compared to standard clinical practice.

On 9 September 2019, the Company presented the full results of the ECLS study at the World Conference on Lung Cancer hosted by the International Association for the Study of Lung Cancer ("IASLC") in Barcelona, Spain. The ECLS study was recognised as one of the top abstracts presented at the IASLC and as such Professor Frank Sullivan (Chief Investigator of the ELCS study) was invited to participate in the IASLC Presidential Symposium international press briefing, where he presented the abstract.

In addition to the aforementioned commercial trial, the Company expects the publication of the ECLS health economic data to be released in H1 of calendar year 2020 which is expected to demonstrate the cost-effectiveness of the real-world application of EarlyCDT Lung. We also expect that the ECLS data will be published in a medical journal in due course. Further utility of EarlyCDT Lung has been demonstrated, post-period, by a study by the Leeds University Academic Unit of Health Economics indicating that the test is more cost-effective when compared to CT surveillance alone with an incremental cost-effectiveness ratio (ICER) of less than £2,500.

² By number of participants

³ Stage III, IV and unclassified cancers

Additional Paths to Value

We are actively engaged in commercial discussions with a number of therapeutic companies about the possibility of using Oncimmune technology to enhance the potential market size for existing approved immuno-oncology drugs. In many cases, patients are diagnosed with cancers too late to prescribe frontline therapies. We may be able to help these pharmaceutical companies identify cancer disease in patients earlier in the cancer's progression, thereby opening up the possibility of earlier treatment and improve survival rates.

Publications and Posters

Over the period, Oncimmune continued to present and publish data relating to its tumour-related antibody platform at scientific meetings, and in high-profile journals, including:

- **Arthritis & Rheumatology** - Vordenbaumen S, Brinks R, Hoyer A, et al. Comprehensive Longitudinal Surveillance of the IgG Autoantibody Repertoire in Established Systemic Lupus Erythematosus. *Arthritis & rheumatology* (Hoboken, NJ) 2019;71:736-43;
- **World Conference on Lung Cancer 2019** - Sullivan F, Schembri S. PL02.03 Early Detection of Cancer of the Lung Scotland (ECLS): Trial Results. *Journal of Thoracic Oncology* 2019;14:S5; and
- **xMAPConnect 2019** - M. Bräutigam, E. Schäfer, J. Gajewski et al. Automated QC analysis of high-throughput FlexMAP[®]3DTM biomarker discovery screens using integrated R markup language. *xMAPConnect 2019*.

Strengthened Management Team

In September 2019, the Company announced the appointment of Professor Tariq Sethi as Chief Scientific Officer and Matthew Luttrell as Chief Commercial Officer. Both appointments will help to drive the growth of the business as we enter commercial roll out.

Professor Tariq Sethi is a researcher, clinician and entrepreneur with over 35 years of combined academic and industry experience in the field of immunology, inflammation and Lung Cancer. Prior to joining Oncimmune, Tariq was Chief Physician Scientist, Vice President in the Clinical Discovery Unit AstraZeneca and Emeritus Professor of Respiratory Medicine King's College London, having previously been Vice President in AstraZeneca's Respiratory Immunology Autoimmunity Translational Medicine Unit and formally Professor of Respiratory Medicine and Lung Cancer at Edinburgh University. He is also founder of Galecto Biotech. Given his skillset and experience, Tariq is very well placed to direct and lead Oncimmune's discovery research, translational and clinical programmes effectively.

Matthew Luttrell is a seasoned health and life science commercial executive with experience gained in large pharmaceutical companies across HIV, Rare Diseases, Oncology and Haematology. After starting his career in the pharmaceutical sector in 2002 with Eli Lilly, Matthew has held senior roles in Novo Nordisk, Gilead, GlaxoSmithKline, Shire and, most recently, Takeda. Prior to joining Oncimmune as Chief Commercial Officer, Matthew was Head of Haematology, Growth and Emerging Markets at Shire (now Takeda). Matthew's extensive experience leading direct and indirect sales and implementing commercial strategy will enhance our commercial sales capabilities as we seek to accelerate sales of our Early CDT products.

Outlook

In the period for the six months ended 30 November 2019, the Company has seen the successful completion of its strategic commercialisation agreement with Biodesix, Inc., an exclusive agreement signed in Russia with R-Pharm, and the presentation of its positive top line results for the ECLS trial, laying important foundations for delivery on the Company's strategic objectives set out 12 months ago.

We recognise that the delivery of the Company's commercial potential requires not only focused and dedicated commitment from its employees but also relies on potential commercial partners within the NHS, and major pharmaceutical companies, as well as our distributors, to sign contracts and deliver against agreed forecasts within the timeframes envisaged by the Company.

However, with a strong track record over the past six months, growing momentum and an external environment which is starting to recognise the importance of earlier cancer diagnosis on outcomes, the Board is increasingly confident in the strength of Oncimmune's platform, the breadth of the addressable opportunities, and the Company's potential to deliver significant value in the medium term.

Adam Hill
Chief Executive Officer

Meinhard Schmidt
Chairman

12 February 2020

Chief Financial Officer's review

The Company's results for the six months to 30 November 2019 show increased trading revenues of £0.31m (H1 2018: £0.12m). Cost of sales for the period were £0.36m (H1 2018: £0.60m).

Total administrative expenses were £5.11m (H1 2018: £2.63m). Of this difference, c.£1.3m relates to the reshaping of the business (£0.7m relates to the Biodesix and Protagen Diagnostic deals and £0.6m are increased staff costs); a further £0.7m relates to the IPF credit facility and increased patent costs as the Protagen patent estate was integrated.

Research & Development costs are £1.01m (H1 2018: £0.69m), the comprehensive loss after tax for the period was £5.79m (H1 2018: £3.87m) and the loss per share was £0.09 (H1 2018: £0.06).

On 31 October 2019, we completed the strategic agreement with Biodesix for the commercialisation of EarlyCDT Lung in the United States. This agreement represents value to Oncimmune of up to \$28m over the initial five-year period. Included in that agreement was the sale of Oncimmune's US subsidiary's laboratory for \$1.0m, payable in quarterly instalments of \$250,000 with the last payment due in July 2020. During the period, the first quarterly instalment was received and a further \$250,000 was received post-period end. A profit on sale of the US subsidiary's laboratory of £580,000 was recorded in the period, representing the difference between the \$1.0m sale price, referred to above, and the carrying value of the subsidiary's assets.

As we continue to implement our strategy, we constantly review our cost base. Against the significant investment in the period supporting the Biodesix and Protagen Diagnostic deals, increased R&D and patent support costs, we have identified the opportunity to reduce future costs in some areas, and, post-period, have implemented annual cost savings of c.£1.0m. This is in addition to the c.£2.2m annual cost savings arising from the new commercialisation agreement with Biodesix in the USA, which included the sale of Oncimmune's US subsidiary's laboratory.

In September 2019 the Company secured a credit facility of €8.5m from IPF Management SA.

The Company had a cash balance at the period end of £7.51m (H1 2018: £9.05m).

Financial outlook

As we focus on driving revenue, we will continue to manage the cash burn very carefully. Our immediate commercial focus continues to be on:

- Expanding the number of commercial partners across the NHS wanting to utilise the EarlyCDT Lung test for their at-risk populations;
- Supporting our distribution partners in the key volume markets to increase the rate of adoption of EarlyCDT Lung; and
- Increasing the pipeline of projects with major pharmaceutical companies and biotechs for our service contract business in Germany, including ensuring that existing contracts, currently in the planning stages, are delivered to schedule.

Looking forward, the Company intends to continue to progress expanding its sources of revenue. Oncimmune has a pipeline of new indications for early cancer detection including planned tests for ovarian, breast and prostate.

Matthew Hall
Chief Financial Officer

12 February 2020

Oncimmune Holdings plc
Consolidated income statement for the six months ended 30 November 2019

		Unaudited 6 months to 30 November 2019	Unaudited 6 months to 30 November 2018	Audited 12 months to 31 May 2019
	Notes	£'000	£'000	£'000
Continuing Operations				
Revenue		308	121	171
Cost of sales		(359)	(598)	(1,030)
<hr/>				
Gross loss		(51)	(477)	(859)
<hr/>				
Other income	3	580	-	49
Administrative expenses		(5,112)	(2,629)	(5,873)
Research and development expenses		(1,005)	(687)	(1,500)
Share-based payments charge		(218)	(82)	(406)
		(5,755)	(3,398)	(7,730)
<hr/>				
Operating loss		(5,806)	(3,875)	(8,589)
Finance income		13	28	52
Finance expense		(83)	-	(11)
<hr/>				
Loss on ordinary activities before taxation		(5,876)	(3,847)	(8,548)
Tax on loss on ordinary activities		10	-	536
<hr/>				
Loss from continuing operations		(5,866)	(3,847)	(8,012)
<hr/>				
Other comprehensive income				
Exchange translation differences		72	(25)	(51)
<hr/>				
Total comprehensive loss		(5,794)	(3,872)	(8,063)
<hr/>				
Attributable to :				
Owner of the parent		(5,794)	(3,872)	(8,063)
		(5,794)	(3,872)	(8,063)
<hr/>				
Loss per share:				
Basic and diluted (pence)	4	(9.16p)	(6.28p)	(12.97p)

Oncimmune Holdings plc
Consolidated statement of financial position as at 30 November 2019

	Notes	Unaudited 30 November 2019 £'000	Unaudited 30 November 2018 £'000	Audited 31 May 2019 £'000
Assets				
Non-current assets				
Goodwill		1,573	-	1,578
Intangible assets		1,286	596	1,432
Property, plant and equipment		299	257	422
Right-of-use assets	9	996	-	-
Total non-current assets		4,154	853	3,432
Current assets				
Inventories		161	200	292
Trade and other receivables		977	339	349
Cash and cash equivalents		7,513	9,046	5,358
Total current assets		8,651	9,585	5,999
Total assets		12,805	10,438	9,431
Equity and liabilities attributable to equity holders of the parent company				
Share capital	5	633	616	633
Share premium		31,382	30,952	31,382
Merger reserve		31,736	30,787	31,736
Other reserves		3,513	2,407	3,295
Own shares		(1,926)	(1,926)	(1,926)
Foreign exchange translation reserve		167	121	95
Retained Earnings		(63,216)	(53,185)	(57,350)
Total equity		2,289	9,772	7,865
Liabilities				
Non-current liabilities				
Other loans	6	7,598	-	-
Other liabilities	7	350	-	350
Lease liability	9	210	-	-
Deferred tax		146	-	156
Total non-current liabilities		8,304	-	506
Current liabilities				
Trade and other payables		1,367	613	1,011
Other tax liabilities		62	53	49
Lease liability	9	783	-	-
Total current liabilities		2,212	666	1,060
Total liabilities		10,516	666	1,566
Total equity and liabilities		12,805	10,438	9,431

Oncimmune Holdings plc
Consolidated statement of changes in equity for the six months ended 30 November 2019

	Share capital	Share premium	Other reserves	Merger reserve	Foreign Currency translation reserve	Own shares	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Six months ended 30 November 2019 - unaudited								
Balance at 1 June 2019	633	31,382	3,295	31,736	95	(1,926)	(57,350)	7,865
Loss for the period	-	-	-	-	-	-	(5,866)	(5,866)
Other comprehensive income	-	-	-	-	72	-	-	72
Total comprehensive expense for the period	-	-	-	-	72	-	(5,866)	(5,794)
Transactions with owners								
Share-based payment charge	-	-	218	-	-	-	-	218
Total transactions with owners	-	-	218	-	-	-	-	218
Balance at 30 November 2019	633	31,382	3,513	31,736	167	(1,926)	(63,216)	2,289

Oncimmune Holdings plc
Consolidated statement of changes in equity for the six months ended 30 November 2019
(continued)

	Share capital	Share premium	Other reserves	Merger reserve	Foreign Currency translation reserve	Own shares	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Year ended 31 May 2019 - audited								
Balance at 1 June 2018	616	30,952	2,325	30,787	146	(1,926)	(49,338)	13,562
Loss for the period	-	-	-	-	-	-	(8,012)	(8,012)
Other comprehensive income	-	-	-	-	(51)	-	-	(51)
Total comprehensive expense for the period	-	-	-	-	(51)	-	(8,012)	(8,063)
Transactions with owners								
Shares issued on debt settlement	6	430	195	-	-	-	-	631
Shares issued on acquisition	11	-	369	949	-	-	-	1,329
Share-based payment charge	-	-	406	-	-	-	-	406
Total transactions with owners	17	430	970	949	-	-	-	2,366
Balance at 31 May 2019	633	31,382	3,295	31,736	95	(1,926)	(57,350)	7,865

Oncimmune Holdings plc
Consolidated statement of changes in equity for the six months ended 30 November 2019
(continued)

	Share capital	Share premium	Other reserves	Merger reserve	Foreign Currency translation reserve	Own shares	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Six months ended 30 November 2018 - unaudited								
Balance at 1 June 2018	616	30,952	2,325	30,787	146	(1,926)	(49,338)	13,562
Loss for the period	-	-	-	-	-	-	(3,847)	(3,847)
Other comprehensive income	-	-	-	-	(25)	-	-	(25)
Total comprehensive expense for the period	-	-	-	-	(25)	-	(3,847)	(3,872)
Transactions with owners								
Share-based payment charge	-	-	82	-	-	-	-	82
Issue of shares	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	82	-	-	-	-	82
Balance at 30 November 2018	616	30,952	2,407	30,787	121	(1,926)	(53,185)	9,772

Oncimmune Holdings plc
Consolidated statement of cash flows for the six months ended 30 November 2019

Notes	Unaudited 6 months to 30 November 2019 £'000	Unaudited 6 months to 30 November 2018 £'000	Audited 12 months to 31 May 2019 £'000
Cash flow from operating activities			
Loss before tax	(5,876)	(3,847)	(8,548)
Adjustments for:			
Depreciation and amortisation	216	118	239
Interest Received	(13)	(28)	(52)
Interest Expense	83	-	11
Share-based payment expense	218	82	406
Foreign exchange movements	72	(25)	(53)
Profit on sale of assets	(580)	-	-
	(5,880)	(3,700)	(7,997)
Changes in working capital:			
(Increase)/ Decrease in inventories	120	95	120
(Increase)/ Decrease in trade and other receivables	(34)	(48)	(11)
Increase/(Decrease) in trade and other payables	371	(183)	(48)
Cash generated from operating activities	(5,423)	(3,836)	(7,936)
Interest Paid	-	-	(11)
Interest received	13	28	52
Net cash (used in) operating activities	(5,410)	(3,808)	(7,359)
Cash flow from investing activities			
Development expenditure capitalised	-	(10)	(10)
Purchase of property, plant and equipment	(124)	(82)	(183)
Cash received on disposal of assets	199		
Cash received from obtaining subsidiary	-	-	30
Net cash (used in) from investing activities	75	(92)	(163)
Cash flow from financing activities			
Cost of share issue	-	-	(70)
Proceeds of new long term borrowings	7,517	-	-
Principal lease repayments	(23)	-	-
Net cash (used in)/generated from financing activities	7,494	-	(70)
Net change in cash and cash equivalents	2,155	(3,907)	(7,595)
Movement in cash attributable to foreign exchange	(4)	(7)	(3)
Cash and cash equivalents at beginning of period	5,358	12,953	12,953
Cash and cash equivalents at end of period	7,513	9,046	5,358

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General information

The principal activity of Oncimmune Holdings plc (the "Company") and its subsidiaries (together, the "Group") is that of early cancer detection for research into, and the development and commercialisation of autoantibody tests that can detect cancer up to four years earlier than other methods and can be applied to a very wide range of solid tumour types. The Company is incorporated and domiciled in the United Kingdom. The address of its registered office is MediCity D6 Building, 1 Thane Road Nottingham, UK, NG90 6BH. The registered number is 09818395.

As permitted, this Interim Report has been prepared in accordance with the AIM rules and not in accordance with IAS 34 "Interim Financial Reporting".

This Consolidated Interim Report and the financial information for the six months ended 30 November 2019 does not constitute full statutory accounts within the meaning of section 434 of the Companies Act 2006 and are unaudited. This unaudited Interim Report was approved by the Board of Directors on 11 February 2020.

The consolidated financial statements are prepared under the historical cost convention.

The Group's financial statements for the period ended 31 May 2019 have been filed with the Registrar of Companies. The Group's auditor's report on these financial statements was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Electronic communications

The Company is not proposing to bulk print and distribute hard copies of this Interim Report for the six months ended 30 November 2019 unless specifically requested by individual shareholders.

The Board believes that by utilising electronic communication it delivers savings to the Company in terms of administration, printing and postage, and environmental benefits through reduced consumption of paper and inks, as well as speeding up the provision of information to shareholders.

News updates, Regulatory News and Financial statements can be viewed and downloaded from the Group's website, www.oncimmune.com. Copies can also be requested from; The Company Secretary, Oncimmune Holdings plc, MediCity D6, Building, 1 Thane Road, Nottingham, UK NG90 6BH or by email: oncimmune@consilium-comms.com

2. Accounting policies

Basis of preparation

This financial information has been prepared in accordance with International Financial Reporting Standards (IFRS), including IFRIC interpretations issued by the International Accounting Standards Board (IASB) as adopted by the European Union.

The accounting policies applied by the Group in this interim report are the same as those applied by the Group in the consolidated financial statements for the year ended 31 May 2019 with the exception of the new leasing standard IFRS 16 Leases, see note 9.

Going concern

This consolidated interim report has been prepared on a going concern basis and under the historical cost convention. During the period, the Group entered into a €8,500,000 credit facility with IPF Management SA. This facility is a four-year term, interest- only for the first 12 months,

with principal repayments commencing thereafter. The facility includes a financial covenant obligation which requires the Group (on a quarterly basis for the term of the facility) to be able to demonstrate that it holds a minimum amount of cash equal to the next six months of operating cashflow, including the amounts required to service the credit facility. In order to monitor compliance with this financial covenant, the Board prepares monthly financial accounts including a calculation of covenant compliance for the following 12 months. In the event that there is a delay or a reduction in forecast revenues or cash receipts, the Group has identified costs within the business which could be reduced within a relatively short time period in order to ensure the Group's ongoing compliance with the covenant.

After considering the period end cash position, tight financial control, and after making appropriate enquiries and reviewing budgets and profit and cash flow forecasts for the foreseeable future, the Directors have formed a judgement at the time of approving the interim report that there is a reasonable expectation that the Group has sufficient resources to continue in operational existence for the foreseeable future. For this reason, the Directors consider the adoption of the going concern basis in preparing the Consolidated interim report is appropriate.

Taxation

Taxes on income in the interim periods are accrued using the rate of tax that would be applicable to expected total annual earnings.

UK Tax credits on qualifying research and development expenditure are recognised when received.

3. Other income

On 31 October 2019, the Group sold its US laboratory, which included all of its fixed assets and inventories, for a consideration of \$1,000,000 (£798,000). The fair value of these assets at the time of the sale was £218,000. A profit on the sale of these assets of £580,000 has been recognised.

4. Loss per share

Basic

Basic loss per share is calculated by dividing the loss after tax attributable to the equity holders of the parent company for the period of £5,794,000 (May 2019: £8,063,000) (November 2018: £3,872,000) by the weighted average number of ordinary shares in issue during the period of 63,250,217 (May 2019: 63,250,217) (November 2018: 61,626,327).

Diluted

Due to losses in the period there is no calculation of a diluted earnings (loss) per share.

5. Share Capital

	November 2019		May 2019	
	Shares	£	Shares	£
Authorised:				
Ordinary shares of £0.01 each	64,102,560	641,025	64,102,560	641,025
Allotted, called up and fully paid:				
Ordinary shares of £0.01 each	63,250,217	632,502	63,250,217	632,502

In July 2019, share options over 101,281 £0.01 ordinary shares of the Company were awarded to employees under the Group's various share option plans.

These options are subject to the rules of their respective plans including vesting in five equal annual parts. Of this total of 101,281, 56,352 share options are exercisable at £1.09, 37,778 share options are exercisable at £1.08 and 7,151 share options are exercisable at £1.26.

6. Borrowing

The Group uses other loans to finance the ongoing operations of the Group. The following balances remain outstanding:

	November 2019 £'000	November 2018 £'000	May 2019 £'000
Non-Current			
Other loans	7,598	-	-

Other loans at 30 November 2019 included a venture loan facility originally of €8,500,000 from IPF Management SA ('IPF'). The facility, announced on 20 September 2019 is for a four-year term, although it can be repaid early. The facility is interest-only for the first 12 months, with principal repayments commencing thereafter. The loan has an interest rate of 9% over 3-month EURIBOR (subject to a floor of 0%). Interest is payable quarterly.

The Company has also issued to IPF a warrant, exercisable for seven years, to subscribe for 2,036,015 new ordinary shares of £0.01 in the Company at £0.87p calculated as a 5% discount to the 30-day average closing share price immediately prior to the date of the Facility. The fair value of the warrants was calculated and expenses with a corresponding entry recorded in equity.

7. Other liabilities

	November 2019 £'000	November 2018 £'000	May 2019 £'000
Non-Current			
Contingent Consideration	148	-	148
Other Contingent liabilities	202	-	202
	350	-	350

On 19 March 2019, the Group acquired all of the voting rights of Protagen Diagnostics AG ("Protagen") for a consideration with a fair value of up to £1,477,000 payable via the issue of Ordinary shares. On 19 March, 1,063,474 shares were issued with a fair value of £960,000. The remaining consideration is dependent on certain conditions and performance targets being met with a fair value of £369,000 has been recognised as equity on acquisition and the remaining contingent consideration with a fair value of £148,000 has been recognised as a liability.

In addition, as part of the acquisition, the Group agreed to settle certain pre-existing debts of Protagen, including a loan with a fair value of up to £778,000 payable via the issue of Ordinary shares. On 19 March 2019, 560,416 shares were issued with a fair value of £506,000. The remaining settlement is dependent on certain conditions and performance targets being met. The Directors have assessed that these criteria will be met and accordingly consideration due with a fair value of £194,000 has been recognised as equity, and the remaining amount with a fair value of £78,000 has been recognised with other contingent liabilities.

In addition, the Company agreed to settle a liability to two former directors with a fair value of £124,000 payable via the issue of Ordinary shares due to the partners of Protagen recognised on acquisition. This amount is contingent on certain conditions being met.

8. Events after the reporting period

There have been no events after the reporting period.

9. Changes in accounting policies

This note explains the impact of the adoption of IFRS 16 Leases on the Group's financial statements and discloses the new accounting policies that have been applied from 1 June 2019 below.

The Group has adopted IFRS 16 using the modified retrospective approach from 1 June 2019 and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustment arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 June 2019.

Adjustments recognised on adoption of IFRS 16

On adoption of IFRS 16, the Group reviewed its lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. It was found that the only operating leases in place as at 1 June 2019 all had less than 12 months remaining, and the Group has elected to take the practical expedients available for such leases and has continued to expense the lease payments as they are made.

The Group had no finance leases in place on the date of adoption of the new standard.

On the 23 October 2019, a new lease was signed on the Group's new main trading address, MediCity - D6 Building, 1 Thane Road, Nottingham, United Kingdom, NG90 6BH. On this date, a right of use asset of £1,013,000 was recognised. As at 30 November 2019 the carrying value of the right of use asset was £996,000, net of £17,000 depreciation charged in the period.

As at 30 November 2019, the Group has a lease liability of £993,000. This liability is split between a current liability of £210,000 and a non-current liability of £783,000.