

30 October 2020

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

Full year results and progress update

Continued delivery on growth strategy

Ongoing active opportunities to accelerate future growth across the Group

Oncimmune Holdings plc (AIM: ONC.L), the leading global immunodiagnostics group, today announces its unaudited results for the year ended 31 May 2020 and provides an update on recent progress.

Highlights

Commercial progress

EarlyCDT[®] Lung

- Strategic commercialisation agreement signed with Biodesix in the US for the rights to commercialise EarlyCDT Lung in nodules alongside the sale of US CLIA laboratory, materially reducing ongoing operating costs.
- EarlyCDT Lung cancer detection technology to be used in research contract signed with one of the world's largest pharmaceutical companies to detect lung cancer cases in a screening setting; initial project completed and expectation that this will develop into a long-term partnership in 2021.
- EarlyCDT Lung blood test now has 19 commercial distribution and partnership agreements covering 24 countries with a significant order book of minimum sales commitments from distributors secured.
- Medtech Innovation Briefing published by NICE supporting the potential for EarlyCDT Lung to aid early diagnosis of lung cancer in high risk patients whilst providing wider benefits by saving other NHS resources (CT scanning and radiologists) and reducing waiting times; cost-effectiveness of EarlyCDT Lung blood test demonstrated in health economics evaluation by Leeds University.
- Further technical validation of the EarlyCDT Lung blood test achieved with publication of positive results from the Early detection of Cancer of the Lung Scotland (ECLS) trial in the European Respiratory Journal.

ImmunoINSIGHTS Service

- Launch of ImmunoINSIGHTS, following acquisition of Protagen Diagnostics AG, leading to the establishment of a contract discovery and development business, further diversifying revenue across the Group – now includes services across immuno-oncology, autoimmune disease and recently, infectious diseases.
- Strong relationships built with large pharmaceutical and leading biotech companies, generating material ImmunoINSIGHTS contracts signed post year end, with both Roche and Genentech, a well-funded and innovative US biotech and other leading and innovative biopharmaceutical companies.
- Expansion of ImmunoINSIGHTS capabilities into infectious diseases, including COVID-19, following award of funding from the UK Government announced post year end to profile severity of immune responses to COVID-19 and predict therapeutic outcome.

- Early validation of infectious disease capabilities via initial partnership with Cedars-Sinai Medical Center, California, and further ongoing commercial discussions expected to be contracted this financial year and beyond.

Organisational Highlights

- Refocused the Board from nine to six Directors, comprising one Executive Director and five Non-Executive Directors (of which two are Independent Non-Executive Directors), to provide a more agile and focused Board to oversee the Group's scale-up whilst capitalising on the multiple opportunities for rapid growth.

Financial Highlights

- Income for the year of £715k (2019: £220k) excluded additional contract income of £511k signed and invoiced immediately before year end, and paid in July, bringing total invoiced income to £1.2M. The FY 2020 H1 to H2 growth in commercial activity in the first full year of the Group's strategic plan demonstrates its continued and successful implementation.
- Successful implementation of a cost reduction programme which continued post year end, reducing monthly operating costs in H2 2020 compared to H1 2020, has positioned the Group to capitalise on scalable and profitable growth over the medium term.
- Loss for the financial year was £8.5M (2019: £8.0M); includes £850k of one-off costs associated with acquiring and integrating Protagen Diagnostics, Biodesix commercialisation agreement and the disposal of the Group's US CLIA laboratory.
- Cash balance at year end of £4.2M (2019: £5.4M) and net debt of £3.0M (2019: net cash £5.4M).
- €8.5M credit facility with IPF Management fully drawn down during the year to meet increased business development and working capital needs. Facility extended by €6.0M post year end, with a €3.0M tranche drawn down in October 2020 to ensure the Group has sufficient capital to support outsourcing due diligence by pharmaceutical companies and to provide additional working capital to facilitate near-term growth from pharma service opportunities.

Outlook

- A growing pipeline of commercial opportunities for both EarlyCDT Lung and ImmunoINSIGHTS has materialised throughout 2020, resulting in active and late-stage discussions with a number of national health systems and pharmaceutical partners, globally.
- Additional further opportunities for ImmunoINSIGHTS created as a result of the Group's agreement to support the UK Government's COVID-19 programme with the development of an infectious disease NavigAID™ panel.
- Negotiations with the NHS to adopt EarlyCDT Lung are approaching a conclusion with announcement expected soon of first contract to sell EarlyCDT Lung to the NHS.
- Actively evaluating opportunities to accelerate growth across the Group through both organic programmes and inorganic acquisitions and the Board continuing to consider the optimal capital base from which to deliver these opportunities and to maximise returns to stakeholders.

Dr Adam M Hill, CEO of Oncimmune commented:

"We have made strong progress in our first full year of trading since the launch of our three-year strategy in September 2018, which has delivered a step-change in our revenue growth over the year led by the



ImmunoINSIGHTS services business. Despite the impact of COVID-19, further positive news flow post year end has sustained the Group's growth trajectory throughout H1 2021.

"Following the successful turnaround, Oncimmune now has a solid platform business underpinned by its core technology and expertise, that is validated by an expanding stable of commercial contracts and a full pipeline of pharma service opportunities. This underpins our expectation of delivering substantial further growth in the re-focused business throughout FY 2021 and beyond, about which the Company looks forward to providing further progress updates."

Investor Presentation and Conference Call

Management will host a presentation and conference call for analysts at 11:30am GMT today. For conference call details please contact Alexander Davis of FTI Consulting at Alexander.Davis@fticonsulting.com or 020 3727 1000.

The management team will also host on Investor Meet Company a live presentation of the results at 15:00 GMT this afternoon which will be open to all existing shareholders and potential new investors. Access to Investor Meet Company is free and interested parties can register to attend the presentation via the following link: <https://www.investormeetcompany.com/oncimmune-holdings-plc/register-investor>

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About Oncimmune

Our intimate understanding of the human immune system enables us to harness its sophisticated response to disease to detect cancer earlier and to support the development of better therapies. The key to improving cancer survival is early detection and better selection for therapy. As a company, we are driven by our passion to improve cancer survival and to give people extra time.

Oncimmune is a leading immunodiagnostics developer, primarily focused on the growing fields of immunoncology, autoimmune disease and infectious diseases. Oncimmune has a diversified and growing revenue from its portfolio of diagnostic products to detect early-stage cancer and a contract discovery and development service-based platform, delivering actionable insights into therapies to its pharmaceutical and biotech partners.



Oncimmune's ImmunoINSIGHTS platform enables life-science organisations to optimise drug development and delivery, leading to more effective targeted as well as safer treatments for patients. Oncimmune's immunodiagnostic technology, EarlyCDT, can detect and help identify cancer on average four years earlier than standard clinical diagnosis. The lead diagnostic test, EarlyCDT Lung, targets a vast market estimated to grow to £3.8bn by 2024. With over 200,000 tests already performed for patients worldwide and its use being supported by peer reviewed data in over 12,000 patients, it is poised to become an integral component of future lung cancer detection programmes, globally.

Oncimmune, headquartered at its laboratory facility in Nottingham, UK, has a discovery research centre in Dortmund, Germany and a partner representative office in Shanghai, China.

Further information is available at www.oncimmune.com

CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REVIEW

Introduction

We are pleased to report the Group's unaudited full year results for the year ended 31 May 2020 and provide an update on the further operational and strategic progress since year end.

Oncimmune is a leader in the analysis, development and application of immune biomarkers, using our proprietary technology platform and growing data sets, to solve human healthcare problems. Our vision is to enable personalised, data-driven clinical decisions across the cancer care continuum and now in other fields including autoimmune disease and infectious diseases. Cancer is responsible for one in six deaths worldwide and the World Health Organisation predicts there will be 16.4 million annual deaths from cancer globally by 2040, up from 9.6 million in 2018. We recognise that earlier detection of disease, and the stratification of patients for treatment, are the two most significant levers in managing the burden of cancer. As such, since our inception, Oncimmune has been working to improve the early detection of cancer and its subsequent treatment by harnessing the sophisticated disease detecting capabilities of the immune system to identify cancer in its earliest stages, when it is more amenable to treatment. We do this through our proprietary simple diagnostic test, EarlyCDT[®], and our immune service offering, ImmunoINSIGHTS, which can also enable the improvement and development of autoimmune and infectious disease treatments as well as those for cancer.

Business update

In September 2018 we announced a three-year strategic plan to deliver both the Company's mission and longer term growth and value in the business. In short, the strategy was implemented to unlock the latent potential of the Group's proprietary technology platform by broadening its applications and extending its use through commercial partnerships.

The 2020 financial year has been pivotal for Oncimmune, with the Company delivering its first full year of trading against its three-year strategic plan. Core to this strategy was the identification of commercial opportunities using our autoantibody-based platform and the building of scale and diversity across the business. That in turn has enabled the Company to grow in the short term whilst also supporting medium and longer term accretion for all stakeholders.

Today, both of our differentiated product offerings, the EarlyCDT product portfolio and the ImmunoINSIGHTS service offering, are starting to release the latent value of our technology, through the formation of long term strategic partnerships giving access to our platform, products, services and our in-house expertise. The foundations created in the last financial year have enabled Oncimmune to deliver strong commercial traction across its businesses and demonstrate that this growth, which has accelerated since year end, is expected to be sustainable throughout the current financial year and beyond.

As a result of the COVID-19 pandemic and subsequent restrictions implemented by the UK Government in March 2020, the Company successfully transitioned to remote working for our office based staff and established contingency plans to support business continuity going forward. Within our Nottingham and Dortmund laboratory facilities, we organised our staff's working arrangements to minimise the potential operational impact to the business and are pleased to report that COVID-19 has not materially affected our laboratory output. We would like to take this opportunity to thank all our staff for their hard work and dedication, especially throughout this ongoing COVID-19 period, and for their help in making the progress that we have in delivering the Group's strategy.

Product - EarlyCDT

Validation

In June 2019, positive results were announced from the Early detection of Cancer of the Lung Scotland (ECLS) study demonstrating that, in a randomised controlled trial of 12,208 people in Scotland at high risk of developing lung cancer, more people were diagnosed at an early stage of the disease in the two years after

taking the EarlyCDT Lung test than those in the control arm who received standard clinical care. Following these findings, in September 2019, the ECLS study results were presented to the 2019 World Conference on Lung Cancer in Barcelona by Professor Frank Sullivan. The academic and clinical reach of this important data was expanded further in July 2020 with the publication of the ECLS study in the peer-reviewed European Respiratory Journal, providing validation of the potential to use the platform technology as a screening modality, which can detect cancer on average four years or more before standard clinical diagnosis.

Further validating the EarlyCDT Lung blood test as an option in the early diagnosis of lung cancer, a study led by Leeds University Academic Unit of Health Economics, showed that using the EarlyCDT Lung blood test in the cancer risk assessment of indeterminate pulmonary nodules (IPNs) is highly cost effective and could accelerate the time to diagnosis. The study was supported by the National Institute for Health Research (NIHR) Leeds In Vitro Diagnostics Co-operative and was funded by the NIHR's Small Business Research Initiative programme.

In March 2020, the UK's National Institute for Health and Care Excellence (NICE) completed a review of EarlyCDT Lung for cancer risk stratification of IPNs and published a Medtech Innovation Briefing (MIB) concluding that the EarlyCDT Lung blood test can successfully aid early diagnosis of lung cancer in high risk patients while providing wider benefits by saving other NHS resources (CT scanning and radiologists) and reducing waiting times.

Commercialisation

In June 2019, Oncimmune signed a strategic commercialisation agreement for EarlyCDT Lung in the US with Biodesix, Inc. (Biodesix). Under the agreement, Biodesix was granted the rights to commercialise EarlyCDT Lung in IPNs in return for minimum royalty payments and the supply of product by Oncimmune, and was also granted an option, for a separate payment to Oncimmune, to extend its addressable market into screening in the US. In order to deliver its commercial strategy, Biodesix acquired Oncimmune's US CLIA laboratory and operations for \$1.0M in cash, the sale of which has materially reduced the Group's ongoing operating costs.

Biodesix launched the EarlyCDT Lung test in March 2020 under its Nodify Lung™ brand. The launch date, however, coincided with the onset of COVID-19 in the US, which hampered the attainment of early sales forecasts. The effect of the pandemic has also led Biodesix to notify Oncimmune that it will not be exercising its rights under the screening option. Despite this, Biodesix is forecasting for sales of Nodify Lung to begin to recover in early 2021 to meet contracted requirements, and the Company has opened a dialogue with potential other interested parties to take up the rights to screening in the US.

EarlyCDT Lung is now the subject of 19 commercial distribution and partnership agreements covering 24 countries. During the year, we signed a commercialisation agreement with R-Pharm in Russia, a partnership which has a minimum value of £5.0M over the initial term of five years, and our distributor in Spain, Sabartech S.L., successfully signed an agreement with Vithas Group to sell the EarlyCDT Lung blood test in Spain. A number of our other distributors have successfully gained marketing authorisations in their countries.

Our three-year strategic plan outlined Oncimmune's ambition to leverage this technology into other commercial partnerships and in May 2020 we announced the signing of an initial project with one of the world's largest pharmaceutical companies, to utilise the EarlyCDT Lung panel to detect incident lung cancer cases in a screening setting. We have now completed this initial project and our expectation is that this is the first step towards a long term partnership to generate widespread availability of the EarlyCDT Lung blood test in screening for early disease.

While COVID-19 has impacted the timing of potential sales of the EarlyCDT Lung blood test during the year, the need to identify lung cancer earlier remains a key priority for national health systems and clinicians. This need was highlighted in August 2020 by a national ITV News feature¹ which reported that Oncimmune's EarlyCDT Lung blood test has a valuable role to play in identifying the disease to enable earlier treatment, thereby saving patient lives.

¹ <https://www.itv.com/news/2020-08-08/new-blood-test-provides-breakthrough-in-lung-cancer-detection-rates>

Since announcing the positive results of the ECLS study in June 2019, and particularly since the year end, we have been in dialogue with national health systems globally, including the NHS in the UK, over the adoption of EarlyCDT Lung for IPNs and screening. In the UK this has included discussions with both Cancer Alliances and Clinical Commissioning Groups. Our overall engagement with the NHS has intensified since March 2020 and we hope that we will soon be in a position to announce the Group's first contract to sell the EarlyCDT Lung blood test into the NHS.

Given the significant progress we have made over the past financial year and post-year end, we remain confident in the commercial future for EarlyCDT Lung, which has the highest level of clinical validation for a test of its kind following the successful ECLS study.

Services - ImmunoINSIGHTS

Overview

Since the acquisition in March 2019 of Protagen Diagnostics AG (now renamed Oncimmune Germany GmbH) and the subsequent launch of ImmunoINSIGHTS, Oncimmune's contract discovery and development service-based platform, the pipeline of signed and potential commercial projects with major pharmaceutical and biotechnology companies has increased substantially. The ImmunoINSIGHTS service business leverages Oncimmune's technology platform and methodologies across multiple diseases, to offer life-science organisations actionable insights for therapies across the development and product lifecycle.

ImmunoINSIGHTS utilises two proprietary biomarker discovery platform technology tools:

- **SeroTag™** - drawing from our library of over eight thousand immunogenic proteins, one of the largest of its kind, to discover and validate biomarkers which can help stratify patients in multiple cancer indications, infectious diseases and with different autoimmune diseases. SeroTag acts as the primary discovery engine that feeds into the creation of Oncimmune's NavigAID™ panels.
- **NavigAID** - disease-specific stratification panels e.g. the COVID-19 panel under development and the existing Systemic Lupus Erythematosus (SLE) panel, are thoroughly validated and containing well defined antigens of interest for each of the disease types being investigated.

Scientific presentations and publications

The scientific and commercial potential of ImmunoINSIGHTS has also been highlighted in a recent high profile scientific presentation and publication. In May 2020, a featured presentation at the American Society of Clinical Oncology 2020 (ASCO) Virtual Scientific Programme demonstrated that data from profiling tumour associated antibodies in melanoma patients receiving checkpoint inhibitors, analysed on SeroTag, had identified that autoantibodies have a role in predicting clinical outcomes or immune-related events. This further demonstrates the potential of our ImmunoINSIGHTS service. Then, in July 2020, the research publication titled '*Profiling IgG antibodies targeting unmodified and corresponding citrullinated autoantigens in a multicentre national cohort of early arthritis in Germany*' was published in *Arthritis Research & Therapy*² demonstrating the potential of our ImmunoINSIGHTS service.

² Vordenbäumen, S., Brinks, R., Schriek, P. et al. Profiling of IgG antibodies targeting unmodified and corresponding citrullinated autoantigens in a multicenter national cohort of early arthritis in Germany. *Arthritis Res Ther* 22, 167 (2020). <https://doi.org/10.1186/s13075-020-02252-6>

Commercial momentum building

Roche and Genentech

In February 2020, we signed an initial ImmunoINSIGHTS contract with Roche to profile autoantibodies in patient samples collected during cancer immunotherapy trials. Following completion and delivery of the project on time, we secured a second and more substantial contract with Roche in May 2020 (Roche 2), also to profile autoantibodies in patients undergoing immunotherapy trials. In July 2020, we signed a substantial extension to the Roche 2 contract, increasing the number of autoantibody samples to be profiled within the agreed time period. We remain on track to deliver initial results on this project by November 2020.

In late September 2020, we signed a collaboration with Genentech, a member of the Roche Group, to characterise the autoantibody profiles of patients in clinical trials for rheumatological diseases, including SLE. As with previous contracts with Roche and other international pharmaceutical groups, the contract with Genentech has the potential to significantly expand with additional samples being profiled in the future.

Drug development collaboration agreement

In May 2020 we announced a drug development collaboration agreement with a well-funded, innovative US biotech company. This was the first partnership agreement signed under the ImmunoINSIGHTS branded offering, which granted Oncimmune the rights to develop companion diagnostic tests for each new medicine candidate successfully validated. In the event of a third party developing such companion diagnostics, this agreement will secure future revenue generation from a series of milestone payments from the use of Oncimmune's proprietary technology.

Other commercial contracts

Since the financial year end, we have continued to sign a growing number of commercial autoantibody profiling contracts. These include a pilot programme, signed in early September 2020, with a leading global biopharmaceutical company, to identify tumour associated antibody markers that are predictive of response and immune-related adverse events. It is anticipated that this project will lead, in time, to the signing of a significantly larger agreement to profile patients from a range of immuno-oncology clinical trials.

We believe that our success to date in winning contracts with the world's leading pharmaceutical companies and innovative biotechs, validates the commercial and scientific value of ImmunoINSIGHTS, including its proprietary discovery and profiling tools, SeroTag and NavigAID, and the potential further downstream revenue generation from products licensed to use our proprietary intellectual property and technology.

Services – COVID-19

Post year end, in October 2020, Oncimmune was awarded funding from the 'UK Research and Innovation (UKRI) Ideas to Address COVID-19' programme, to support a joint collaboration between Oncimmune and Medicines Discovery Catapult (MDC) to deliver the IMMunity Profiling of pAtients with COVID-19 for Therapy and Triage (IMPACTT) programme.

Oncimmune currently has over 800 SARS-CoV-2 related antigens and peptides for profiling COVID-19 patients and predicting their response to vaccines and therapeutics against the virus. This important collaboration with the MDC leverages the strengths of both organisations to rapidly develop a profiling tool for optimising novel therapeutics in patients with differing COVID-19 susceptibility and severity. Once completed, this dedicated Infectious Disease NavigAID panel will be a critical resource for biopharmaceutical companies in their development of biologic medicines and vaccines against COVID-19.

The Group anticipates having an Infectious Disease NavigAID panel delivering results within two months, and within six months to be in a position to support commercial projects for its biopharmaceutical customers with a validated COVID-19 panel. Soon after announcing this COVID-19 programme, the Group announced in mid-October 2020 a commercial agreement with Cedars-Sinai Medical Center, California, to profile COVID-19

samples as biomarkers for this disease, thereby providing evidence of the future commercial potential for the Group's infectious diseases programme.

We hope to be in a position to announce further developments regarding collaborations and contracts over the coming months and for more significant contracts to follow the validation of the COVID-19 panel, expected by the current financial year end.

Management and Board changes

In April 2020, Ron Kirschner joined Oncimmune's Senior Leadership Team as General Counsel and Company Secretary to the Board of Directors.

In May 2020, Richard Sharp stepped down as a Non-Executive Director of the Company, having taken up a role as senior strategic adviser to the UK Government in connection with the COVID-19 pandemic and in view of the demands of the new role. As a consequence of this new role, Mr Sharp transferred his entire holding of 4,280,749 ordinary shares of 1p in the Company into a blind trust of which he remains the sole beneficiary but over which he has no control.

At the end of the financial year ended 31 May 2020, Oncimmune's Board of Directors believed it was the right time to restructure the Board in order to be as agile, lean and as focused as possible. As such, the Directors agreed that the size and composition of the current Board would be updated to comprise Meinhard Schmidt, Non-Executive Chairman; Dr Adam M Hill, Chief Executive Officer; Dr Annalisa Jenkins, Senior Independent Non-Executive Director; Andrew Unitt, Independent Non-Executive Director; Tim Bunting, Non-Executive Director; and Dr Cheung To, Non-Executive Director.

Accordingly, Geoffrey Hamilton-Fairley, Non-Executive Vice Chairman; Julian Hirst, Independent Non-Executive Director; and Carsten Schroeder, Independent Non-Executive Director, stepped down from the Board on 4 June 2020.

Following these changes, the Board has decreased from nine members to six members and now comprises one Executive Director and five Non-Executive Directors, two of which are Independent Non-Executive Directors.

Corporate social responsibility and sustainability

Oncimmune's commitment to providing simple and affordable tests to detect the earliest signs of cancer in order to help improve outcomes has defined and framed the Company's ethos and culture since its creation. Oncimmune's commitment to diversity and a culture of equal opportunities and respect for the individual, underpinned by compliant and ethical behaviour, defines Oncimmune's business operations. At its core, the successful delivery of the Company's forward strategy is bolstered by this culture, its work environment and the lasting relationships that it has forged with all its stakeholders.

Oncimmune's approach to product development, subsequent launches, and delivery of its long-term growth is underpinned by a clear set of economic values aimed at protecting the Company from risk and securing its long-term future.

The Board's vision going forward is to further develop and formalise a comprehensive Corporate Social Responsibility and Sustainability strategy and to incorporate this within our risk and control framework.

Summary and Outlook

The year to 31 May 2020 and the period post year end has seen significant operational and commercial progress for the Company. In addition to securing EarlyCDT Lung partnerships with Bodesix in the US and R-Pharm in Russia, we have also launched our ImmunoINSIGHTS service business and validated its potential within our growth plans by building a growing stable of partnerships with leading biopharmaceutical and biotech companies.



The progress that has been made is in line with our three-year strategic plan. These full year results and the increasing pipeline of commercial opportunities that we have for our EarlyCDT product and the ImmunolNSIGHTS service business indicate significant and continuing momentum. The Directors have confidence in Oncimmune's evolving technology platform, its market positioning and prospects, which together support further expansion of the business in the current financial year and beyond.

The performance and progress made over the year and post year end, despite the disruption and challenges created by COVID-19, are testament to the hard work and commitment of all our employees. We are confident that our colleagues have the skills and commitment required to adapt to whatever the remainder of 2020 and 2021 has in store, enabling us to continue to deliver long-term value to all stakeholders.

On behalf of the Board and the rest of the staff, we would like to thank our shareholders for their continued support, and we look forward to updating the market on Oncimmune's continuing progress.

Meinhard Schmidt
Chairman

Dr Adam M Hill
Chief Executive Officer

30 October 2020

CHIEF FINANCIAL OFFICER'S REVIEW

A summary of the financial highlights of the year ended 31 May 2020, including post year end, is as follows:

- Income for the year of £715k (2019: £220k); an additional £511k contract income signed and invoiced immediately before year end, and paid in July, bringing total invoiced income for the year to £1.2M
- R&D costs for the year were £1.7M (2019: £1.5M)
- Administrative expenses for the year were £8.2M (2019: £5.9M)
- Loss for the financial year was £8.5M (2019: £8.0M)
- Cash balance at year end of £4.2M (2019: £5.4M) and net debt was £3.4M (2019: net cash £5.4M)

The Group made substantial progress in the implementation of its three-year strategic plan during the year. Income for the year of £715k (2019: £220k) excluded an additional contract revenue of £511k signed and invoiced immediately before year end, and paid in July, bringing total invoiced income to £1.2M. With FY 2020 H1 revenues of £308k, the growth in commercial activity in FY 2020 H2 demonstrated the increased delivery against the strategic plan as the year progressed.

Revenues during the year from the Protagen Diagnostics AG (now renamed Oncimmune Germany GmbH) acquisition in March 2019 were particularly encouraging and the Group has continued to see strong and increasing demand for its proprietary autoantibody profiling technology service business post year end. Revenues from the Group's EarlyCDT products business progressed, with kits sold to numerous distributors globally, although the emergence of COVID-19 in January 2020 did have an impact on our distributors' ability to market EarlyCDT Lung effectively. Notwithstanding this, several distributors continued to make satisfactory progress with commercial sales in their territories.

In the UK, the Group progressed its commercial discussions with the NHS for the adoption of EarlyCDT Lung in indeterminate pulmonary nodules (IPNs) as well as in screening. Since the year end, the impact of COVID-19 on the NHS has intensified efforts to identify cancers, including lung cancer, and we are hopeful that we will soon be announcing the Group's first contract to sell EarlyCDT Lung into the NHS.

In the US, the Group's partner, Biodesix, launched EarlyCDT Lung in March 2020, branded in the US as Nodify CDT™. This launch has been affected by the onset of COVID-19. However, based on our regular updates with Biodesix, it expects sales will begin to recover from early 2021.

The Group remains focused on its developing pipeline of cancer diagnostic products with an overall increase in research and development (R&D) activity and expenditure. R&D spend in the year was £1.7M (2019: £1.5M).

Administrative expenses were £8.2M (2019: £5.9M), an overall increase on the previous year, reflecting the previously explained increase in H1 FY 2020 which included a number of non-recurring transaction-related costs, such as those associated with the acquisition of our German business, the arrangement of the IPF credit facility (described below) and the agreement with Biodesix. Furthermore, the Protagen Diagnostic acquisition added to the patent estate and associated annual IP cost. During the year we continued to reshape the business with a number of staff appointments to drive increased commercial activity and to support our broadening commercial business. To offset this increase in costs, a cost reduction programme was implemented in December 2019 which successfully reduced the Group's monthly operating costs in H2 2020 compared to H1 2020. This focus on cost reduction and lower monthly operating costs has continued post year end.

Loss for the financial year was £8.5M (2019: £8.0M). The Group received £853k (2019: £536k) of R&D tax credit payment in the year, reflecting the Group's continued focus on new and innovative cancer diagnostic projects, building the library of immunogenic proteins, and validating additional NavigAID panels to facilitate the investigation of more disease types.

The cash balance at the end of the year was £4.2M (2019: £5.4M) and year end net debt was £3.4M (2019: net cash £5.4M).

The Company entered into a €8.5M credit facility with IPF Management SA in September 2019 and at year end this facility was fully drawn down. Since the year end, this credit facility has been extended by €6.0M with the first €3.0M tranche being drawn down in October 2020. The remaining €3.0M is available for draw down until 30 June 2021 subject to the attainment of certain commercial milestones. Each tranche of the total loan is repayable over a four-year term, interest-only for the first 12 months, with principal repayments commencing thereafter. The cash covenant over the whole loan has been increased from six to nine months as part of the extension. The loan can be repaid early. The additional debt facility will be used to meet the increased business development costs, working capital and capital expenditure needs of the ImmunoINSIGHTS business in Germany, which is experiencing strong growth as well as driving commercial adoption of the EarlyCDT Lung blood test. The additional funds will also be used to ensure the Group has sufficient capital to support outsourcing due diligence by pharmaceutical companies.

Financial outlook

The Group remains a leading developer of applied immunodiagnostics for the early detection of disease and drug discovery and development, with over 18 years as a leader in autoantibody-enabled immunodiagnostics. Oncimmune's proprietary platform technology includes a substantial immunogenic protein library, over 200 patents granted and pending in 47 countries and over 160 peer-reviewed materials.

Within our EarlyCDT product business, our flagship product, EarlyCDT Lung, was recently the subject of the largest successful prospective randomised study of a blood biomarker for cancer detection. The Group has 19 commercial distribution and partnership agreements covering 24 countries. Whilst COVID-19 has undoubtedly impacted potential sales globally, the need to identify lung cancer early remains a priority for national health services and clinicians worldwide, and the provision of healthcare is already being better partitioned to enable continuing care provision, with a heightened focus on healthcare economics to which our products and services are well-aligned.

The Group's ImmunoINSIGHTS business continues to benefit from increasing levels of contracted projects and has a substantial and growing pipeline of potential projects. To emphasise the growing demand for the ImmunoINSIGHTS service, prior to the year end the Group announced it had signed its second contract with Roche and since the year end this contract has been further expanded. Following the year end, the Group has also entered into a number of further projects with major biopharmaceutical and biotech companies including signing a contract with Genentech, a member of the Roche Group, in September 2020.

As such, the Directors are confident that its current cash and other available financial resources are sufficient to deliver the current three-year strategic plan. Opportunities are under active evaluation to accelerate current and prospective growth across the Group's differentiated product offerings, both through organic programmes and acquisitions. The Board continues to consider the most appropriate capital base from which to optimise this growth and at the same time maximise returns to stakeholders.

Matthew Hall
Chief Financial Officer

30 October 2020

Unaudited Consolidated statement of comprehensive income

	Year to 31 May 2020 £'000	Year to 31 May 2019 £'000
Revenue	509	171
Cost of sales	(537)	(1,030)
Gross loss	(28)	(859)
Research and development expenses	(1,677)	(1,500)
Administrative expenses	(8,174)	(5,873)
Share based payment charges	(174)	(406)
Gain on disposal	579	-
Total administrative expenses	(9,446)	(7,779)
Other income	206	49
Operating loss	(9,268)	(8,589)
Finance income	111	52
Finance expense	(626)	(11)
Finance (cost)/income – net	(515)	41
Loss before income tax	(9,783)	(8,548)
Income tax credit	1,324	536
Loss for the financial year	(8,459)	(8,012)
Other comprehensive income Items that may be subsequently reclassified to profit or loss, net of tax		
Currency translation differences	84	(51)
Loss after tax and total comprehensive income for the year attributable to equity holders	(8,375)	(8,063)
Basic and diluted loss per share	(13.36p)	(12.97p)

Unaudited Consolidated statement of financial position

	31 May 2020 £'000	31 May 2019 £'000
Assets		
Non-current assets		
Goodwill	1,578	1,578
Intangible assets	1,138	1,432
Property, plant and equipment	390	422
Right-of-use assets	982	-
	<hr/> 4,088	<hr/> 3,432
Current assets		
Inventories	174	292
Trade and other receivables	1,716	349
Contract assets	97	-
Cash and cash equivalents	4,240	5,358
	<hr/> 6,227	<hr/> 5,999
Total assets	<hr/> 10,315	<hr/> 9,431
Equity and liabilities		
Equity		
Capital and reserves attributable to the equity holders		
Share capital	635	633
Share premium	31,459	31,382
Other reserves	3,048	3,295
Merger reserve	31,882	31,736
Foreign currency translation reserve	179	95
Own shares	(1,926)	(1,926)
Retained earnings	(65,471)	(57,350)
	<hr/> (194)	<hr/> 7,865
Non-current liabilities		
Other liabilities	-	350
Deferred tax	133	156
Lease liability	762	-
Borrowings	6,147	-
	<hr/> 7,042	<hr/> 506
Current liabilities		
Trade and other payables	1,037	1,011
Contract liabilities	570	-
Other statutory liabilities	65	49
Lease liability	227	-
Other liabilities	428	-
Borrowings	1,140	-
	<hr/> 3,467	<hr/> 1,060
Total liabilities	<hr/> 10,509	<hr/> 1,566
Total equity and liabilities	<hr/> 10,315	<hr/> 9,431

Unaudited Consolidated statement of changes in equity

	Share capital	Share premium	Other reserves	Merger reserve	Foreign currency translation reserve	Own Shares	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 June 2018	616	30,952	2,325	30,787	146	(1,926)	(49,338)	13,562
Loss for the year	-	-	-	-	-	-	(8,012)	(8,012)
Other comprehensive income:								
Currency translation differences	-	-	-	-	(51)	-	-	(51)
Total comprehensive income	-	-	-	-	(51)	-	(8,012)	(8,063)
Transactions with owners:								
Shares issued during the year	6	430	195	-	-	-	-	631
Shares issued on acquisition	11	-	369	949	-	-	-	1,329
Share option charge	-	-	406	-	-	-	-	406
As at 31 May 2019	633	31,382	3,295	31,736	95	(1,926)	(57,350)	7,865
Loss for the year	-	-	-	-	-	-	(8,459)	(8,459)
Other comprehensive income:								
Currency translation differences	-	-	-	-	84	-	-	84
Total comprehensive income	-	-	-	-	84	-	(8,459)	(8,375)
Transactions with owners:								
Share warrants issued	-	-	142	-	-	-	-	142
Shares issued in relation to prior year acquisition	2	77	(563)	146	-	-	338	-
Share option charge	-	-	174	-	-	-	-	174
As at 31 May 2020	635	31,459	3,048	31,882	179	(1,926)	(65,471)	(194)

Unaudited Consolidated statement of cash flows

	Year to 31 May 2020 £'000	Year to 31 May 2019 £'000
Cash flows from operating activities		
Loss before income tax	(9,783)	(8,548)
Adjusted by:		
Depreciation and amortisation	500	239
Share based payment charge	174	406
Interest received	(111)	(52)
Interest expense	626	11
Exchange movement	-	(53)
Gain on disposal	(579)	-
Fair value movement	78	-
Changes in working capital:		
Decrease in inventories	107	120
Increase in trade and other receivables	(807)	(11)
Increase / (decrease) in trade and other payables	591	(48)
Cash used by operations	(9,204)	(7,936)
Interest paid	(663)	(11)
Interest received	111	52
Income tax received	853	536
Net cash used by operating activities	(8,903)	(7,359)
Cash flows from investing activities		
Purchase of property, plant and equipment	(236)	(183)
Development expenditure capitalised	-	(10)
Cash received from obtaining subsidiary	-	30
Proceeds from sale of property, plant and equipment	583	-
Net cash generated from / (used in) investing activities	347	(163)
Cash flows from financing activities		
Cost of share issue during the year	-	(70)
Loans	7,598	-
Principal lease repayments	(138)	-
Net cash generated from / (used in) financing activities	7,460	(70)
Movement in cash attributable to foreign exchange	(22)	(3)
Net (decrease) in cash and cash equivalents	(1,118)	(7,595)
Cash and cash equivalents at the beginning of the year	5,358	12,953
Cash and cash equivalents at the end of the year	4,240	5,358

Notes to the consolidated financial information

General information

Oncimmune Holdings plc (the 'Company') is a limited company incorporated and domiciled in England and Wales. The registered office of the company is MediCity – D6 Building, 1 Thane Road, Nottingham, NG90 6BH. The registered company number is 09818395.

The Group's principal activity is the development and commercialisation of technologies that enable cancer diagnosis.

The Directors of Oncimmune Holdings plc are responsible for the financial information and contents of the financial information.

Basis of preparation

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 May 2020 and 31 May 2019.

The financial information for 2019 is derived from the statutory accounts for 2019 which have been delivered to the registrar of companies. The auditor has reported on the 2019 accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The statutory accounts for 2020 will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the registrar of companies in due course.

The Group's financial statements have been prepared in accordance with IFRS and International Financial Reporting Interpretations Committee ("IFRIC") interpretations adopted by the European Union ("EU") at the time of preparing the Group's financial statements and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Except as described below, the accounting policies applied in the year ended 31 May 2020 are consistent with those applied in the financial statements for year ended 31 May 2019 with the exception of a number of new accounting standards and amendments including IFRS 16 "Leases" which has resulted in a Right-of-use asset and lease liability being recorded on the Consolidated statement of financial position.

The consolidated financial information is presented in sterling and have been rounded to the nearest thousand (£'000).

Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence at least 12 months from the date of this preliminary announcement, being the period of the detailed going concern assessment reviewed by the Board, and therefore continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

The Board has modelled a severe but plausible downside scenarios under these severe but plausible downside scenario, the Group has sufficient liquidity to be able to manage these downside assumptions.