Annual Report and Accounts 2018

ANGLE

Commercial applications

ANGLE has a clear strategy to commercialise its Parsortix™ system in an emerging multi-$billion market.

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

A great deal of work has been completed with the aim of ensuring the system is robust, operates reproducibly and can run patient samples efficiently.

Development
Successful evaluation of the system by major cancer research centres as Key Opinion Leaders (KOLs) for the market has already been achieved.

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

Effective execution of our strategy has the potential to:

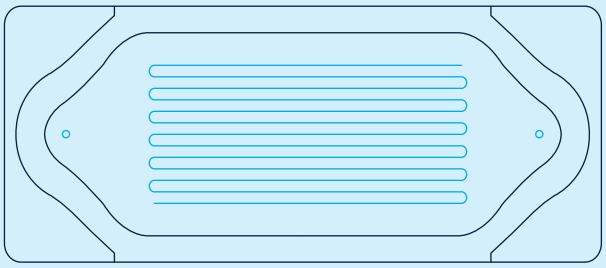
1. Deliver significant financial returns for shareholders
2. Profoundly improve the outcome for cancer patients
3. Reduce healthcare costs

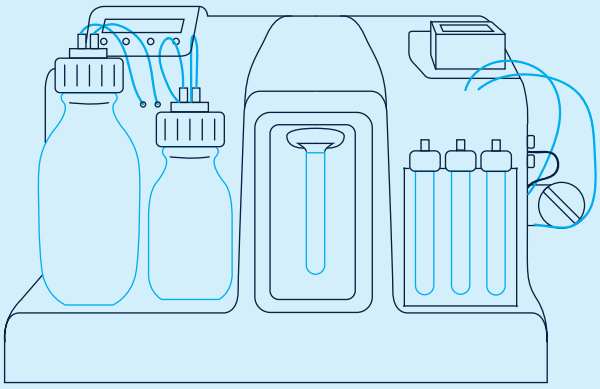
Commercial potential

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

$22bn

JP Morgan liquid biopsy market value estimate 2020[1]





Driving commercialisation in a multi-$billion liquid biopsy market

Cancer screening

- Requires large scale studies over many years
- Partner with charities and Government
- Research Use Sales opportunity

Cancer diagnosis

$1bn
Market for triaging for ovarian cancer in pelvic mass surgery

£3bn
Market for detecting prostate cancer and assessing aggressiveness

Drug selection

- **Collaboration with QIAGEN** for ARV7 in prostate cancer (Abiraterone and Enzalutamide)
- **Collaboration with Abbott** for HER2 in breast cancer (Herceptin/ Trastuzumab)
- qPCR and NGS RNA analysis to identify suitable drugs in breast cancer
- CTC culturing and live drug analysis under development

Treatment assessment

£1bn
Metastatic breast cancer market

- Measurement of metastasis by presence and number of CTCs at different time points

Remission monitoring

- Periodic assessment against baseline for presence and number of CTCs

Repeat tests at every stage using **Parsortix and Ziplex® system**

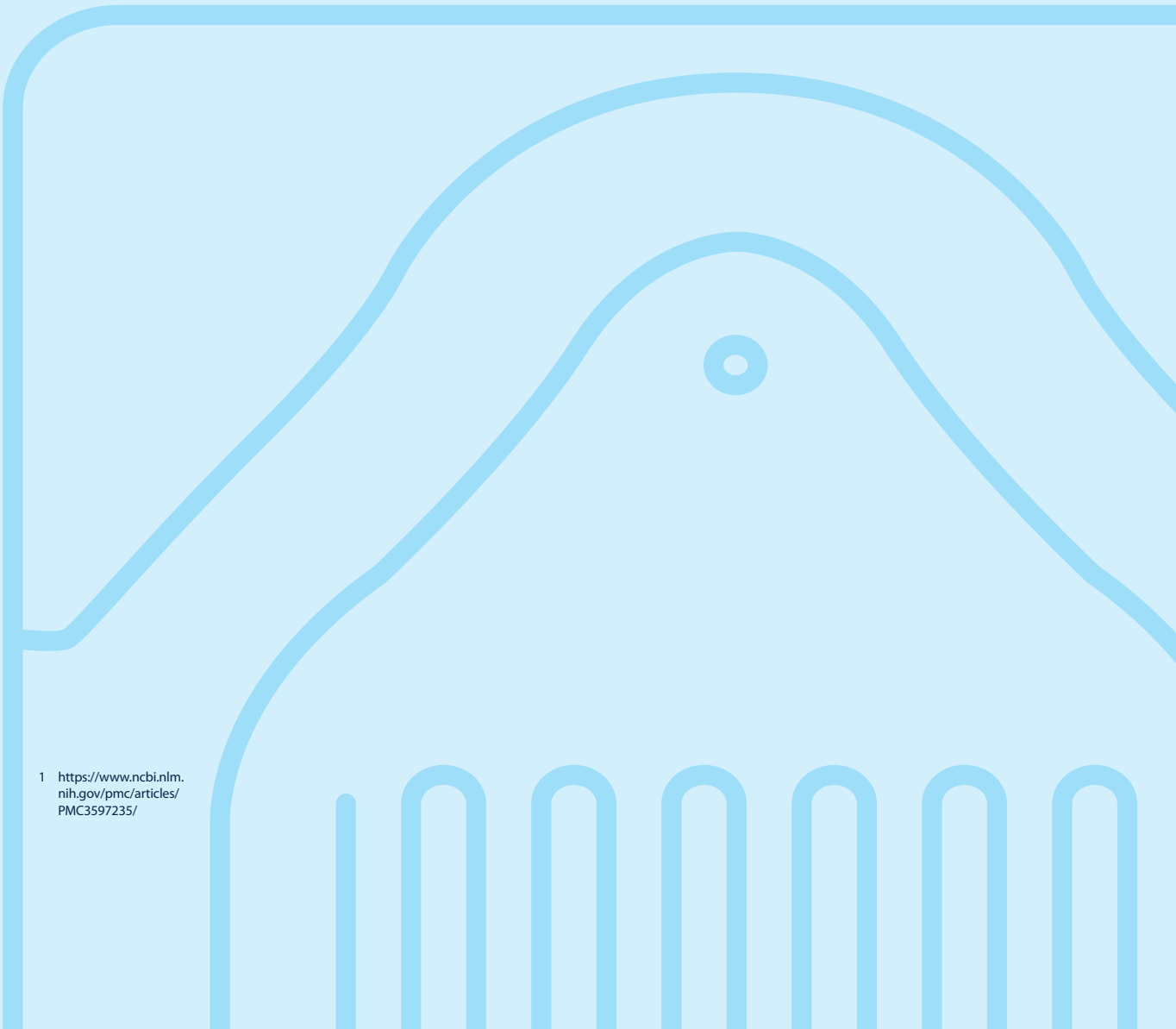
1 Goldman Sachs $14bn in US alone by 2025. JP Morgan = worldwide by 2020

→ *Read more in our investment case on page 03*

90%

Metastasis causes >90% of cancer deaths[1]

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



1 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3597235/

The problem

What is cancer?

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

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

Cancer cells can spread to other parts of the body through the blood and lymph systems.

How many people are affected?

50%

Of the population will suffer from cancer[3]

27%

The number of new cancer diagnoses in the UK per year is increasing, and has risen by more than 27% since 2001[1]

200

There are more than 200 different types of cancer[3]

How cancer spreads

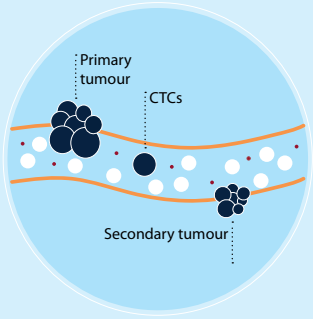
The main reason that cancer is so serious is its ability to spread in the body. Cancer cells can spread locally by moving into nearby normal tissue or spread regionally, to nearby lymph nodes, tissues, or organs. It can also spread to distant parts of the body. When this happens, it is called **metastatic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

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

Why is metastasis important?

90%

Metastasis causes >90% of cancer deaths[2]



In metastasis, cancer cells break away from where they first formed (primary tumour), and travel through the blood or lymph system. These CTCs can form new tumours (metastatic tumours) in other parts of the body. The secondary tumour is the same type of cancer as the primary tumour, but may then evolve into a different type.

White blood cells
Red blood cells

What are the challenges to treatment?

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

1. How do we know which drug will work most effectively on a patient?
2. How can we track whether drugs are in fact working and having a positive impact?
3. How do we monitor patients in remission to assess any risk of the disease returning?

Current detection shortcomings

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

- Requires **invasive** surgery
- **Difficulty** in accessing some tumours (pancreatic, lung, brain, liver and bone cancers)
- Patients experience a longer **recovery** time
- **Expensive** to perform
- **Difficult** to repeat

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

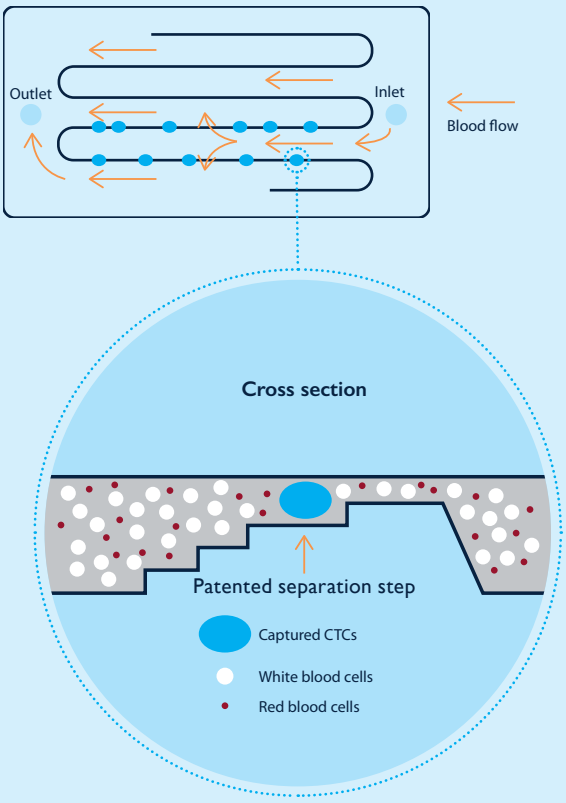
The solution: Parsortix technology

The Parsortix system

The Parsortix system from ANGLE uses a patented microfluidic technology in the form of a one-time use cassette to capture and then harvest CTCs from blood. The cassette captures CTCs based on their less deformable nature and larger size compared to other blood components.

A closer look at the cassette

CTCs are caught on a step that criss-crosses the microscope slide sized cassette.



The resulting liquid biopsy (simple blood test) enables the detection and investigation of mutations and gene and protein expression in the patient's cancer for personalised cancer care.

CANCER RESEARCH UK

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

Ged Brady
Cancer Research UK Manchester Institute

The benefits of the Parsortix system

1. By capturing CTCs in the blood of cancer patients, you can identify the characteristics of their cancer to better determine which drugs will be more effective.
2. By looking at the number of CTCs and how this changes over time, you can predict survival rates for patients and monitor how well the treatment is progressing.
3. A simple blood test monitoring their levels of CTCs for patients in remission may act as an early warning system of a relapse, well ahead of symptoms, allowing earlier treatment with consequent better likelihood of success.

Competitive differentiation

The Parsortix system is able to capture and harvest CTCs from patient blood. This means that a simple peripheral blood test can be used to provide crucial medical information regarding the fluctuating status of a patient's disease.

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

We are ANGLE plc

Our purpose
To revolutionise cancer diagnosis and treatment

Who we are

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

Our mission

We develop products for use in rare cell diagnostics that enable early, accurate identification of an individual's condition for the prevention, treatment, and monitoring of disease.

Our vision

To advance rare cell diagnostics: making precision medicine a reality.

@parsortix ANGLEplc angleplcParsortix

Operational highlights

£3.6 million

Acquisition of the assets of Axela Inc.

→ *Read more on page 16*

Three

Collaborative agreements signed with leading, global healthcare companies

→ *Read more on page 18*

Ten

Peer-reviewed publications

→ *Read more on page 20*

Financial highlights

£15.0 million

Fundraising during the year

£7.6 million

Cash balance at 30 April 2018

→ *Read more in our Financial Review on page 28*

£12.7 million

Post year end fundraising

→ *Read more in our Financial Review on page 28*

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

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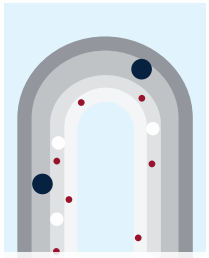


→ Our Strategy see page 09

→ Commercialisation see page 16

BUSINESS REVIEW / **AT A GLANCE**

What we do

We produce a world-leading liquid biopsy test providing translational researchers with the ability to capture and harvest CTCs and other rare cells of interest.

Our strategy

1

Completion of rigorous large scale clinical studies run by leading cancer centres

→ *Read more on our Clinical Studies on pages 12 to 15*

2

Securing regulatory approval of the system with the emphasis on FDA clearance as the de facto global gold standard

→ *Read more on FDA clearance on pages 14 to 15*

3

Establishing a body of published evidence from leading cancer centres

→ *Read more on our Research Use Sales page 17*

4

Establishing partnerships with large healthcare companies for market deployment

→ *Read more on our Partnerships on page 20*

Our people

We foster a dynamic, entrepreneurial approach and promote a culture of collaboration and shared excellence while encouraging an open and honest exchange of ideas.

Our market

14.1 million

new cancer cases worldwide in 2012[1]

32.5 million

people alive who have had cancer[1]

→ *Read more in Our Market on page 08*

1 https://www.cancerresearchuk.org/health-professional/cancer-statistics/worldwide-cancer

Active risk management

Our risk management framework is designed to address all the significant strategic, financial, operational and compliance-related risks so that we achieve our business objectives.

→ *Read more on our risk management on pages 32 to 35*

Exemplary governance

Our Board strongly supports adherence to the highest standards of corporate governance, focusing on transparency, integrity and accountability. Our Directors are committed to ensuring best practice and dedicate time to reviewing and assessing our performance and enhancing our approach.

→ *Read more on our governance on pages 36 to 48*

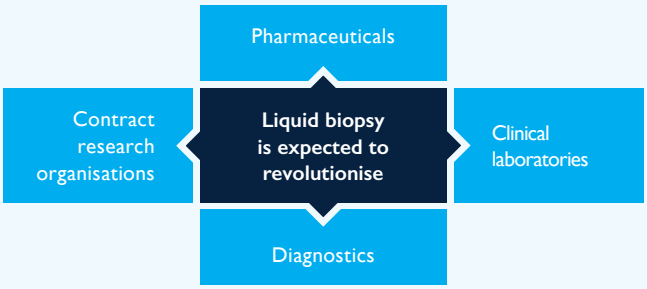
BUSINESS REVIEW / **OUR INVESTMENT CASE**

How we create long-term sustainable value

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

multi-$bn
emerging multi-billion dollar market

Liquid biopsy technologies expected to transform multiple industries



Pharma impact
- Improved drug development
- Advancing precision medicine

Patient & provider impact
- Faster diagnosis
- Personalised medicine

Clinical trial impact
- Real-time monitoring
- Identification of likely patient responses

Covers all solid cancers

Unlike other systems, the Parsortix system is applicable for all solid cancers. Parsortix can be used without modification on a wide range of cancers including ovarian, prostate, breast, lung, colorectal, pancreatic, melanoma, cervical and renal cancers.

→ *Read more about Parsortix on page 16*

Simple and easy to use

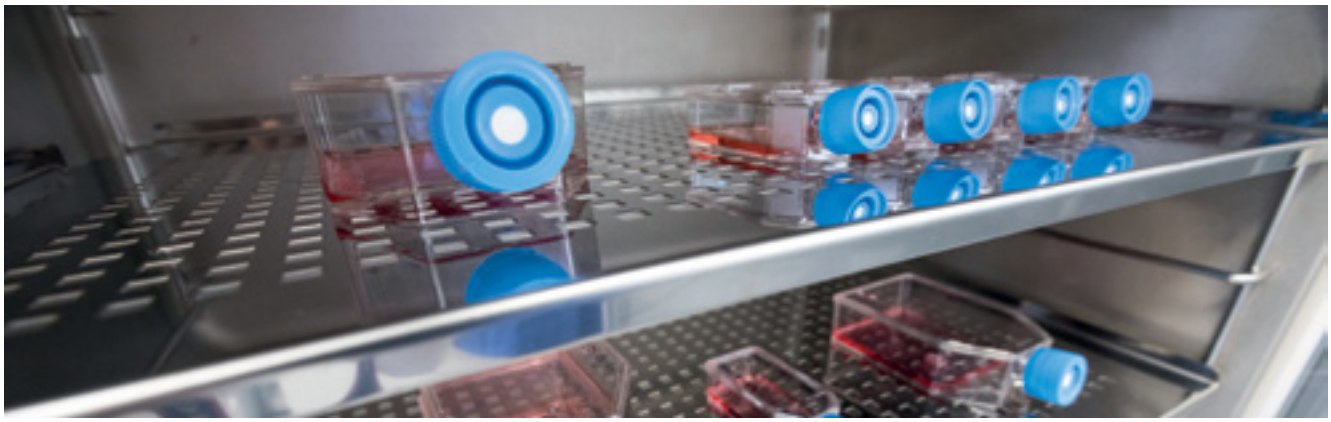
The patented Parsortix system is easy to use and can be used with whole blood samples, direct from a simple blood draw. This makes the process simple and cost effective whilst maintaining quality standards.

→ *Read more about Parsortix on page 16*

Partnerships

The Parsortix system is compatible with multiple existing downstream analysis techniques. ANGLE has a strategy to partner with large scale companies to accelerate widespread market adoption.

→ *Read more about Partnerships on page 18*



BUSINESS REVIEW / **CHAIRMAN'S STATEMENT**

ANGLE has demonstrated the clinical potential of its Parsortix system through successful ovarian cancer studies

"We continue to invest heavily to pursue FDA clearance for the Parsortix system as the first ever FDA cleared clinical device to harvest intact circulating tumour cells for analysis from patient blood. Commencement of clinical trials at four prestigious US cancer centres marks a major step forward for the business."

Garth Selvey
Chairman

Our values

- Reputation, integrity and good governance
- Building long-term partnerships and trust
- Focus on R&D and innovation
- Openness and transparency
- Sustainability and responsibility

Our culture

- Hard-working and adaptable
- Driven by a passion to improve the quality of cancer diagnosis
- Progressive and pragmatic
- 'Open door' and inclusive
- Collaborative and supportive

Operational highlights

400

subjects in FDA clinical study set up and in progress with four leading US cancer centres, targeted for completion this year

→ *Read more on page 14*

95.1%

accuracy in US and European ovarian cancer studies in 400 patients' blood test, discriminating between benign and malignant pelvic masses, significantly out-performing standard of care

→ *Read more on page 12 and 13*

£3.6 million

acquisition of the assets of Axela Inc. The principal asset, the Ziplex® platform, allows multiplex gene expression analysis of cancer cells. This complements the Parsortix™ system and, in time, will be offered to customers as a full "sample to answer"solution

→ *Read more on page 16*

Three

collaborative agreements signed with leading, global healthcare companies QIAGEN, Philips and Abbott

→ *Read more on page 18*

Ten

peer-reviewed publications (30 April 2017: 4) and 21 publicly available posters (30 April 2017: 13)

→ *Read more on page 20*

Financial highlights

£15.0 million

fundraising during the year
(£14.4 million net of expenses)

£7.6 million

cash balance at 30 April 2018
(30 April 2017: £5.5 million)

- Loss for the year £7.5 million (2017: loss £6.4 million) reflecting planned investment
- Revenue and grant income £0.7 million (2017: £0.5 million)
- Post year end fundraising of £12.7 million (£12.0 million net of expenses)

→ *Read more in our Financial Review on page 28*

Introduction

ANGLE has strengthened its leading position in the liquid biopsy market. Two successful ovarian cancer clinical studies were followed by the successful design and commencement of clinical and analytical studies in metastatic breast cancer specifically to support a submission to the FDA in pursuit of FDA clearance.

ANGLE also acquired the assets of Axela Inc. for £3.6 million. The principal asset, the Ziplex platform, provides multiplex gene expression analysis of cancer cells making it complementary to the Parsortix system and ultimately allowing ANGLE to offer a full "sample-to-answer" solution.

Overview of Financial Results

Revenue and grant income of £0.7 million (2017: £0.5 million) came mainly from research use of the Parsortix system. Planned investment in studies to develop and validate the clinical application and commercial use of the Parsortix system increased, resulting in operating costs of £9.4 million (2017: £7.8 million). Thus, the loss for the year, after a tax credit of £1.4 million (2017: £1.0 million), correspondingly increased as expected to £7.5 million (2017: £6.4 million).

The cash balance was £7.6 million at 30 April 2018 (30 April 2017: £5.5 million) and an R&D tax credit of £1.1 million was received shortly after the year end. The financial position was strengthened during the year with a placing of shares with major institutional investors, which raised £15.0 million gross (£14.4 million net of expenses).

Post year end a further £12.7 million gross fundraising was completed (£12.0 million net of expenses).

Strategy

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

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

Progress towards FDA clearance

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

ANGLE has sustained a high level of resource commitment on its efforts to progress towards FDA clearance over several years. Preparation for the analytical and clinical studies required to make a comprehensive submission to the FDA has necessitated an enormous amount of work to develop, test and finalise the protocols involved. Optimisation of the techniques used to analyse cells harvested by the Parsortix system has required the development of know-how which, now successfully completed, adds to the overall capability and differentiation of the Parsortix system in the market.

We are delighted that the FDA clinical study ANG-002 is in progress with four of the leading US cancer centres enrolling patients: University of Texas MD Anderson Cancer Center, University of Rochester Wilmot Cancer Center, University of Southern California Norris Comprehensive Cancer Center, and Robert H Lurie Comprehensive Cancer Center Northwestern University.

We are also delighted that the global healthcare company Abbott has joined the study enabling us to use its proprietary PathVysion™ HER-2 DNA FISH Probe Kits.

A key aim for the Company in the new financial year is to complete the FDA clinical and analytical studies. Whilst the enrolment of patients and analysis of results are conducted by independent cancer centres and outside the control of the Company, current expectations continue to be that both the FDA studies will complete this year.

→ *Continues overleaf*

Large scale clinical studies

Ovarian cancer clinical application: triaging abnormal pelvic mass

During the year, the Company's first clinical application for the Parsortix system was advanced with two clinical studies designed as a Pelvic Mass Triage (PMT) test to detect the presence of ovarian cancer in women with an abnormal pelvic mass requiring surgery.

Both studies reported positively during the year and the detailed results of the US clinical study were reported at the Society of Gynecologic Oncology (SGO) Annual Meeting on Women's Cancer by the Principal Investigator, Dr. Richard Moore, Director of the Gynecologic Oncology Division, University of Rochester Medical Center Wilmot Cancer Institute on 24 March 2018. The results demonstrated a correct prediction of cancer with an accuracy (area under the curve) of 95.1% for the predictive assay. ANGLE's Pelvic Mass Triage test achieved higher sensitivity and specificity than any other test available for the same application.

The excellent performance of ANGLE's Parsortix system in this large scale clinical study for the detection of ovarian cancer demonstrates the capability of ANGLE's CTC system to out-perform current approaches for the detection of ovarian cancer. ANGLE is now working to optimise this assay by the end of the year and then complete a further clinical study in 2019/20 to progress commercialisation. ANGLE estimates that the total addressable market for its Pelvic Mass Triage test is worth US$1 billion per annum.

Ziplex downstream analysis technology

Whilst both the 200 patient European and US ovarian studies outlined above utilised the Parsortix system to harvest cancer cells from the blood of patients where present, the European study used traditional PCR (polymerase chain reaction) techniques to undertake molecular analysis of the harvested cells whereas the US study used the novel multiplex gene and protein analysis platform, Ziplex system provided by Axela.

On comparison of the studies, the Ziplex platform was shown to offer key advantages over other technologies available on the market including high sensitivity, enabling successful use on only a small number of cancer cells amongst a larger background population of blood cells and the ability to multiplex a large number (up to 200) of gene expression analyses in a single reaction.

All the Axela assets, including worldwide intellectual property in relation to the Ziplex platform, were acquired by ANGLE for £3.6 million on 1 November 2017.

The acquisition represents a major strengthening of ANGLE's position within the liquid biopsy market providing a key competitive differentiation of owning both a CTC harvesting technology and a downstream molecular analysis technology to interrogate the harvested CTCs.

Prostate cancer: blood test alternative to prostate biopsy

During the year Barts Cancer Institute reported in the peer-reviewed journal, Clinical Cancer Research, results of their 40 patient study, which showed that combining the analysis of mesenchymal CTCs and megakaryocytes using Parsortix enabled the identification of patients 10 times more likely to die of their disease in the short term.

Coupled with Barts' earlier work, this suggests that the use of the Parsortix system may enable not only the detection of prostate cancer but also an assessment of its aggressiveness. The latter is a key point as currently many men have invasive treatment for prostate cancer which would have remained indolent. It would be a big step forward in the treatment of prostate cancer if a forward looking assessment could identify those men who need and those who do not need invasive treatment.

At present, ANGLE is focusing resources primarily on breast cancer and ovarian cancer, with prostate cancer receiving smaller scale investment while plans are being developed. However, a number of options are being explored to expedite further development in the prostate cancer area through partnering.

Establishing a body of published evidence

Further strong progress was made this year in establishing a body of published evidence.

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

The installed base of Parsortix instruments is continuing to grow, standing at over 200 at 30 April 2018, up from c. 145 at 30 April 2017. Over 49,000 blood separations have now taken place using the Parsortix system, up from c. 30,000 at 30 April 2017.

This deployment of Parsortix in research use now means that the system is widely presented and discussed at leading cancer conferences around the world and, during the year, paying customers have developed ground-breaking new research using the system. An example of this was the breakthrough research presented at the American Association for Cancer Research (AACR) Annual Meeting 2018 by the Robert H Lurie Comprehensive Cancer Center and the Feinberg School of Medicine, Northwestern University, Chicago (Northwestern), providing an optimised workflow for the recovery and culturing of CTCs from a simple blood test to produce an effective ex-vivo culture (cells growing outside the patient) of the individual patient's cancer cells.

The development of CTC cultures is considered one of the hottest topics in cancer currently and the Principal Researcher, Professor Massimo Cristofanilli, described it as "opening up a new frontier in the management of breast cancer" as it offers the prospect of testing cancer drugs outside the patient, avoiding unnecessary toxic side effects, to determine which will be most effective, thereby providing the patient with truly personalised cancer care.

During the year, there were a further six peer-reviewed publications and numerous posters and presentations at leading conferences. Publications that have been released publicly are available at https://angleplc.com/library/publications/. So far 17 separate cancer centres have published uniformly positive reports on their use of the Parsortix system.

Leading independent cancer centres throughout Europe and North America using ANGLE's Parsortix system are working on developments in 21 different cancer types. Developments announced during the year are summarised on page 20.

Progressing partnerships with large healthcare companies

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

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

During the year, three partnerships were signed.

A co-marketing agreement was signed with world-leading molecular testing company QIAGEN. QIAGEN employs 4,600 people in over 35 countries and has more than 500,000 customers with annual revenues exceeding US$1.3 billion. The first area of focus is to couple the Parsortix system with QIAGEN's downstream technologies for use in prostate and breast cancer research. Protocols are currently being developed and optimised to allow sales into QIAGEN's established customer base.

A collaborative research project was signed with Philips, a global leader in health technology, to develop liquid biopsy solutions as part of a four year European Union research grant funded programme worth €6.3 million, of which £0.4 million will flow to ANGLE. Philips has selected the Parsortix system as the only system to be used for harvesting CTCs within the programme. Breast and rectal cancers are being targeted.

An agreement was signed with global healthcare company Abbott in which Abbott will supply ANGLE with its proprietary PathVysion HER-2 DNA FISH Probe Kits for ANGLE's ANG-002 FDA study for FISH (fluorescence in situ hybridisation) analysis of CTCs in the form of a research grant. The objective of this end-point is to demonstrate that harvested CTCs can be subjected to FISH analysis to determine their HER-2 status. Assuming this is successful, we hope to be able to work with Abbott to extend PathVysion use into routine blood test analysis as an important downstream application of the Parsortix system in breast cancer. Abbott is the global market leader for FISH testing in solid tissue biopsies, a market estimated to be worth $0.5 billion per annum in 2016 (source: Grand View Research). A positive result in this clinical study would demonstrate the potential for Abbott to offer a Parsortix-based product for HER-2 analysis from a routine blood test.

Outlook

With two successful ovarian cancer studies, the initiation of our FDA clinical studies and three global healthcare companies secured as partners, ANGLE has established world-wide recognition and potential. The acquisition of downstream analysis technology complements the Parsortix system and will, in time, allow us to offer our customers a full "sample-to-answer" solution.

We continue to invest heavily to pursue FDA clearance for the Parsortix system as the first ever FDA cleared clinical device to harvest intact circulating tumour cells for analysis from patient blood. Commencement of clinical trials at four prestigious US cancer centres marks a major step forward for the business.

Garth Selvey
Chairman
5 October 2018

BUSINESS REVIEW / **OUR MARKET**

A significant opportunity in a growing market

Cancer

#2

cause of deaths globally is cancer[1]

8.8m

deaths in 2015 caused by cancer[1]

1 in 6

deaths globally due to cancer[1]

The market

>$1 trillion

the total annual economic cost of cancer in 2010 was estimated at approximately US$1.16 trillion[1]

The liquid biopsy market

There is a wide range of potential applications for harvested CTCs including:

- Diagnosis
- Prognosis
- Mutational analysis and drug selection
- Drug development
- Assessment of treatment effectiveness
- Remission monitoring

We estimate that this represents a potential global market for ANGLE's Parsortix system worth in excess of £8 billion per annum.

ANGLE's Parsortix system provides a unique product-based solution whereas most others are offering a laboratory service-based approach.

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

Key drivers of cancer incidence:

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

Key drivers of precision medicine:

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

Key drivers of the cancer diagnostics market:

- Shift towards precision medicine
  - Development of more selective drugs
  - Need for companion diagnostics
- Health economics – reduced costs
- Early detection (screening)
- Therapy selection, treatment monitoring and remission monitoring

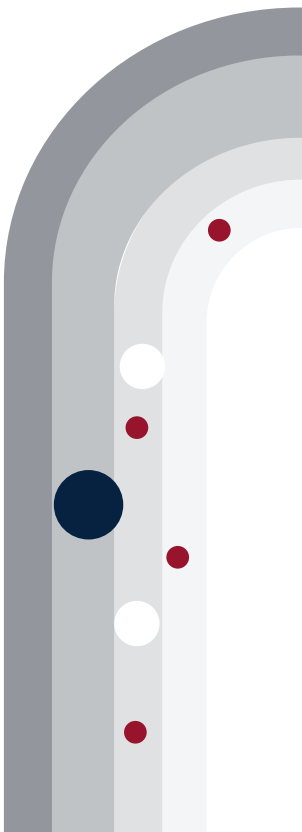
multi-$bn

emerging multi-billion dollar market[3]

£8bn

p.a. estimated global market potential for Parsortix[4]

1 http://www.who.int/cancer/en/
2 https://www.cancerresearchuk.org/health-professional/cancer-statistics/worldwide-cancer
3 Goldman Sachs $14bn in US alone by 2025. JP Morgan $22bn worldwide by 2020
4 Company estimate



Parsortix cassette cross-section

Our priorities

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

Strong progress has been made in each of these areas. All four elements are necessary to achieve major success.

Our strategic aims	What we achieved in 2018	Highlights
1 Completion of rigorous large scale clinical studies run by leading cancer centres, demonstrating the effectiveness of different applications of the system in cancer patient care	• Successful US and European ovarian cancer studies in 400 patients. Blood test delivered 95.1% accuracy in discriminating between benign and malignant pelvic masses, significantly out-performing standard of care	• **November 2017:** Acquisition of the assets of Axela Inc. for £3.6 million. The principal asset, the Ziplex platform, allows multiplex gene expression analysis of cancer cells. This complements the Parsortix system and, in time, will be offered to customers as a full "sample-to-answer" solution
2 Securing regulatory approval of the system with the emphasis on FDA clearance as the de facto global gold standard. ANGLE is seeking to be the first company ever to gain FDA clearance for a system which harvests CTCs from blood for subsequent analysis	• FDA clinical study of 400 subjects set up and in progress with four leading US cancer centres, targeted for completion this year	• **December 2017:** University of Southern California Norris Comprehensive Cancer Center demonstrated comparable gene expression of CTCs obtained from a simple blood test when compared to the invasive tissue biopsy of the metastatic site. This will be an important potential use of the Parsortix system post FDA clearance
3 Establishing a body of published evidence from leading cancer centres showing the effectiveness of the system through peer reviewed publications, scientific data and clinical research evidence, highlighting a wide range of potential applications	• Research equipment installed base increased to 200 Parsortix systems (2017: 145) • Total of 10 peer-reviewed publications (30 April 2017: 4) and 21 publicly available posters (30 April 2017: 13) • 21 cancer types being worked on	• **July 2017:** Western University, Canada demonstrated use of Parsortix in mouse models of human cancer • **October 2017:** University Hospital Muenster published results evaluating four CTC systems in clear cell renal carcinoma (kidney cancer) showing that Parsortix out-performed all the other systems
4 Establishing partnerships with large healthcare companies for market deployment and development of multiple other clinical applications incorporating the Parsortix system	• Collaborative agreements signed with three leading, global healthcare companies QIAGEN, Philips and Abbott	• **September 2017:** Heinrich Heine University Duesseldorf published in the International Journal of Molecular Science work showing the Parsortix system captures clinically relevant CTCs in the waste of antibody-based CTC systems (i.e. cells missed by competing systems)

Building a differentiated position in the multi-$billion dollar liquid biopsy market

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

Cancer screening

Early detection of cancer can improve outcomes by allowing treatment before the cancer is too advanced.

However, it can also lead to over-treatment where a cancer might never have progressed to a level that impacted the patient or where the initial diagnosis is a false positive.

As ANGLE's Parsortix system works with living CTCs (circulating cancer cells involved in the spread of the disease) it is highly specific and does not suffer from false positives.

Developing a screening solution requires very large scale studies over many years. ANGLE's approach to this area of the market is to collaborate with cancer charities or government groups rather than funding these studies itself.

→ *Requires partner to progress*

Cancer diagnosis in high risk groups

ANGLE is actively progressing solutions for the detection of cancer in high risk groups. The most advanced area is in the triage of women having surgery for abnormal pelvic mass. About 5 to 10% of all women will have an abnormal pelvic mass requiring surgery during their lives. Only a small proportion will be ovarian cancer. The question is which ones.

The 200 patient study run by the University of Rochester Wilmot Cancer Center to detect ovarian cancer using the Parsortix system demonstrated area under curve accuracy of 95.1%, greatly out-performing current standard of care.

Work is also being progressed by Barts Cancer Institute using the Parsortix system to detect prostate cancer in men with a high PSA level. A major advantage of this approach is the ability to not only detect prostate cancer but to assess its aggressiveness. The Parsortix approach has the potential to both reduce false positives and reduce over-treatment of men with indolent disease.

→ *Actively progressing*

Drug selection

Many chemotherapies and immunotherapies work only for a subset of patients, often only 25% or less. Interrogation of CTCs harvested using Parsortix opens up the potential to identify which patients will respond to which drugs.

This approach provides precision medicine for patients, improving their outcomes and reducing unnecessary side effects from drugs which will not work for the patient. It also eliminates wasted cost by avoiding very expensive drugs which will not be effective for the patient concerned.

In ANGLE's FDA clinical studies in metastatic breast cancer, a particular area of investigation is the use of Abbott's FISH probes to investigate whether the patient's CTCs over-express the protein HER-2. Where this is the case, the patient may benefit from the drug Herceptin.

Collaborators have already demonstrated that the CTCs harvested by Parsortix can be analysed for the presence or absence of ARV-7, which is an indicator in advanced prostate cancer that the patient will not respond to advanced hormone therapy and should be moved to taxane-based chemotherapy.

→ *Actively progressing*

Treatment assessment

Given the toxicity of most cancer drugs, the need to provide cancer patients with effective therapies as quickly as possible, and the importance of avoiding wasted costs, there is a major need to be able to assess whether a drug is beneficial to the patient or not as quickly as possible.

Currently this is assessed by imaging to see whether the identified tumour mass is shrinking or not. This is a slow process and does not provide a rapid indication of drug effectiveness.

The Parsortix system has the potential to benefit treatment assessment in two ways. Firstly, the number and type of CTCs in the patient blood can be assessed via a simple blood test at different time points. An effective therapy should result in a reduction and/or elimination of CTCs in the blood stream whilst the patient is responding to the therapy.

Secondly, work undertaken by Robert H Lurie Comprehensive Cancer Center, Northwestern University, using the Parsortix system has demonstrated the potential to culture (grow) CTCs obtained from a patient blood sample to provide a population of cancer cells growing outside the patient. This opens the potential to test out drugs on the cultured cells to determine in advance which ones are likely to benefit the patient. Again this has the potential to not only improve patient care but reduce costs.

→ *Next area of opportunity post FDA clearance*

Remission monitoring

After treatment many cancer patients go into remission. During remission, patients and their clinicians are naturally greatly concerned that they may relapse with their cancer re-emerging.

At present, the method for assessing relapse is primarily via imaging to see the growth of new tumours, usually in a secondary location. Unfortunately by the time imaging can spot these new cancer growths, they are well established and often treatment possibilities are very limited.

Relapse can also occur after many years of the cancer being in remission. For example in breast cancer relapse can occur any time up to 20 years after remission. The method by which the cancer re-emerges and spreads is through the release of dormant CTCs. There is therefore the potential to utilise a repeat Parsortix test to investigate the presence of CTCs. If such cells re-emerge this may be an advance warning of the possibility for that patient to relapse. As an advance warning, it may then be possible to give the patient early treatment to prevent or limit the relapse. As with all the potential clinical applications of the Parsortix system, this will require properly structured clinical studies to prove the benefit of a regular Parsortix test. In the absence of any alternative, it offers patients a possible way of monitoring their cancer status proactively.

→ *Next area of opportunity post FDA clearance*

ANGLE's CTC system to out-perform current approaches for the detection of ovarian cancer

ANGLE's Parsortix system is being developed to triage women having surgery for an abnormal pelvic mass to identify those with ovarian cancer.

5-10%

of women will develop a pelvic mass requiring surgery at some point in their lives[1]

239k

women are diagnosed with ovarian cancer globally every year[2]

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

Dr. Richard Moore,
Director of the Gynecologic Oncology Division, University of Rochester Wilmot Cancer Centre

1 http://contemporaryobgyn.modernmedicine.com/contemporary-obgyn/content/tags/brca-mutations/pelvic-mass-workup
2 www.cancerresearchuk.org/health-professional/cancer-statistics/statistics-by-cancer-type/ovarian-cancer

3.5%
Survival rate at stage IV[2]

90%
Survival rate at stage I[2]

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

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

95.1%
Correct prediction of cancer with an accuracy (area under the curve) for the predictive assay.

Ovarian cancer clinical application: triaging abnormal pelvic mass

During the year, the Company's first clinical application for the Parsortix system was advanced with two clinical studies designed as a Pelvic Mass Triage test to detect the presence of ovarian cancer in women with an abnormal pelvic mass requiring surgery.

Both studies reported positively during the year and the detailed results of the US clinical study were reported at the Society of Gynecologic Oncology (SGO). The results demonstrated a correct prediction of cancer with an accuracy (area under the curve) of 95.1% for the predictive assay. ANGLE's Pelvic Mass Triage test achieved higher sensitivity and specificity than any other test available.

The excellent performance of ANGLE's Parsortix system in this large scale clinical study for the detection of ovarian cancer demonstrates the capability of ANGLE's CTC system to out-perform current approaches for the detection of ovarian cancer. ANGLE is now working to optimise this assay by the end of the year and then complete a further clinical study in 2019/20 to progress commercialisation.

Seeking FDA clearance

Metastatic breast cancer

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

A liquid biopsy to obtain cancer cells for analysis from a simple blood test has major advantages, including:

- Avoiding the patient suffering invasive procedures, which causes trauma and delays treatments until they have recovered from the procedure
- Reducing the time to treatment decision
- Providing information on all cancer sites at the same time rather than just a single site
- Enabling serial assessment of tumour biology over time (repeat tissue biopsies are not generally acceptable to patients)
- Reducing costs

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

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

1 https://www.wcrf.org/dietandcancer/breast-cancer
2 www.mbcn.org/incidence-and-incidence-rates/
3 Company estimate

20-30%

of people initially diagnosed at early stages will develop metastatic breast cancer[2]

1.7m

women were diagnosed with breast cancer in 2012[1]

£1bn

p.a. estimated market potential for Parsortix in breast cancer[3]

What is the FDA?

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

Why is it important?

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

What are the benefits?

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

Progressing toward FDA clearance

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

Overview

ANGLE has sustained a high level of resource commitment on its efforts to progress towards FDA clearance over several years. Preparation for the analytical and clinical studies required to make a comprehensive submission to the FDA has necessitated an enormous amount of work to develop, test and finalise the protocols involved.

We are delighted that the FDA clinical study ANG-002 is in progress with four of the leading US cancer centres enrolling patients. We are also delighted that the global healthcare company Abbott has joined the study, enabling us to use its proprietary PathVysion HER-2 DNA FISH Probe Kits.

A key aim for the Company in the new financial year is to complete the FDA clinical and analytical studies. Whilst the enrolment of patients and analysis of results are conducted by independent cancer centres and outside the control of the Company, current expectations continue to be that both the FDA studies will complete this year.

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

4

Number of the leading US cancer centres enrolling patients for FDA clinical studies

BUSINESS REVIEW / **COMMERCIALISATION**

Leveraged Research and Development model

What Parsortix can do

The Parsortix system from ANGLE is able to capture and harvest CTCs from patient blood. This means that a simple peripheral blood test could be used to provide crucial medical information regarding the status of a patient's disease.

It is widely agreed that such a **"liquid biopsy"** would have a profound impact in understanding the patient's current cancer status as well as ensuring the optimum treatment is deployed for that individual patient at that particular time.

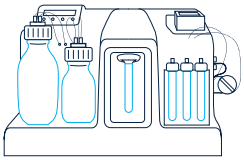
The procedure

Capture and harvest workflow process

Automated capture process requiring minimum user intervention

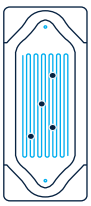
1 Blood collection

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



2 Cell capture

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



3 a) Cell identification in-cassette

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

b) Cell harvest

CTCs can be harvested in <200µl buffer for identification and downstream analysis.

4 Introducing Ziplex integrated downstream analysis

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

Advantages

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

Performance

The Ziplex platform was shown to offer key advantages over other technologies available on the market including high sensitivity, enabling successful use on only a small number of cancer cells amongst a larger background population of blood cells and the ability to multiplex a large number (up to 200) of gene expression analyses in a single reaction.

Summary

The acquisition represents a major strengthening of ANGLE's position within the liquid biopsy market providing a key competitive differentiation of owning both a CTC harvesting technology and a downstream molecular analysis technology to interrogate the harvested CTCs.

Ziplex at a glance

- Benchtop laboratory platform designed for routine and focused multiplex
- Analysis of DNA, RNA and protein biomarkers
- "Sample-to-answer" solution for distributed testing under development

HyCEAD chemistry

+100

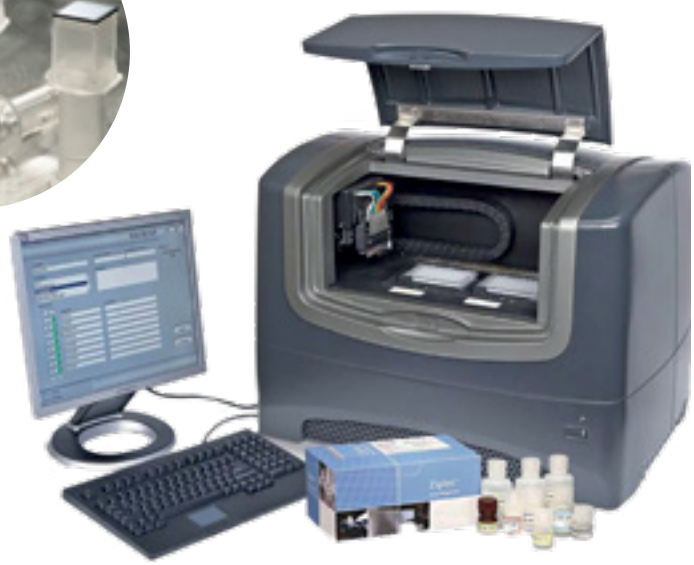
Enables simultaneous measurement of 100's of genes while eliminating

>500

Rapid content creation for new applications: >500 target genes to date

Patented product

Downstream molecular analysis technology



Research Use Sales: driving a growing body of evidence

Benefits of Research Use Sales

1

Revenues offset development costs

2

Broader range of users of the system resulting in additional posters, publications and clinical evidence

3

New clinical applications and companion diagnostics developed by customers

Growing user base

>200

Installed Parsortix systems

>49k

Blood samples processed

1st

Potential to be first FDA cleared system for harvesting CTCs for analysis

£250m

p.a. estimated market potential for Parsortix Research Use Sales[1]

10

publications (2017: 4)

21

posters (2017: 13)

Accelerating commercial adoption of the system in both research and clinical settings

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

Dr. Richard Moore
Director of the Gynecologic Oncology Division, University of Rochester Wilmot Cancer Centre

"Successful validation of our approach in future clinical studies could revolutionize clinical management of metastatic breast cancer and advance the promise of personalized cancer therapies, ultimately positively changing the outcome for patients with metastatic disease."

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

"Parsortix has shown the potential to detect more severe cancer cases where the patient is likely to die sooner thereby providing information which may enable clinicians to provide different treatment for their patients, potentially extending lives of those battling with cancer."

Dr. Yong-Jie Lu
Professor of Molecular Oncology, Barts Cancer Institute

1 Company estimate

Our commercial path

Large scale deployment of the Parsortix system across numerous cancer types and application areas requires ANGLE to partner with large, global healthcare companies to take advantage of their distribution and sales channels and economic resources. We expect to see our partnership programme accelerate as the FDA clearance process progresses.

Progress against 2018 plan

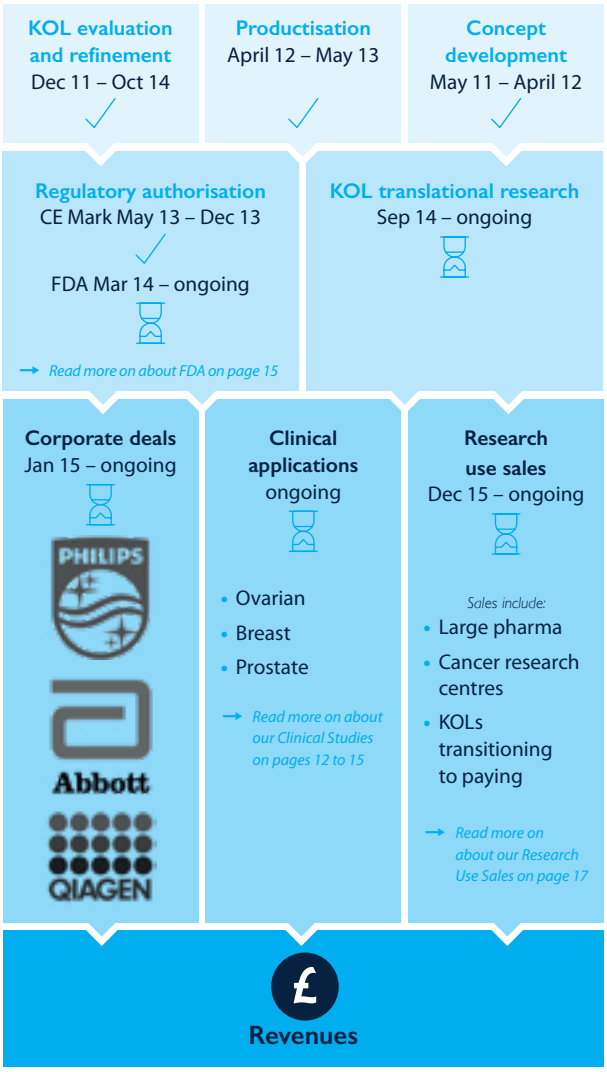
- ✓ **FDA studies patient enrolment initiated**
- ✓ **Ovarian cancer study results published**
- ✓ **Additional corporate partnerships deals**
  Philips signed
  Abbott signed
  Qiagen progressed
- ✓ **Peer-reviewed publications, posters and presentations and multiple customer and KOL reports at ACTC Conference**

Commercialisation pathway with corporate collaborations

A co-marketing agreement was signed with world-leading molecular testing company QIAGEN. QIAGEN employs 4,600 people in over 35 countries and has more than 500,000 customers with annual revenues exceeding US$1.3 billion. The first area of focus is to couple the Parsortix system with QIAGEN's downstream technologies for use in prostate and breast cancer research. Protocols are currently being developed and optimised to allow sales into QIAGEN's established customer base.

A collaborative research project was signed with Philips, a global leader in health technology, to develop liquid biopsy solutions as part of a four year European Union research grant funded programme worth €6.3 million, of which £0.4 million will flow to ANGLE. Philips has selected the Parsortix system as the only system to be used for harvesting CTCs within the programme.

Our commercial path



Progressing partnerships with large healthcare companies

"In collaboration with our partners we will combine a range of liquid biopsy technologies, which give us more detailed molecular information, with advanced MRI techniques, which could enable us to better understand the impact of treatment at an early stage. This has the potential to improve patient outcomes and potentially represents a significant step forward in delivering personalized cancer treatment."

Hans Hofstraat
Innovation Program Manager, Philips

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

Kathryn B Becker
Franchise Director Oncology and Companion Diagnostics, Abbott

"ANGLE's Parsortix system is a unique, epitope-independent CTC solution offering easy, automated processing of whole blood to harvest all types of CTCs, including the clinically relevant mesenchymal CTCs, for analysis. It complements very well with our AdnaTest CTC portfolio, now allowing for both phenotypic and molecular characterization of CTCs."

Michael Kazinski
Senior Director Molecular Preanalytic Technologies, QIAGEN

"We believe the ability to offer customers a combination of Parsortix with validated and reliable downstream analysis technologies from a world leader such as QIAGEN facilitates key aspects of the sales cycle. Partnering is a core part of ANGLE's strategy to secure widespread adoption of Parsortix right across the market, leveraging the customer base and distribution channels of established players."

Andrew Newland,
Chief Executive

Working together to achieve more

Published research during the year using the Parsortix system

Leading independent cancer centres throughout Europe and North America using ANGLE's Parsortix system are working on developments in 21 different cancer types. Key developments achieved during the year, which were described in Company announcements at the time, included:

12
current partnerships

21
different cancer types being researched

2017

June

- **MD Anderson** demonstrated ability to measure meEGFR on CTCs in colorectal cancer, which is an indicator of whether a patient will respond to EGFR inhibitor drugs
- **Barts Cancer Institute's** discovery of the role of megakaryocytes in prostate cancer. ANGLE subsequently acquired a worldwide exclusive option over the resulting intellectual property

July

- **Western University, Canada** demonstrated use of Parsortix in mouse models of human cancer

September

- **Heinrich Heine University Duesseldorf** published in the International Journal of Molecular Science work showing the Parsortix system captures clinically relevant CTCs in the waste of antibody-based CTC systems (i.e. cells missed by competing systems)

October

- **Heinrich Heine University Duesseldorf** demonstrated the ability to culture CTCs (grow the cells) harvested from DLA blood product
- **University of Maryland** demonstrated the use of live CTCs harvested from patient blood to test the efficacy of drugs outside the patient by observing the response of the micro-tentacles on the living cancer cell surface
- **University Hospital Muenster** published results evaluating four CTC systems in clear cell renal carcinoma (kidney cancer) showing that Parsortix out-performed all the other systems
- **The Center for Women's Health Tuebingen, Germany** demonstrated a protocol for harvesting disseminated tumour cells (DTCs) from cancer patient bone marrow samples

November

- **Medical University of Vienna** published peer-reviewed research in the journal Oncotarget showing molecular characterisation of CTCs with positive results in 95% primary and 100% recurrent gynaecological cancers and 92% in metastatic breast cancer

December

- **University of Southern California Norris Comprehensive Cancer Center** demonstrated comparable gene expression of CTCs obtained from a simple blood test when compared to the invasive tissue biopsy of the metastatic site. This will be an important potential use of the Parsortix system post FDA clearance

2018

January

- **University of Hamburg, Medical University of Graz and Stockholm University** demonstrated measurement of the expression of ARV7 (androgen receptor splice variant 7) in CTCs, which is correlated with prostate cancer patient response to novel hormone therapy (NHT) drugs such as Enzalutamide and Abiraterone

April

- **Robert H Lurie Comprehensive Cancer Center and the Feinberg School of Medicine, Northwestern University** presented an optimised work flow for culturing CTCs from blood of metastatic breast cancer patients at AACR 2018. This is now an area of focus for use of Parsortix post FDA clearance

May

- **ANGLE and QIAGEN** jointly presented protocols for the measurement of ARV7 in prostate cancer blood

Collaboration with QIAGEN

Co-marketing agreement with leading molecular testing company, QIAGEN.

"ANGLE's Parsortix system is a unique, epitope-independent CTC solution offering easy, automated processing of whole blood to harvest all types of CTCs, including the clinically relevant mesenchymal CTCs, for analysis. It complements very well with our AdnaTest CTC portfolio, now allowing for both phenotypic and molecular characterisation of CTCs."

The combination will allow scientists and clinical researchers to significantly advance their research.

Michael Kazinski
Senior Director Molecular Preanalytic Technologies, QIAGEN

Strengthening a leading position in the liquid biopsy market

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

Andrew Newland
CEO

Our strategic pillars

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

→ *Read more about Our Strategy on pages 10 and 11*

1

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

→ *Read more on our Clinical Studies on pages 12 to 15*

2

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

→ *Read more on FDA clearance on pages 14 and 15*

3

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

→ *Read more on our Research Use Sales on page 17*

4

Establishing partnerships with large healthcare companies for market deployment and development of multiple other clinical applications incorporating the Parsortix system.

→ *Read more on our Partnerships on page 18*

Introduction

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

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

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

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

Cancer medical applications

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

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

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

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

The use of the solid tissue biopsy where it can be applied is effective and the current "gold standard" in treatment. However it is invasive and relatively costly compared with a blood test. Importantly it cannot always be used effectively in difficult to access tumours, such as brain, pancreatic and lung cancers.

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

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

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

Economics of cancer patient treatment

Treatment of cancer patients can be very expensive. For example a single chemotherapy drug prescribed may cost in excess of £50,000 for a course. Newer immunotherapy drugs may cost double that. Such drugs are prescribed because they are thought to be the best option available to treat patients, whilst in reality they will be beneficial to only a proportion, perhaps one in three, of patients.

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

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

→ *Continues overleaf*

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

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

Market size

ANGLE's ultimate objective is the widespread adoption of the Parsortix system in the diagnosis, treatment and monitoring of cancer patients. According to the World Health Organization, there were an estimated 14.1 million new cancer cases worldwide in 2012, a marked rise on the 12.7 million cases in 2008. In 2012, there were an estimated 32.5 million people living with cancer. (Source: http://globocan.iarc.fr/Pages/fact_sheets_cancer.aspx)

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

There is a wide range of potential applications for harvested CTCs including diagnosis, prognosis, mutational analysis and drug selection, drug development, assessment of treatment effectiveness, and remission monitoring. We estimate that this represents a potential global market for ANGLE's Parsortix system worth in excess of £8 billion per annum. Goldman Sachs have estimated that the liquid biopsy market will be worth in excess of $14 billion per annum in the United States alone by 2025.

Commercialisation

ANGLE has a clear strategy to commercialise its Parsortix technology.

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

A great deal of work has been completed with the aim of ensuring the system is robust, operates reproducibly and can run patient samples efficiently. Following this the product was released for commercial launch with first sales registered in December 2015. Optimisation of the system is ongoing along with developing new Standard Operating Procedures (SOP) for new applications and customers to ensure it operates effectively with existing medtech platforms for cell analysis.

Successful evaluation of the system by major cancer research centres as KOLs for the market has already been achieved. ANGLE continues to work with a select number of KOLs to develop 1) new uses of the system 2) new clinical applications 3) proof that the system works with different types of cancer. This raises awareness of the Parsortix system through additional published evidence and KOLs presenting at conferences.

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

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

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

Major areas of work currently in progress are described below.

Competitive differentiation

Major competitive differentiators of the system successfully achieved so far include:

- **Epitope independence with no requirement for the use of an antibody to capture cells.** The Parsortix system has key advantages over antibody based systems that rely on the expression of a cell surface protein (such as EpCAM) including:
  - the system is able to capture CTCs that have undergone the epithelial mesenchymal transition during the process of metastasis (and are no longer EpCAM positive)
  - the system is able to capture CTCs in cancer types, such as ovarian cancer, which only have weak or no EpCAM expression
  - the system is versatile and may be used for other cell types such as foetal cells
  - the harvest is clean and does not contain immuno-magnetic beads or other additives needed for the antibody based cell capture systems, which may compromise analysis of the cells

- **Easy harvest of cells from the system for molecular analysis**, unlike many other systems where cells may be captured but can get stuck in the separation system so that they cannot be harvested for analysis
- **Low level of background white blood cell contamination** thereby allowing either single cell analysis or direct analysis of the harvested cells containing both the CTCs and a low number of white blood cells. Competing systems may have far more background white blood cell contamination thereby making analysis of target cells more difficult
- **Simplicity and cost effectiveness** so that both the one-time use consumable, the Parsortix cassette, and the automated instrument that runs the blood through the cassette are simple, easy to use, straightforward in training and cost competitive
- **The Parsortix system is easily deployed at customer sites** in stark contrast to many competing systems which, as a result of their size and complexity, the need for expert operators and difficulty in securing regulatory authorisation, may be forced to rely on a CLIA (certified laboratory) approach where the customer has to send the patient sample for analysis at a remote laboratory and cannot process it near the patient

Optimising the system and ongoing improvements

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

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

- Developing protocols to ensure the blood is preserved prior to separation for up to 72 hours thereby enabling transportation, shipping and processing without losing the capability to process the sample
- Developing, testing and then automating the harvesting protocols to allow harvesting of cells from the Parsortix system for molecular analysis
- Developing and refining protocols to reduce the level of background white blood cell contamination of the harvested cells. This enables the analysis of the harvested cells directly without the need for a separate single cell separation step, although this may still be useful in some applications

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

- Developing interface protocols for the existing molecular analysis platforms deployed by some of the world's largest medtech companies
- Investigating how best the Parsortix system can be used by major pharma companies for cancer drug development and as a "companion diagnostic" to determine the suitability and effectiveness of drugs for individual patients
- Development of an in-house proprietary molecular analysis system HyCEAD Ziplex, which allows multiplex gene expression for up to 200 genes simultaneously on a highly cost-effective basis.

Secure regulatory authorisation

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

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

ANGLE is working towards FDA clearance for clinical use of the Parsortix system in the United States. The studies designed to support an FDA submission are scheduled for completion in CY18. The timing of FDA regulatory clearance is dependent on the FDA's review and responses to our submission.

There are no FDA cleared systems for harvesting CTCs for analysis of which we are aware and only one system authorised for the capture and counting of CTCs, which is antibody-based. Securing FDA authorisation will be the major endorsement of the competitive differentiation offered to clinicians by the Parsortix instrument.

Patient studies by Key Opinion Leaders to identify potential clinical applications

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

The first such KOL to report was the Medical University of Vienna, whose study in ovarian cancer demonstrated the potential to use the system to detect ovarian cancer in women having operations to surgically remove abnormal pelvic mass growths. This is now being developed as the Company's first clinical application with the objective of a simple blood test to determine which patients are likely to have ovarian cancer (approximately 10%) and which are likely to have benign growths. This application will save healthcare costs and improve patient outcomes by focusing resources appropriate to the patient condition. The clinical study programmes have been developed and are recruiting patients. This is described in more detail in the Chairman's Statement and on pages 12 and 13.

Following a successful pilot study by the University of Southern California in breast cancer, the RNA-seq analytical technique used has been included in the Company's FDA studies. Similarly successful pilot studies have been completed by Barts Cancer Institute in prostate cancer and ANGLE is currently investigating the potential for clinical applications in this area.

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

Summary

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

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

On behalf of the Board

Andrew Newland
Chief Executive
5 October 2018

Key Performance Indicators

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

KPI	Performance
Cash position	• The cash position at 30 April 2018 was £7.6 million (2017: £5.5 million). The Group carefully plans expenditure with rolling cash flow forecasts and tight financial control. Since the year-end the Group strengthened its cash position with a fundraise of £12.2 million net of expenses in July/August 2018 • The Group takes a collaborative cost sharing leveraged R&D model approach with KOLs and an outsourced approach with third-party suppliers, avoiding long-term commitments as far as possible. Manufacturing of instruments and cassettes is outsourced and product can be ordered on relatively short lead times
Intellectual property	• Intellectual property has been further strengthened with new patent filings, and the acquisition of the Ziplex intellectual property, increasing the breadth and duration of patent coverage and the range of medical applications covered. Patent applications are being progressed worldwide • Twenty patents protecting the Parsortix system granted at the reporting date (2017: fifteen) in the United States, Europe, Australia, Canada, China, Japan and India, extending patent coverage out to 2034
Ovarian cancer clinical application: triaging abnormal pelvic mass	• Following two successful 200 patient studies for the detection of ovarian cancer in patients having surgery for abnormal pelvic masses, optimisation of the ovarian assay combining Parsortix and Ziplex is under way. Once complete, this will be tested with an independently run clinical study
Product development	• The Parsortix cell capture and harvesting technology has been developed and comprises an automated instrument to run blood samples through the separation cassette • Extensive product development and system optimisation has been successfully completed to address the operational requirements of a wide range of Key Opinion Leaders (KOLs) and customers. Product development work has been completed to develop, test, optimise, characterise and document key operating protocols enabling customers to undertake analysis in a specific area of interest • The Parsortix system has been demonstrated to be reliable, easy to use and produces robust reproducible results. There were over 200 Parsortix instruments in active use (in-house, KOLs, customers and on evaluation) at the reporting date (2017: 145). Over 49,000 blood separations have been performed on the system at the reporting date (2017: 30,000). This experimental data provides a broad body of evidence that demonstrates the system's potential to be applicable to a wide range of cancer types and forms of analysis • Upgrades, enhancements and optimisation of the Parsortix and Ziplex systems are ongoing to further enhance operational performance and product reliability and to develop additional utility and operating protocols based on customer and KOL feedback

KPI	Performance
Published evidence	• Successful evaluations and studies with multiple third-party cancer centres and growing body of published evidence from third-party cancer centres: – Ten (2017: four) publications in peer-reviewed journals – 21 (2017: 13) publicly available posters presented at cancer conferences
Regulatory authorisation	• Regulatory authorisation is a requirement before the Parsortix system can be sold for use in the clinical market (for the treatment of patients) • ANGLE has already successfully secured CE Mark authorisation for indicated clinical use of the Parsortix system as an in vitro diagnostic device in the European Union • ANGLE is pursuing FDA clearance for the system for harvesting cancer cells from patient blood for analysis in the first instance for metastatic breast cancer. Analytical and clinical studies are in progress • Four leading US cancer centres are conducting the clinical studies: – University of Texas MD Anderson Cancer Center – University of Rochester Wilmot Cancer Center – University of Southern California Norris Comprehensive Cancer Center – Robert H Lurie Comprehensive Cancer Center Northwestern University • The Analytical and Clinical studies are scheduled for completion in CY18. After analysis a submission will be made to the FDA with the prospect of FDA clearance in CY19 • The Group maintains its Quality Control system ISO 13485:2016 and has a BSI certificate of registration certifying our compliance with this standard. The Group is subject to and continues to receive annual compliance audits by BSI. Ongoing work to prepare for 21CFR820 compliance in support of FDA clearance
Research use sales	• Sales made to multiple customers in Europe and North America including existing KOLs, new research users, big pharma and immunotherapy companies. Repeat customer orders. Product launched in late summer 2015 after uniformly positive results published by five KOLs with first sales in December 2015. Sales for the year increased by 26% to £0.63 million (2017: £0.50 million)

Increasing investment to support the development of clinical applications

"Successful completion of two large scale ovarian cancer studies, and ongoing investment in optimising the test and preparing for clinical validation studies to support European and US launch."

Ian F Griffiths
Finance Director

Highlights

73%

Research use revenues for the financial year of £0.6 million (2017: £0.5 million revenues) at a gross profit margin of 73% (2017: 75%)

→ *Read more on our Research Use Sales on page 17*

EU Grant award

Grant income of £0.1 million (2017: £nil) from £0.4 million EU grant award

£9.4 million

Planned expenditure on Parsortix system of £9.4 million (2017: £7.8 million)

→ *Read more on Parsortix on page 16*

£7.5 million

Loss from continuing operations of £7.5 million (2017: loss £6.4 million)

£15.0 million

Fundraise of £15.0 million (£14.4 million net of expenses) in November 2017

Acquisition

of the assets of Axela Inc. for £3.6 million

→ *Read more on Axela on page 16*

£7.6 million

Cash balance at 30 April 2018 of £7.6 million (30 April 2017: £5.5 million)

£12.7 million

Post year end fundraise of £12.7 million (£12.0 million net of expenses)

Introduction

The Group has continued to make substantial investment in the Ovarian Cancer Triage clinical application studies, the FDA analytical and clinical studies and sales and marketing for research use sales to advance and drive the development and adoption of the Parsortix cell separation system.

The acquisition of the assets of Axela Inc. for £3.6 million on 1 November 2017 following its successful use in the US ovarian cancer study reflected a value purchase opportunity as the venture capital firm owning substantially all of Axela was closing its fund and in redemption mode. The principal asset Ziplex is a multiplex gene expression analysis technology and is complementary to the Parsortix system, offering the potential for ANGLE to offer a full "sample-to-answer" solution.

Consolidated Statement of Comprehensive Income

Revenues increased by 26% to £0.6 million (2017: £0.5 million) with a gross profit of 73% (2017: 75%). The Group is establishing research use sales following first sales of the Parsortix system in December 2015. Research use sales have been made to multiple customers of both Parsortix instruments (including an annually renewable service based warranty) and cassettes (a one-time use consumable). As the installed base of instruments builds we expect to see recurring revenues from cassette sales and service based warranty renewals increase. The sales pipeline is developing in the research use market and our sales team continues to focus on supporting customers as they evaluate Parsortix in their laboratory procedures. However, evaluations have taken longer to close than expected, generally because of limitations in analytical techniques outside the Parsortix system, and the grant funding environment for customers remains very challenging. Revenues from the acquired business were modest and from existing relationships, reflecting the fact that the business is primarily focused on the ovarian cancer clinical application.

Grant income of £0.1 million (2017: £nil) was recognised in the year following a successful collaboration with Philips in a €6.3 million Horizon 2020 EU grant award, of which ANGLE will receive £0.4m over four years.

Planned investment in studies to develop and validate the clinical application and commercial use of the Parsortix system increased, resulting in operating costs of £9.4 million (2017: £7.8 million). Expenditure was also made on Intangible assets (including patents) and Property, plant and equipment and this is discussed in the Consolidated Statement of Financial Position section on the following page.

Significant investment and good progress in the FDA analytical and clinical studies in metastatic breast cancer.

Although shown as operating costs and contributing to the loss for the year, this planned expenditure includes significant investment of £4.4 million (2017: £4.0 million) in research and development, in particular the ovarian cancer clinical application, where 200-patient studies in each of Europe and the US were successfully completed and moved into optimisation, the FDA analytical and clinical studies, in-house work and ongoing work with KOLs on pilot studies and other potential uses of the system as well as patent prosecution and new patent grants. We have been pleased with the progress made. Fundamental aspects of the FDA analytical and clinical studies were successfully completed in the year with the clinical studies commencing with four leading US cancer centres. Expenditure includes increased sales and marketing costs associated with product promotion and greater attendance at conferences for marketing purposes. Corporate costs including costs associated with being a listed company were in line with plans.

The Group made a loss before tax of £8.9 million (2017: loss £7.4 million). The increased research and development expenditure resulted in increased research and development tax credits of £1.4 million (2017: £1.0 million). The Group made a loss of £7.5 million (2017: £6.4 million) resulting in a basic and diluted loss per share attributable to owners of the parent of 7.91p (2017: 8.95p).

→ *Continues overleaf*

Consolidated Statement of Financial Position
Intangible assets increased to £5.6 million (2017: £1.9 million), mainly due to the acquisition of the assets and business of Axela Inc. which was accounted for as a business combination and included the fair value of the identifiable intangible assets of £1.2 million and the goodwill arising at the date of acquisition of £2.2 million. Parsortix intellectual property and product development expenditure of £0.6 million (2017: £0.7 million) was capitalised during the period in accordance with IAS 38 Intangible Assets, increasing the value of the intangible assets. Amortisation and impairment costs of £0.3 million (2017: £0.2 million) reduced the value of the intangible assets.

Acquisition of the assets of Axela Inc., the Ziplex downstream analysis tool used in the US ovarian cancer study, enabling a full "sample-to-answer" solution.

Property, plant and equipment increased to £1.5 million (2017: £0.8 million) as a result of the continued expansion of the in-house R&D facilities, an increase in the bank of Parsortix instruments used for testing and clinical and regulatory study sites, moulds for the productionisation of the cassettes, the equipment arising on the acquisition and investment to update the facilities and enable the Parsortix and Ziplex systems to work together more efficiently.

Inventories of £0.6 million (2017: £0.7 million) reflect the inventory required for studies (in-house, KOLs and clinical study sites) and in building inventory levels for research use sales prospects where systems are placed out for an initial evaluation period prior to sale. As the Group relies on a number of single-source key suppliers then higher levels are maintained than would otherwise be the case.

Trade and other receivables balance of £0.8 million (2017: £0.7 million).

Tax receivable of £2.1 million (2017: £1.3 million) reflects the fact that R&D expenditure is eligible for R&D tax credits and includes £1.1 million in relation to the prior year which was received in May 2018. The increased tax receivable balance reflects the increased R&D expenditure in the year.

Trade and other payables balance of £2.4 million (2017: £2.1 million).

Cash
The Group ended the year with a cash balance of £7.6 million (2017: £5.5 million).

The Company completed a fundraise of £14.4 million net of expenses during the year, £3.6 million of which was used to acquire the assets of Axela Inc. in full and final consideration. The Company completed a fundraise of £12.2 million net of expenses after the year end as detailed in Note 24. We were very pleased with the continued support from our major institutional investors and existing and new investors.

Summary
The Group is carefully executing its strategy so that business activities are in line with the available and anticipated cash resources. Good progress has been made against key milestones. The immediate priorities are completing the analytical and clinical studies to support FDA clearance in metastatic breast cancer in the US, optimising our ovarian cancer application and then undertaking clinical studies to support the European and US launch of our first clinical application in ovarian cancer and building research use sales.

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

Ian Griffiths
Finance Director
5 October 2018


ANGLE

How we manage our risks

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

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

Risk	Description	Mitigation
Clinical application in ovarian cancer	The Group is developing a clinical application in the triaging of abnormal pelvic masses. This is dependent on both successful harvesting of CTCs by the Parsortix system and identifying a set of RNA markers that can be detected by Ziplex to discriminate between malignant ovarian cancer and other benign conditions. The Group is reliant on its partners to carry out their contractual obligations. Clinical studies may be delayed due to slow or insufficient patient accrual. There can be no guarantee that the clinical application will be developed into a commercially viable product. Regulatory approval may be delayed or may not be obtained depending on the results of the studies. Reimbursement may be delayed or may not be obtained. Vested interests may impede market acceptance.	• The Group employs an experienced clinical studies director, who has developed detailed clinical study programmes (including prior experience in ovarian cancer) which have had thorough internal and third-party reviews, including the study lead and other experts. The Group has also recruited a scientific director with specific successful experience in the full development lifecycle and regulatory clearance of ovarian cancer diagnostics • A significant amount of preparation, including additional R&D on the proposed RNA markers and study processes, has been undertaken to minimise the risks. The Group carefully selected this clinical application based on a set of key criteria including strong pilot study data, access to leading KOLs and access to patients • The Group has assembled a number of partners to achieve patient accrual rates in a timely fashion
Competitive position	There are numerous competitive groups seeking to develop alternative cancer diagnostic products in direct competition (other CTC technologies) and indirect competition (other methods, for example, cell-free DNA analysis). It is possible at any time that a competing technology which out-performs Parsortix may enter the market. Some competitors have greater resources which may allow them to deploy commercial tactics which restrict the Group.	• The Group manages its product development, IP position, accelerates product launch and monitors customer needs and competitors internally, with its Scientific Advisory Board, through its relationships with Key Opinion Leaders (KOLs), customers and prospective customers, and through attendance at conferences • The Directors believe that the patented Parsortix technology has the potential to be more simple, effective and affordable than competing technologies. The Group has developed a low-cost affordable solution, which puts it in a strong position for pricing, and it is antibody independent allowing for a range of cancers to be analysed that other CTC systems may not be able to handle • The Group strengthened its competitive position through the acquisition of the Ziplex technology used in the ovarian cancer studies. This further differentiates the Group and enhances the ability of the Group to offer "sample-to-answer" solutions

Risk	Description	Mitigation
Financial	The Group is investing significantly in R&D, clinical studies, FDA/ regulatory studies and product marketing for research use sales and as a consequence is loss making and utilising cash for its operational activities. The commencement of material revenues is difficult to predict as 1) the Group needs FDA clearance to boost research use sales into drug trials and 2) the Group is launching a new product in an emerging market and suitable clinical applications need to be identified, have successful clinical studies completed, achieve regulatory approvals and achieve market acceptance. Operating losses are anticipated to continue for some time. In the event that new funds are required there can be no guarantee that these will be available on acceptable terms, at the quantum required, or at all, which could affect the ability to commercialise the technology and may require operations to be scaled back, delayed or even affect the ability to continue as a going concern. The Group incurs significant costs in US and Canadian Dollars and the business is exposed to US and Canadian Dollar rates which it is unable to control. The Group also has critical EU suppliers and incurs costs in Euros and the business is exposed to Euro rates which it is unable to control. Brexit in March 2019 may have an impact on the Group operations. Exchange rates may be adversely affected. With the UK status as a "Third Country", the movement of goods between ANGLE and European customers and within ANGLE's European supply chain may be adversely affected. This may result in increased lead times, product costs, duties and taxes and may require a reconfiguration of supply chains with associated knock-on time and cost impacts.	• The Board undertakes careful planning, management of expenditure and rolling cash flow forecasting, has a strong focus on milestone and performance delivery and avoids long-term supplier contracts where it can • The research use market offers the potential for earlier revenues and sales have been initiated in this area. The Group is working with KOLs to identify suitable clinical applications which offer significant revenue potential. Clinical applications need to meet key criteria and the Group is progressing its clinical application in ovarian cancer • The Board maintains close shareholder relations, high standards of corporate governance and explores different sources of funding including potential partners. The Group has successfully raised funds on several occasions in the past • The Group monitors its currency exposures on an ongoing basis. The Group is building US and European sales to provide a natural hedge • The Group is planning a modest finished goods inventory increase held in multiple locations to help mitigate any Brexit related supply chain problems
Intellectual property	The Group's success depends in part on its intellectual property (IP) in order that it can stop others from exploiting its inventions. There is a risk that patent pending applications will not be issued. It is possible that competitors may infringe this IP or otherwise challenge its validity, which may result in uncertainty, litigation costs and/or loss of earnings.	• The Group invests significantly in its IP, employs experienced patent agents and protects its IP with confidentiality agreements, patents and patent applications in order to reduce the risks over their validity and enforceability. The Group has also undertaken freedom-to-operate searches • The Group had 20 granted patents protecting the Parsortix system, at the reporting date in the USA, Europe, Australia, Canada, China and Japan with others in progress

Risk	Description	Mitigation
Manufacturing	As precision equipment, it is extremely important that manufacturing is of a consistent and extremely high quality to ensure that instruments and cassettes operate as specified and produce consistent results and meet the necessary manufacturing tolerances specified. Product lead times need to be appropriate for timely delivery whilst maintaining product quality. The Group is dependent on two key single source suppliers. Problems at outsourced manufacturers and their suppliers could lead to disruption in supplies, delays, product inconsistency and product failure.	• The Group has outsourced manufacturing to specialist organisations that can manufacture the cassettes at the required tolerances, can assemble instruments and have capacity for scale-up of production. Investment has been made in specialist moulding tools to help achieve even higher standards. Both key suppliers are ISO 13485:2016 certified and subject to ongoing audit by the Group. Where possible, designs use standard components and any components on long lead times are held in inventory. Designs are subject to continuous improvement to help eliminate issues discovered • To manage the risk of loss or disruption of supply, safety inventory levels have been established, (held at multiple locations) of critical components and also finished product, thereby enabling the Group to continue to supply for a finite period whilst manufacturing capability is restored. Dual sourcing of product from key suppliers will be considered at the appropriate time but it is unlikely that this will be achievable in the short-term • Product manufacture is subject to good manufacturing practice and regulatory control and oversight. The Group also has product liability insurance
Market acceptance	Success depends on both clinical and health economic acceptance of the Group's products. Studies are required to demonstrate the utility of clinical applications and there is a risk that the data may be weak, inconclusive or negative. The medical diagnostics market is conservative by nature, CTCs are an emerging technology, customers may be slow to adopt new products, vested interests may impede market penetration and products may not achieve commercial success. The Group may not be able to sell its products profitably if reimbursement by third-party payers is limited or unavailable. The Group may be subject to price limits on reimbursement of products which are outside its control, negatively impacting revenues.	• Although smaller, the research market is a good market in its own right and will help generate additional data on utility, new uses and clinical applications and so forth • The Group undertakes in-house R&D and works with partners and KOLs to act as reference customers, to obtain data relating to clinical applications and the efficacy, safety and quality of the product. It monitors industry developments and customer needs through its interaction with customers and prospects, attendance at conferences and through the Group Scientific Advisory Board and KOLs • Clinical studies are set up to generate clinical data and analysis for accurate and complete submissions to secure regulatory approval. Health economic studies, advocacy and other activities will be undertaken at the appropriate time
Operational	In order for the Group to operate effectively the infrastructure needs to be robust, efficient and scalable. Unexpected events could disrupt the business by affecting a key facility or critical equipment which could lead to an inability to undertake development work (e.g. analytical studies for FDA clearance). Cyber-crime is increasing in sophistication, consequences and incidence, with risks including virus and malware infection, unauthorised access and fraud.	• The Group has a disaster recovery and business continuity plan to ensure a rapid response in an effective and managed way to a variety of situations • Critical equipment has service and maintenance contracts • The Group uses an IT firm to ensure it operates with appropriate defences. There is daily offsite back-up for rapid recovery from a problem. The back-up is regularly tested • Business critical systems are cloud based and back up mechanisms are also regularly tested

Risk	Description	Mitigation
Regulation and quality assurance	The Group operates in a regulated industry and needs to meet recognised quality assurance standards that are subject to third-party audit. The Group must comply with a broad range of regulations relating to the development, approval, manufacturing and marketing of its products and is subject to regulatory inspection. There is a risk that a regulatory audit will find problems that could have severe consequences on the Group's ability to sell products in the relevant country, lead to a loss of marketing authorisation, a loss of reputation, a loss of customers, recall or remediation costs as well as enforcement action and sanctions from a regulator. Major success with the cancer diagnostic product (and other products) will require regulatory authorisation for clinical use from various regulatory authorities which will require data from studies relating to the efficacy, safety and effectiveness of the product. Regulatory regimes are complex and dynamic and it can be difficult to predict their exact requirements, so authorisations may be delayed and alterations to the regulations may also result in delays. If it proves difficult to achieve authorisations, major revenues may be delayed or without authorisation may not be achievable.	• CE Mark regulatory authorisation has been achieved in Europe for the indicated clinical use. FDA regulatory clearance is in progress in the United States. Authorisations will be sought in other territories in due course • The Group conducts its operations within ISO 13485:2016 quality system and continues to invest in its systems and people. The quality system is subject to annual Notified Body audit (BSI). The Group uses external specialist resources (regulatory, design, manufacturing) as required • The Group employs an experienced clinical studies director to design and develop clinical study programmes that will meet international regulatory requirements as appropriate • The Group is currently responding to significant changes in the European regulatory environment driven by the release of the new ISO 13485:2016 standard to which we have already transitioned to, and the publishing of new In Vitro Diagnostic Device Regulation (which will replace the current IVD Directive in 2022). The Group is confident that compliance with these new IVD requirements can be successfully achieved • The current CE Mark regime for IVD devices is based upon a European regulation which has been implemented in the UK. How this regulation will evolve after Brexit and what the impact on the Group will be is not clear at this time
Research and development	The Group undertakes significant research and development activity with the aim of launching improved and new products and services, but there remain considerable technical risks, which may result in delays, increased costs or ultimately failure.	• The Group uses skilled staff and third-party experts in various fields from science and product design to engineering and manufacturing. There is good knowledge and experience within the Group and third-party experts in place with established relationships. The nature of the medical devices means that although development can be challenging, there should generally be a technical solution, provided sufficient resources and expertise are applied to the problem. As developments and enhancements are generally to existing products there is somewhat less risk than developing a completely new product
Staff, key suppliers and key partners	The Group's future success is dependent on its management team and staff and there is the risk of loss of key personnel. With complex and critical development projects, alignment of business and project objectives, good project planning and clear staff focus are required. The Group also outsources certain aspects of product development, regulatory advice and manufacturing and is heavily dependent on these key suppliers. The Group is also heavily dependent on its collaborations with KOLs and clinical study partners.	• The Group manages staff requirements closely, invests in skills development and new staff and has staff incentive schemes for retention and motivation. Using our competency framework, staff are assessed regularly to ensure they develop and maintain the skills needed for high performance. Individual competencies and skills are aligned with business objectives and requirements and personal development goals • Suppliers, KOLs and clinical study partners are carefully chosen and actively managed • Written agreements are in place for all key suppliers in line with Quality System requirements and compliance assured through regular auditing • Work with KOLs and collaborators is controlled using contracts and clinical study protocols where appropriate. Clinical study protocols are generally subject to institutional scientific and ethics approval prior to study commencement

The Strategic Report on pages 22-35 is approved on behalf of the Board by

Ian Griffiths
Director
5 October 2018

Empowered by a wealth of experience to continuously deliver performance

Committees key

- Chair of Committee
- (A) Audit Committee
- (R) Remuneration Committee
- (N) Nomination Committee

Garth R Selvey (A) (R) (N)

Role
Chairman

Appointed
September 2006

Skills and experience
Garth Selvey has a BSc in Physics and Electronics Engineering from the University of Manchester and has spent over 36 years in the computer industry with technical, product, sales and marketing roles. He became Managing Director of TIS Applications Ltd in 1984 and a main board Director of TIS Ltd prior to its acquisition by Misys in 1989. He organised the management buyout of the social housing division of Misys and became Group Chief Executive of Comino Group plc when it floated on AIM in 1997. Comino moved to a full listing in 1999 where he remained until its successful public sale to Civica plc in February 2006. Garth joined ANGLE as a Non-executive Director in September 2006.

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

Andrew D W Newland

Role
Chief Executive

Appointed
March 2004

Skills and experience
Andrew Newland is Chief Executive of ANGLE plc. He has an MA in Engineering Science from the University of Cambridge and is a qualified Chartered Accountant. He has 15 years of medical diagnostics experience and has specialised in the liquid biopsy space for the last six years.

He has led the development of technology-based businesses based on strong intellectual property for over 25 years and for the last 15 years he has been Chairman or on the Board of several specialist medical technology companies. After working with the engineering conglomerate TI plc, he worked for KPMG from 1982 to 1994; from 1985 to 1987 he was based in the US as a manager providing corporate finance and business advice to high technology firms in the area around Route 128, Boston, Massachusetts. During this time, he led KPMG's involvement in the IPO of the medical technology company Cardio Data Inc. From 1987 to 1994 he worked for KPMG in the UK with responsibility for establishing KPMG's UK and European High Technology Practices and High Technology Consulting Group.

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

Brings to the Board
Over 25 years' experience of setting up, leading and building technology-based businesses, over 15 years leading specialist medtech businesses, and over six years in the liquid biopsy space.

Ian F Griffiths

Role
Finance Director

Appointed
March 2004

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

Ian joined ANGLE in 1995. As well as leading the finance function at ANGLE plc, he has been closely involved with the development and delivery of the former UK, US and Middle East Consulting and Management services businesses and in developing new ventures, both third-party and ANGLE's own. Ian has been heavily involved in the start-up phase and also the ongoing development of ANGLE's own ventures by working closely with management on business plans, financial and operational management, fundraising and commercial aspects, including both medical and physical sciences companies. Ian has over six years of experience in the liquid biopsy sector since ANGLE focused solely on the development of the Parsortix system.

Brings to the Board
Nearly 30 years of experience in finance and technology-based businesses.

Brian Howlett (A) (R) (N)

Role
Non-executive Director

Appointed
January 2013

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

Corporate experience includes six years as UK Country Leader of Boston Scientific Ltd, between 1999 and 2005, during which time major medical devices such as the TAXUS drug eluting stent were launched, driving sales and profits to the point where the UK and Ireland subsidiary became one of the leading revenue contributors to the corporation's European operations. Between 1987 and 1999, Brian was Managing Director of the UK sales and manufacturing subsidiary of Cobe Laboratories Inc. In addition, Brian spent almost 20 years in the pharmaceutical industry, gaining strong sales and marketing experience through a number of senior management positions in UK, Scandinavia and the Benelux markets within Fisons plc. Brian joined ANGLE as a Non-executive Director in January 2013.

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

GOVERNANCE / **SCIENTIFIC ADVISORY BOARD**

Leading scientific advisors with a wealth of experience

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

Dr. Daniel Danila

Skills and experience

Dr. Daniel Danila is an assistant attending physician at Memorial Sloan Kettering Hospital Cancer Center in New York. Dr. Danila also serves as an instructor with the Weill Cornell Medical College. Dr. Danila's primary research focuses on prostate cancer. Specifically, Dr. Danila is exploring a hypothesis that molecular profiling of CTCs can be used to assess biological determinants of the growth of prostate cancer tumours. Dr. Danila served as the principal investigator (PI) for "Circulating Tumor Cells as Biomarkers for Patients with Metastatic Prostate Cancer: Developing Assays for Androgen Receptor Signaling Pathway", which focused on analysing CTCs from patients with metastatic prostate cancer for molecular biomarkers predictive of tumour sensitivity to targeted treatments. Funding for the research was provided by the Department of Defense Congressionally Directed Medical Research Programs, Prostate Cancer Research Program, Physician Research Training Award. Dr. Danila received his MD from Carol Davila University of Medicine and Pharmacy in Bucharest, Romania and was a research fellow, intern and resident at Massachusetts General Hospital prior to joining Memorial Sloan Kettering Cancer Center in 2005.

Brings to the SAB expertise in

Development and adoption of CTCs as predictive biomarkers to help clinicians select appropriate treatments and wide network of contacts in the field.

Prof. Adrian Newland

Skills and experience

Prof. Adrian Newland (who is not related to ANGLE's Chief Executive) is Professor of Haematology at Barts Health NHS Trust and Queen Mary University of London. Prof. Newland was, until recently, Director of Pathology for the Trust and Clinical Director of the North East London Cancer Network. Prof. Newland was President of the Royal College of Pathologists from 2005 to 2008 and the International Society of Hematology from 2014 to 2016. Prof. Newland chaired the National Blood Transfusion Committee and was pathology lead for NHS London. Prof. Newland is now National Clinical Advisor in Pathology to NHS Improvement and Clinical Advisor to the Transforming Cancer Service Team in London. Prof. Newland is currently chair of the Diagnostic Assessment Programme for the National Institute for Health and Clinical Excellence (NICE) and is a member of the NICE Sifting Group for cancer drugs. Prof. Newland has been a member of the Scientific Advisory Panel of the Institute of Cancer Research from 1995 until 2003 and Chair of the London Cancer New Drugs Group since 2002. Prof. Newland has been a member of the National Chemotherapy Implementation Group since 2010 and a member of the Expert Reference Group on Cancer Care in London since 2009 and a member of the national Cancer Outcomes Advisory Group and the Human Genome Strategy Group.

Brings to the SAB expertise in

Haematology, cancer diagnostics and NICE.

Dr. James Reuben

Skills and experience

Dr. Reuben is a Professor in the Department of Hematopathology, Division of Pathology/Lab Medicine at The University of Texas MD Anderson Cancer Center, Houston, Texas. Dr. Reuben is a leading authority and has conducted significant research on circulating tumour cell subsets, including those with epithelial and mesenchymal phenotypes and their clinical relevance to minimal residual disease in breast cancer. Some related publications include "Circulating tumor cells, disease progression, and survival in metastatic breast cancer" in the New England Journal of Medicine; "Circulating tumor cells are associated with increased risk of venous thromboembolism in metastatic breast cancer patients" in the British Journal of Cancer; and "Circulating tumor cells in metastatic inflammatory breast cancer" published in the Annals of Oncology. Dr. Reuben received his PhD in immunology from McGill University in Montreal, Canada and his MBA from University of Houston, Houston, Texas. Dr. Reuben completed his research fellowship in the Department of Experimental Therapeutics at The University of Texas MD Anderson Cancer Center with Evan M. Hersh, MD and Emil J Freireich, MD, as mentors.

Brings to the SAB expertise in

Knowledge and understanding of CTCs and wide network of contacts in the field.

Dr. Clive Stanway

Skills and experience
Dr. Clive Stanway is currently an independent drug discovery and development advisor to several companies. Dr. Stanway was until recently Chief Scientific Officer of Cancer Research UK's Commercial Partnerships which is responsible for the development and commercialisation of research innovations. Dr. Stanway is an expert in cancer drug discovery and a key part of his former role was working closely with major pharmaceutical partners. Dr. Stanway has extensive knowledge and experience of cancer research, detailed understanding of the drug discovery and development process, and worldwide contacts with major pharma development groups. Dr. Stanway was engaged in raising the scientific profile of Commercial Partnerships with the pharmaceutical industry; his efforts have led to several significant partnerships and alliances. Dr. Stanway has also driven internal Commercial Partnerships projects addressing cancer immunomodulation bringing together different technologies and expertise leading to a compound progressing towards a Phase 1 trial. The annual research spend of Cancer Research UK is in the region of £375 million and Commercial Partnerships has annual revenues of approximately £50 million. Prior to becoming Chief Scientific Officer of Commercial Partnerships, Dr. Stanway established and led the drug discovery and biotherapeutic discovery activity within Cancer Research UK, which is now partnered with AstraZeneca, FORMA Therapeutics, Artios and Merck KGaA.

Brings to the SAB expertise in
Cancer drug development and major pharma.

Dr. Harold Swerdlow

Skills and experience
Dr. Harold Swerdlow is currently Special Projects Lead at ONI (Oxford Nanoimaging) working on novel next-generation sequencing (NGS) applications of their state-of-the-art fluorescent super-resolution microscope, the Nanoimager. He is a leading expert in NGS and recently served as Head of NGS Technology Development at LGC Genomics. As VP of Sequencing at the New York Genome Centre, (NYGC) Dr. Swerdlow directed the Technology Innovation group, which focused on sample-preparation methodologies for NGS, including single-cell methods. He also managed the production facility (with about 30 Illumina sequencers including five of the newest NovaSeq instruments) and the clinical laboratory. Prior to NYGC, Dr. Swerdlow was Head of Research and Development for the Wellcome Trust Sanger Institute Sanger Centre' in Cambridge, UK. In his role at the Sanger Centre Dr. Swerdlow directed the R&D department and helped build the Sanger Centre's next-generation DNA-sequencing production facility into one of the world's largest. Previously, Dr. Swerdlow was the Chief Technology Officer of Dolomite Ltd., a leader in microfluidics and microfabrication. Prior to Dolomite, Dr. Swerdlow was an inventor of the core technology relating to NGS at Solexa Ltd., a company which he joined when it had only three employees. As Senior Director of Research, Dr. Swerdlow helped launch Solexa's first product, the Genome Analyzer DNA sequencing platform. At Solexa, Dr. Swerdlow was responsible for instrument engineering, integration of the next-generation DNA sequencing system and early applications work, along with assisting in the development of many of the system's biochemical components. Dr. Swerdlow was a key member of the Senior Management team that delivered Solexa's first genome sequence, an end-to-end proof-of-principle. Following its NASDAQ listing, Solexa was acquired by Illumina Inc. for US$600 million and Solexa's technology became the core of Illumina's world-leading NGS products.

Brings to the SAB expertise in
Next generation sequencing and genomics.

Prof. Ashok Venkitaraman

Skills and experience
Prof. Ashok Venkitaraman holds the Ursula Zoellner Professorship of Cancer Research at the University of Cambridge, and is Director of the Medical Research Council's Cancer Cell Unit and Joint Director of the Medical Research Council Hutchison Cancer Research Centre. Prof. Venkitaraman's research has helped to elucidate the connections between chromosome instability and the genesis of epithelial cancers. Prof. Venkitaraman has been instrumental in establishing the Cambridge Molecular Therapeutics Programme, an initiative that links chemists, physicists, structural biologists, cancer biologists and clinicians at the University of Cambridge. Prof. Venkitaraman has been a member of the Scientific Advisory Boards of Astex Therapeutics Ltd, Cambridge Antibody Technology (AstraZeneca affiliate), Massachusetts General Hospital Cancer Center and currently chairs the Scientific Advisory Board of Sentinel Oncology Ltd. Prof. Venkitaraman has also been a John H Blaffer Lecturer at MD Anderson Cancer Center. Prof. Venkitaraman was elected a Fellow of the Academy of Medical Sciences, London, in 2001, and a member of the European Molecular Biology Organization (EMBO) European Academy, Heidelberg, in 2004.

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

Mr Greg Shaw

Skills and experience
Mr Greg L. Shaw is a Consultant Urological Surgeon at University College Hospital in London and is a clinical academic with a strong interest in prostate cancer diagnostics and treatment. Having completed an M.D. in prostate cancer at the University of London investigating circulating tumour cells in prostate cancer, and subsequently completed four years as a lecturer at the University of Cambridge, Mr Shaw has published widely on prostate cancer and is currently an honorary senior lecturer at University College and Queen Mary College of the University of London. He leads several research programmes focused on current weaknesses in the way prostate cancer is treated and is interested in exploring the role novel biomarkers may play in advancing practice in these areas. Mr Shaw is currently chief investigator for two NIHR portfolio studies investigating 1) the effects of refinements to robotic surgery and 2) the use of drugs to prevent progression in men on active surveillance for prostate cancer respectively. Mr Shaw is an expert in robotic surgery with a high case volume. He is known for his innovative approach and commitment to quality assurance.

Brings to the SAB expertise in
Prostate cancer diagnostics and treatment.

GOVERNANCE

Directors' Report

For the year ended 30 April 2018

The Directors present their Annual Report and Financial Statements for the year ended 30 April 2018 for ANGLE plc (the "Company") and its subsidiaries (the "Group" or "ANGLE"). ANGLE plc, Company registration number 04985171, is a public limited company, incorporated and domiciled in England and quoted on the London Stock Exchange Alternative Investment Market (AIM). ANGLE plc also has a sponsored Level 1 American Depository Receipt (ADR) program that trades on the Over-The-Counter (OTC) market in the United States. The Annual Report includes two voluntarily prepared statements: the Corporate Governance Report and the Remuneration Report.

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

Principal activities

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

Review of the business and future developments

The Chairman's Statement and Strategic Report (including the Financial Review) on pages 4 to 35 report on the Group's performance during the past financial year and its prospects.

The information that fulfils the requirements of the Business Review is contained within the Chairman's Statement and Strategic Report (including the Financial Review) on pages 4 to 35 and is incorporated into this report by reference.

Key Performance Indicators (KPIs)

The Group's main KPIs and details of performance against them are set out on pages 26 and 27.

Results and dividends

The Consolidated Statement of Comprehensive Income for the year is set out on page 52.

The Group made a loss for the year of £7.5 million (2017: loss £6.4 million).

The Directors do not recommend the payment of a dividend for the year (2017: £nil). The Board periodically reviews the Company's dividend policy in the context of its financial position.

Research and development

Total expenditure on research and development in the year amounted to £4.9 million (2017: £4.5 million). Expenditure on research and development expensed through the Consolidated Statement of Comprehensive Income amounted to £4.4 million in the year (2017: £4.0 million), including both third-party research and development costs and own staff costs. Additional expenditure on product development was capitalised on the Consolidated Statement of Financial Position, in accordance with IAS 38, and amounted to £0.5 million in the year (2017: £0.5 million).

Directors and their interests

The following Directors have held office since 1 May 2017:

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

The Directors' interests, including beneficial interests, in the ordinary shares and share options of the Company are shown in the Directors' Annual Remuneration Report on pages 47 and 48.

Directors' and Officers' liability insurance

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

Significant shareholdings

The following shareholders had an interest in 3% or more of the Company's ordinary share capital at 18 September 2018:

Name	Number of shares	Holding %
Jupiter Asset Management Limited	20,080,840	14.09
Fidelity International Limited	13,227,009	9.28
Dermot Keane	12,777,088	8.97
Legal and General	10,093,439	7.08
A D W Newland	7,054,686	4.95

Risk management
Details of the Group's financial risk management objectives and policies are disclosed in Note 13 to these Financial Statements, along with further information on the Group's use of financial instruments.

Principal risks and uncertainties
The Directors consider that the Group is exposed to a number of risks and uncertainties which it seeks to mitigate and the principal ones are set out on pages 32 to 35.

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

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

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

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing each of the Group and Company Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS adopted by the EU; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

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

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

Post reporting date event
As reported in Note 24, the Chairman's Statement and elsewhere, the Company completed a fundraise of £12.7 million before costs in July and August 2018.

Going concern
The Directors have prepared and reviewed the financial projections for the twelve month period from the date of signing of these Financial Statements. Based on the level of existing cash, the fundraise completed in July and August 2018, the projected income and expenditure (the timing of some of which is at the Group's discretion) and other potential sources of funding, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in business for the foreseeable future. Accordingly the going concern basis has been used in preparing the Financial Statements. Notes 1.4 and 24 provide additional information.

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

Annual General Meeting
The Annual General Meeting of the Company will be held at 2:00 pm on Tuesday 30 October 2018 at ANGLE plc, 10 Nugent Road, The Surrey Research Park, Guildford, Surrey GU2 7AF. The Notice of Annual General Meeting is enclosed within this report on pages 83 to 88.

On behalf of the Board

A D W Newland
Chief Executive
5 October 2018

Corporate Governance Report

Corporate Governance

The Company's shares were admitted to trading on the Alternative Investment Market (AIM) of the London Stock Exchange on 17 March 2004. AIM listed companies were not required to comply with the provisions of the UK Corporate Governance Code April 2016, as updated in 2018, (the "Code") at the Reporting Date. However, with effect from 28 September 2018 AIM listed companies are required to use a recognised corporate governance code. The Board is committed to maintaining high standards of corporate governance and has therefore sought to comply with the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies 2013 (the "QCA Code 2013") since it was introduced, and used elements of the Code prior to that. The QCA Code 2013 adopts key elements of the Code, policy initiatives and other relevant guidance and then applies these to the needs and circumstances of small and mid-size quoted companies. In respect of the year ended 30 April 2018 the Board has sought to apply and comply with the provisions of the QCA Code 2013 in so far as it considers them to be appropriate to a Company of this size, nature and structure, and has explained any areas of non-compliance with those provisions. The QCA Code has been updated in 2018 (the "QCA Code 2018") and the Company will seek to apply and comply with this in future years. Disclosures in relation to the QCA Code 2018 can be found in the Corporate Governance section of the ANGLE plc website.

Chairman's Governance Report

As Chairman I am committed to high standards of corporate governance appropriate to the Group's current form and as it grows. I believe that applying sound principles in running the Group will establish and maintain trust with our shareholders and other stakeholders, will ensure the Group is well run and provide a solid basis for growth, for managing the risks we face and for achieving long-term success.

Garth Selvey
Chairman

Below is a brief description of the Board, its role and its Committees followed by details of the Group's systems of internal control and shareholder relations.

Board of Directors

The Board of Directors is led by the Chairman, has overall responsibility for strategy and is responsible to shareholders for the governance of ANGLE plc and for the effective operation and management of the Group. Its aim is to provide leadership and control in order to ensure the growth and development of a successful business, while representing the interests of the Company's shareholders.

Composition

The Board comprises the Non-executive Chairman, one Non-executive and two Executive Directors. The QCA Code 2013 recommends there are at least two non-executive directors. The Chairman was independent at the time of his appointment and under the QCA Code 2013 he also may count as an independent director.

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

The Board's current composition is geared toward the Group's current stage of development and priorities and will be refreshed as appropriate. The skill set of the Board therefore includes experience in non-executive director/chairman roles, listed companies, investor relations, fundraising, medical diagnostics, technology development and product commercialisation. Individual Directors possess a wide variety of skills and experience and biographical details of the Directors are set out on pages 36 and 37.

Independence

The Chairman and Non-executive Director are considered by the Board to be independent of management and free of any relationship which could materially interfere with the exercise of their independent judgement. They do not have a significant shareholding (see page 47) or represent a major shareholder, they receive no remuneration from the Company other than directors' and consultancy fees, they have no day-to-day involvement in running the business and have never been employees of the Company, they have no personal financial and/or material interest in any other matters to be decided, such as contracts, and they have no conflicts of interests arising from cross-directorships or advisory roles. Each Board meeting starts with a declaration of Directors' interest to identify potential or actual conflicts of interest. The Board considers that the Non-executive Director is of sufficient calibre to bring the strength of independence to the Board. The Board has not nominated a Senior Independent Director as it believes issues can be raised through the normal channels of the Chairman, Chief Executive and Finance Director and where necessary the Non-executive Director can be approached directly.

Training and advice

There is an induction process for new directors. All Directors are able to take training and/or independent professional advice in the furtherance of their duties if necessary. All Directors also have access, at the Company's expense, to experienced legal advice through the Company's legal advisors and other independent professional advisors as required. The Company maintains appropriate insurance in the event of legal action being taken against a Director. No individual Director or Committee of the Board received external advice in relation to their Board duties in the year.

Information

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

Matters reserved for the Board

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

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

In addition certain other responsibilities have been delegated to the Committees of the Board, each of which has clearly defined terms of reference (see Company's website).

Board effectiveness and evaluation

The Company supports the concept of an effective Board leading and controlling the Company. The Board therefore undertakes a periodic evaluation of its performance, its Directors and its Committees, the most recent of which was undertaken in September 2018. The review, led by the Chairman, involves each Board member providing feedback and comments on the others and where necessary specific actions are identified to improve certain areas.

Service contracts and letters of appointment

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

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

Election

Under the Company's Articles of Association, newly appointed Directors are required to resign and seek re-election at the first Annual General Meeting following their appointment, and all Directors are required to seek re-election at intervals of no more than three years. All Directors were re-elected by the shareholders at the Annual General Meeting held on 4 October 2016. Accordingly no Directors are seeking re-election this year.

Committees of the Board

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

The QCA Code 2013 recommends there are at least two Non-executive Directors on the Audit and Remuneration committees. The Chairman has maintained a role on all of the Committees so that the Committees gain the benefit of his experience and the Board believes it is inappropriate to have only one member on the Committees – the Company believes this is the most effective way to ensure the Committees fulfil their roles; the Chairman was independent at the time of his appointment and under the QCA Code 2013 he also may count as an independent director.

The following Committees assist the full Board in the exercise of its responsibilities by dealing with specific aspects of the Group's affairs:

Audit Committee

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

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

Corporate Governance Report
continued

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

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

Details of Directors' remuneration and service contracts together with Directors' interests are shown in the Directors' Annual Remuneration Report on pages 47 and 48.

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

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

Directors' attendance
The Board has at least eight main Board meetings per year with additional special meetings as required, the special meetings typically being telephone meetings to cover specific items. Directors' attendance at Board and Committee meetings during the year ended 30 April 2018 is set out below:

	Garth Selvey	Brian Howlett	Andrew Newland	Ian Griffiths
Board	19/19	19/19	19/19	19/19
Audit	2/2	2/2	N/A	N/A
Remuneration	3/3	3/3	N/A	N/A
Nomination	1/1	1/1	N/A	N/A

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

Risk management
The Board is responsible for identifying the major business risks faced by the Group and for determining the appropriate course of action and systems to manage and mitigate those risks. The Principal Risks and Uncertainties are reported on pages 32 to 35.

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

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

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

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

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

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

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

Internal controls improvements
The Board reviews the effectiveness of the Group's systems of internal controls and has a process for the continuous identification, evaluation and management of the significant risks the Group faces. Assessment considers the external environment, the industry in which the Group operates, the internal environment and non-financial risks such as operational and legal risks. The risks identified are ranked based on significance and likelihood of occurrence. The Board reviews the controls in place to mitigate those risks and improvements are made where required. Furthermore, the ISO 13485:2016 quality management system is also reviewed in light of Group strategy and risk assessment and adjusted to ensure the appropriate operational controls and measures are in place and working effectively.

A number of improvements have been made in the year and others have been identified and are being progressed. Recent improvements include the introduction of a structured system of project management for controlling our R&D projects in line with medical device regulatory requirements, upgrades to our IT systems including new hardware and software to provide better security, systems reliability and site-to-site connectivity, and the implementation of Clear Review, a performance management system to support the structured development of staff competencies in line with Group needs. Day-to-day responsibility for the implementation of effective internal control and risk monitoring rests with senior management.

Shareholder relations
The Company seeks to maintain and enhance good relations with its shareholders and analysts. The Group's Interim and Annual Reports are supplemented by regular published updates to investors on commercial progress. All investors have access to up-to-date information on the Group via its website, www.angleplc.com, which also provides contact details for investor relations queries, details on the Company's share price, share price graphs and share trading activity. The Company also distributes Group announcements electronically. Shareholders and other interested parties wishing to receive announcements via email are invited to sign up to the "Email Alert" facility in the Investor Centre section on the Company's website.

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

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

Remuneration Report

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

Remuneration Policy

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

The existing Remuneration Policy was approved as an Advisory Vote by shareholders at the 2015 Annual General Meeting (AGM) for three years and is due for re-approval as an Advisory Vote at the 2018 AGM. The views of shareholders are important to us and we were requested by some of our largest shareholders to consider introducing a Long-Term Incentive Plan (LTIP) in line with standard and evolving AIM market and best practice for a company of our scale and stage of development. The Remuneration Committee has therefore developed an LTIP with external advice, benchmarking information and has discussed key principles, terms and conditions with some of the largest shareholders. The Remuneration Policy has been updated to include the proposed LTIP.

Basic salary and benefits

Salary levels are reviewed annually. The Committee believes that basic salary and benefits should be competitive in the relevant employment market and reflect individual responsibilities and performance. Medical health insurance, life cover and pension benefits are also provided to employees once they have met eligibility criteria. Basic salary may be taken in part as a pension payment. Basic salary and pension are considered together as a "Combined Figure".

Annual Bonus Plan

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

Share options

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

Long-Term Incentive Plan

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

Discretionary incentives

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

Non-pensionable

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

Non-executive Directors

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

Directors' Annual Remuneration Report

Directors' interests – shares

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

	Ordinary shares of 10p each	
	30 April 2018	1 May 2017
I F Griffiths	**673,831**	559,546
B Howlett	**10,000**	10,000
A D W Newland	**7,054,686**	7,054,686
G R Selvey	**20,000**	20,000

Directors' emoluments

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

Year ended 30 April	2018 Salary/Fees £'000	2018 Benefits £'000	2018 Bonus £'000	2018 Pension £'000	**2018 Total £'000**	2017 Total £'000
Chairman						
G R Selvey	20	–	–	–	**20**	20
Executive						
I F Griffiths	109	1	66	40	**216**	147
A D W Newland	229	4	103	–	**336**	231
Non-executive						
B Howlett	20	–	–	–	**20**	20
Total	378	5	169	40	**592**	418

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

Performance bonuses were awarded in the current financial year under the terms of the Annual Bonus Plan. The Executives were deemed to have met the performance criteria in relation to a 45% performance bonus, major factors of which were: progressing the FDA clearance studies, progressing the ovarian clinical application, securing a number of corporate partnerships and a successful fundraise.

In the prior year, the Executives were not awarded a bonus due to the share price performance, notwithstanding the fact that the performance criteria had been met under the terms of the Annual Bonus Plan.

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

Remuneration Report
continued

Directors' interests – share options
The Directors' interests in options over the ordinary shares of the Company were as stated below:

Name	Date of grant	At 1 May 2017	Granted	Lapsed	Cancelled	Exercised	**At 30 April 2018**	Vested – capable of exercise	Exercise price (£)	Earliest exercise date	Expiry date
I F Griffiths	30/08/2011	466,019	–	–	–	–	**466,019**	466,019	0.2575	Note (1)	29/08/2021
	18/11/2011	187,315	–	–	–	–	**187,315**	–	0.7550	Note (2)	17/11/2021
	05/11/2012	33,981	–	–	–	–	**33,981**	33,981	0.2575	Note (1)	29/08/2021
	05/11/2012	312,685	–	–	–	–	**312,685**	–	0.7550	Note (2)	17/11/2021
	10/11/2014	500,000	–	–	–	–	**500,000**	–	0.8625	Note (3)	09/11/2024
	12/11/2015	46,980	–	–	–	–	**46,980**	46,980	0.1000	Note (4)	11/11/2025
	25/11/2016	500,000	–	–	–	–	**500,000**	–	0.6450	Note (5)	24/11/2026
		2,046,980	–	–	–	–	**2,046,980**	546,980			
A D W Newland	30/08/2011	603,334	–	–	–	–	**603,334**	603,334	0.2575	Note (1)	29/08/2021
	18/11/2011	1,000,000	–	–	–	–	**1,000,000**	–	0.7550	Note (2)	17/11/2021
	05/11/2012	346,666	–	–	–	–	**346,666**	346,666	0.2575	Note (1)	29/08/2021
	10/11/2014	1,000,000	–	–	–	–	**1,000,000**	–	0.8625	Note (3)	09/11/2024
	12/11/2015	73,826	–	–	–	–	**73,826**	73,826	0.1000	Note (4)	11/11/2025
	25/11/2016	1,000,000	–	–	–	–	**1,000,000**	–	0.6450	Note (5)	24/11/2026
		4,023,826	–	–	–	–	**4,023,826**	1,023,826			

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

No options were issued to Directors in the year (Prior year: Options were issued to Directors on 25 November 2016). No Directors' options were forfeited, lapsed, cancelled or exercised in the current or prior year.

Note 18 provides additional information on share options.

Shareholder return
The market price of the Company's shares on 30 April 2018 was 47.50p and the range of market price during the period from 1 May 2017 until 30 April 2018 was between 32.25p (low) and 72.25p (high).

By order of the Board

Garth Selvey
Remuneration Committee Chairman
5 October 2018

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of ANGLE plc

Opinion

We have audited the Financial Statements of ANGLE plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 April 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statements of Financial Position, Consolidated and Company Statements of Cash Flows, Consolidated and Company Statements of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Parent Company Financial Statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the Financial Statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 April 2018 and of the Group's loss for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company Financial Statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

FINANCIAL STATEMENTS

Independent Auditor's Report
continued

Business combinations:
The Group acquired the trade and assets of an entity for total consideration of £3.6 million, as set out in Note 23 to the Financial Statements. The Group applied IFRS 3, Business Combinations to identify and value the identifiable net assets. The identification and valuation of the separate net assets acquired is an area of considerable judgement which depends on several assumptions about the future benefits which will accrue to the Group from the acquisition, the discount, royalty and growth rates used in the valuations and the correct identification of the intangible assets and other assets acquired.

Our response to the risk included:

- considering the commercial rationale for the acquisition, and the resulting goodwill recognised;
- consulting with our internal valuation specialists;
- assessing the qualifications and expertise of the external valuers used by management, and considering their objectivity and any threats to their independence;
- evaluating the valuation model used by the Group to value intangible assets;
- comparison of the data used in the valuation model with available independent industry forecasts;
- checking the arithmetical accuracy of the valuation model;
- considering whether there were any other intangible assets included in the acquisition which had not been identified;
- assessing the reasonableness of the discount, royalty and growth rates used by management against external market data; and
- challenging the assumptions used in the valuation model.

Our application of materiality
When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures and to evaluate the effects of misstatements, both individually and on the Financial Statements as a whole. During planning we determined a magnitude of uncorrected misstatements that we judge would be material for the Financial Statements as a whole (FSM). During planning FSM was calculated as £395,000, which was not changed during the course of our audit. We agreed with the Audit Committee that we would report to them all unadjusted differences in excess of £9,875, as well as differences below those thresholds that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit
The Group comprises eight component entities, of which two are dormant. Of the remaining six, three were subject to full scope audits by RSM UK Audit LLP and three were subject to a programme of desk-top analytical review procedures, also carried out by RSM UK Audit LLP.

The components subject to full scope audits accounted for 87% of Group turnover, 92% of Group loss before tax and 95% of Group assets.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, set out on page 41, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

Use of our report

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

Geoff Wightwick (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP,
Statutory Auditor
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

5 October 2018

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

For the year ended 30 April 2018

	Note	**2018 £'000**	2017 £'000
Revenue	2	**628**	498
Cost of sales		**(169)**	(123)
Gross profit		**459**	375
Other operating income		**52**	–
Operating costs	3	**(9,444)**	(7,810)
Operating profit/(loss)		**(8,933)**	(7,435)
Net finance income/(costs)	7	**8**	25
Profit/(loss) before tax		**(8,925)**	(7,410)
Tax (charge)/credit	8	**1,387**	1,018
Profit/(loss) for the year		**(7,538)**	(6,392)
Other comprehensive income/(loss)			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		**(99)**	139
Other comprehensive income/(loss)		**(99)**	139
Total comprehensive income/(loss) for the year		**(7,637)**	(6,253)
Profit/(loss) for the year attributable to:			
Owners of the parent		**(7,556)**	(6,567)
Non-controlling interests		**18**	175
Profit/(loss) for the year		**(7,538)**	(6,392)
Total comprehensive income/(loss) for the year attributable to:			
Owners of the parent		**(7,702)**	(6,414)
Non-controlling interests		**65**	161
Total comprehensive income/(loss) for the year		**(7,637)**	(6,253)
Earnings/(loss) per share attributable to owners of the parent			
Basic and Diluted (pence per share)	9	**(7.91)**	(8.95)

All activity arose from continuing operations.

Consolidated Statement of Financial Position

As at 30 April 2018

	Note	**2018 £'000**	2017 £'000
Non-current assets			
Intangible assets	11	**5,588**	1,918
Property, plant and equipment	12	**1,475**	824
Total non-current assets		**7,063**	2,742
Current assets			
Inventories	14	**599**	665
Trade and other receivables	15	**828**	714
Taxation		**2,147**	1,261
Cash and cash equivalents		**7,645**	5,536
Total current assets		**11,219**	8,176
Total assets		**18,282**	10,918
Current liabilities			
Trade and other payables	16	**(2,398)**	(2,112)
Total current liabilities		**(2,398)**	(2,112)
Total liabilities		**(2,398)**	(2,112)
Net assets		**15,884**	8,806
Equity			
Share capital	17	**11,709**	7,482
Share premium		**43,449**	33,285
Share-based payments reserve		**1,072**	822
Other reserve		**2,553**	2,553
Translation reserve		**(14)**	132
Retained earnings		**(42,129)**	(34,647)
ESOT shares	19	**(102)**	(102)
Equity attributable to owners of the parent		**16,538**	9,525
Non-controlling interests		**(654)**	(719)
Total equity		**15,884**	8,806

The Consolidated Financial Statements on pages 52 to 78 were approved by the Board and authorised for issue on 5 October 2018 and signed on its behalf by:

I F Griffiths
Director

A D W Newland
Director

FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows

For the year ended 30 April 2018

	2018 £'000	2017 £'000
Operating activities		
Profit/(loss) before tax from continuing operations	**(8,925)**	(7,410)
Adjustments for:		
Depreciation of property, plant and equipment	**446**	267
(Profit)/loss on disposal of property, plant and equipment	**1**	5
Amortisation and impairment of intangible assets	**344**	245
Share-based payments	**324**	254
Exchange differences	**(33)**	(50)
Net finance (income)/costs	**(8)**	(25)
Operating cash flows before movements in working capital	**(7,851)**	(6,714)
(Increase)/decrease in inventories	**(83)**	(575)
(Increase)/decrease in trade and other receivables	**(106)**	(290)
Increase/(decrease) in trade and other payables	**727**	131
Operating cash flows	**(7,313)**	(7,448)
Research and development tax credits received	**501**	65
Net cash from/(used in) operating activities	**(6,812)**	(7,383)
Investing activities		
Purchase of property, plant and equipment	**(1,031)**	(70)
Purchase of intangible assets	**(830)**	(374)
Acquisition of assets and business (Note 23)	**(3,613)**	–
Interest received	**8**	26
Net cash from/(used in) investing activities	**(5,466)**	(418)
Financing activities		
Net proceeds from issue of share capital	**14,391**	9,570
Net cash from/(used in) financing activities	**14,391**	9,570
Net increase/(decrease) in cash and cash equivalents from continuing operations	**2,113**	1,769
Discontinued operations		
Net cash from/(used in) operating activities	**–**	(5)
Net increase/(decrease) in cash and cash equivalents from discontinued operations	**–**	(5)
Net increase/(decrease) in cash and cash equivalents	**2,113**	1,764
Cash and cash equivalents at start of year	**5,536**	3,764
Effect of exchange rate fluctuations	**(4)**	8
Cash and cash equivalents at end of year	**7,645**	5,536

Consolidated Statement of Changes in Equity

For the year ended 30 April 2018

	Equity attributable to owners of the parent									
	Share capital £'000	Share premium £'000	Share-based payments reserve £'000	Other reserve £'000	Translation reserve £'000	Retained earnings £'000	ESOT shares £'000	Total Share-holders' equity £'000	Non-controlling interests £'000	Total equity £'000
At 1 May 2016	**5,898**	**25,299**	**629**	**2,553**	**(21)**	**(28,141)**	**(102)**	**6,115**	**(880)**	**5,235**
For the year to 30 April 2017										
Consolidated profit/(loss)						(6,567)		(6,567)	175	(6,392)
Other comprehensive income/(loss):										
Exchange differences on translating foreign operations					153			153	(14)	139
Total comprehensive income/(loss)					**153**	**(6,567)**		**(6,414)**	**161**	**(6,253)**
Issue of shares (net of costs)	1,584	7,986						9,570		9,570
Share-based payments			254					254		254
Released on exercise			(1)			1		–		–
Released on forfeiture			(60)			60		–		–
At 30 April 2017	**7,482**	**33,285**	**822**	**2,553**	**132**	**(34,647)**	**(102)**	**9,525**	**(719)**	**8,806**
For the year to 30 April 2018										
Consolidated profit/(loss)						(7,556)		(7,556)	18	(7,538)
Other comprehensive income/(loss):										
Exchange differences on translating foreign operations					(146)			(146)	47	(99)
Total comprehensive income/(loss)					**(146)**	**(7,556)**		**(7,702)**	**65**	**(7,637)**
Issue of shares (net of costs)	4,227	10,164						14,391		14,391
Share-based payments			324					324		324
Released on forfeiture			(74)			74		–		–
At 30 April 2018	**11,709**	**43,449**	**1,072**	**2,553**	**(14)**	**(42,129)**	**(102)**	**16,538**	**(654)**	**15,884**

Share premium

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

Other reserve

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

Translation reserve

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

ESOT shares

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

Non-controlling interests

Represents amounts attributed to non-controlling (minority) interests for profits or losses in the Consolidated Statement of Comprehensive Income and assets or liabilities in the Consolidated Statement of Financial Position.

Consolidated Statement of Changes in Equity

continued

Share-based payments reserve

The share-based payments reserve is used for the corresponding entry to the share-based payments charged through a) the Consolidated Statement of Comprehensive Income for staff incentive arrangements relating to ANGLE plc equity and b) the Consolidated Statement of Financial Position for acquired intangible assets in investments comprising intellectual property (IP). 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, forfeited, lapse or expire.

	ANGLE employees £'000	Acquired IP £'000	Total £'000
At 1 May 2016	**606**	**23**	**629**
Charge for the year	254	–	254
Released on exercise	(1)	–	(1)
Released on forfeiture	(60)	–	(60)
At 30 April 2017	**799**	**23**	**822**
Charge for the year	324	–	324
Released on forfeiture	(74)	–	(74)
At 30 April 2018	**1,049**	**23**	**1,072**

Notes to the Consolidated Financial Statements

For the year ended 30 April 2018

1 Accounting policies

1.1 Basis of preparation

The Financial Statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) in issue that have been endorsed by the EU for the year ended 30 April 2018. They have also been prepared in accordance with those parts of the Companies Act 2006 that apply to companies reporting under IFRS.

The Financial Statements of the Parent Company have been prepared in accordance with IFRS and are presented on pages 79 to 82.

Accounting standards adopted in the year

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

IAS 7	Amendments on Disclosure Initiative
IAS 12	Amendments on Recognition of Deferred Tax Assets for Unrealised Losses
Various	Annual Improvements to IFRS 2014-16 cycle (2017 issue)

The Group's Consolidated Financial Statements have been prepared in accordance with these changes where relevant. No new accounting standards that have become effective and adopted in the year have had a significant effect on the Group's Financial Statements.

Accounting standards issued but not yet effective

At the date of authorisation of these Financial Statements, there were a number of other Standards and Interpretations (International Financial Reporting Interpretation Committee – IFRIC) which were in issue but not yet effective, and therefore have not been applied in these Financial Statements. Other than for IFRS 15, the Directors have not yet assessed the impact of the adoption of these Standards and Interpretations for future periods.

Endorsed by the European Union

IFRS 2	Amendment – Clarification and Measurement of Share-based Payment Transactions
IFRS 4	Amendment on Application of IFRS 9 to Insurance Contracts
IFRS 9	Financial Instruments
IFRS 9	Amendment on Prepayment Features with Negative Compensation
IFRS 15	Revenues from Contracts with Customers
IFRS 16	Leases
IFRIC 22	Foreign Currency Transactions and Advance Consideration
Various	Annual Improvements to IFRS 2014-2016 cycle (2018 issue)
IAS 40	Amendment – Transfers of Investment Property

Not yet endorsed by the European Union

IFRS 17	Insurance Contracts
IFRIC 23	Uncertainty over Income Tax Treatments
Various	Annual Improvements to IFRS 2015-2017 cycle
IAS 19	Plan Amendment, Curtailment or Settlement
IAS 28	Amendments on Long-term Interests in Associates and Joint Ventures

Amendments to References to the Conceptual Framework on IFRS

IFRS 15 Revenue from Contracts with Customers (effective for accounting periods commencing on or after 1 January 2018) will be adopted by ANGLE in the next financial year. During the year, ANGLE has reviewed all income streams against the requirements of IFRS 15. The review concluded that there were no material contracts which would require different treatment under IFRS 15 versus current standards. Consequently, the introduction of IFRS 15 is not expected to materially impact the financial statements in future periods other than additional disclosure requirements.

1.2 Accounting convention

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

1.3 Presentation of Financial Statements

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

The format of the financial information has been amended to incorporate "Other operating income" (being grant income), the acquisition completed in the year, and a re-ordering of the Consolidated Statement of Financial Position.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.4 Going concern

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

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Chairman's Statement and Strategic Report on pages 04 to 35. The principal risks and uncertainties are stated on pages 32 to 35. In addition Note 13 to the Financial Statements includes details of the Group's exposure to liquidity risk, capital risk, credit risk, interest rate risk and foreign currency risk. Note 24 to the Financial Statements provides information on the fundraise of £12.7 million before costs, completed after the reporting date.

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

1.5 Basis of consolidation

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

Subsidiary undertakings

Subsidiary undertakings are entities controlled by the Group, generally as a result of owning a shareholding of more than half of the voting rights. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

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

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

1.6 Business combinations

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

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

1.7 Revenue

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

Sale of products

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

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

Sale of services
Revenue from services provided is recognised in the period in which the service has been performed.

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

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

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

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

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

1.9 Other operating income – grants
Grant income is disclosed as "Other operating income" on the face of the Consolidated Statement of Comprehensive Income.

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

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

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

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

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

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

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

Notes to the Consolidated Financial Statements
continued

1 Accounting policies continued

1.11 Taxes

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

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

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

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

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

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

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

1.12 Intangible assets

Intellectual property (IP)

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

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

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

Computer software

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

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

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

Research and development

Research expenditure is written off as incurred.

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

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

Other acquired intangible assets

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

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

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

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

Impairment of intangible assets excluding goodwill

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

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

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

Goodwill

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

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

1.13 Property, plant and equipment

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

The following rates are used:

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

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.14 Instruments loaned to customers

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

1.15 Inventories

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

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

1.16 Leases

Assets obtained under hire purchase contracts and finance leases, and any other leases that entail taking substantially all the risks and rewards of ownership of an asset, are capitalised on the statement of financial position and depreciated over the shorter of the lease term and their useful economic lives. Obligations under such agreements are included in trade and other payables net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

All other leases are classified as operating leases, the costs of which are charged to the statement of comprehensive income on a straight-line basis over the lease term. Benefits such as rent-free periods, and amounts received or receivable as incentives to take on operating leases, are spread on a straight-line basis over the lease term.

1.17 Employee Share Ownership Trust

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

1.18 Foreign currency

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

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

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

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

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

1.19 Financial instruments

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

Cash and cash equivalents

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

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

Deposits

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

Bank loans, loan notes and borrowings

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

Other assets

Assets, other than those specifically accounted for under a separate policy, include trade and other receivables and are stated at their amortised cost. They are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based on expected discounted future cash flows. Any change in the level of impairment is recognised directly in the statement of comprehensive income. An impairment loss is reversed at subsequent reporting dates to the extent that the asset's carrying amount does not exceed its carrying value had no impairment loss been recognised.

Other liabilities

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

1.20 Provisions

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

1.21 Operating segments

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

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

1.22 Critical accounting estimates and judgements

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

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

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

IAS 38 Intangible Assets contains specific criteria that if met mean development expenditure must be capitalised as an internally generated intangible asset. The carrying value of the capitalised product development at the reporting date is £1,622,552 (2017: £1,403,420). Judgements are required in both assessing whether the criteria are met, (for example, differentiating between enhancements and maintenance) and then in applying the rules (for example, determining an estimated useful life). Intangible assets are amortised over their useful lives. Useful lives are assessed by reference to observable data (for example, remaining patent life) and taking into consideration specific product characteristics (for example, product life cycle) and market characteristics (for example, estimates of the period that the assets will generate revenue). Each of these factors is periodically reviewed for appropriateness. Changes to estimates in useful lives may result in significant variations in the amortisation charge.

Notes to the Consolidated Financial Statements
continued

1 Accounting policies continued

1.22 Critical accounting estimates and judgements continued

Business combinations – identification, valuation and amortisation of acquisition-related assets (Notes 1.12, 11 and 23)

In accounting for business combinations, the Group is required to determine the fair value of the identifiable assets acquired and allocate the purchase price accordingly. In determining the fair value of the intangible assets acquired, judgement is required in determining and valuing the identifiable intangible assets through the use of appropriate valuation techniques and discount rates. Assumptions on future cash flows, length of life of the assets, reproduction and replacement cost are, where possible, based on information available to management at the time of acquisition. Future cash flows include significant subjective assumptions in relation to market demand, success in obtaining regulatory clearance, pricing, levels of reimbursement and gross margins and securing national guideline recommendations. The Group considers that for each of these variables there is a range of reasonably possible alternative values, which results in a range of fair value estimates, and determining values requires considerable judgement and there remain inherent uncertainties in forecasting. Changes to key assumptions may result in significant variations to fair values of the identifiable assets. The amount of goodwill initially recognised is dependent on the allocation of the fair value of the identifiable assets acquired.

Impairment of intangible assets (Notes 1.12 and 11)

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

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

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

Share-based payments (Notes 1.10 and 18)

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

Research and development tax credit (Note 8)

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

2 Operating segment and revenue analysis

The Group's principal trading activity is undertaken in relation to the commercialisation of its Parsortix cell separation system. The Group is also commercialising the Ziplex multiplex analysis system which is being used with the ovarian cancer clinical application and in other fields of use. The Directors believe that these activities comprise two operating segments. All significant decisions are made by the Board of Directors with implementation of those decisions on a Group-wide basis. The Group manages any overseas R&D and sales and marketing from the UK.

Breakdown of results by operating segment

	2018 Parsortix £'000	2018 Ziplex* £'000	**2018 Total £'000**	2017 Parsortix £'000
Revenue	543	85	**628**	498
Cost of sales	(154)	(15)	**(169)**	(123)
Other operating income	52	–	**52**	–
Operating costs	(8,599)	(845)	**(9,444)**	(7,810)
Operating profit/(loss)	(8,158)	(775)	**(8,933)**	((7,435)
Net finance income (costs)			**8**	25
Tax (charge)/credit			**1,387**	1,018
Profit/(loss) for the year			**(7,538)**	(6,392)

*The Ziplex system was acquired on 1 November 2017 and the segmental breakdown covers the period from 1 November 2017 to 30 April 2018.

Assets and working capital are monitored on a Group basis. Segment assets and liabilities are currently not reported on in the management accounts on a segment basis and are therefore not disclosed.

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

Major customers

The Group revenues are to the research use market and involve a mix of customers and territories. These are early-stage revenues with a modest customer base. The Group had one significant (revenues in excess of 10% of total revenues) customer which contributed 14% of Group revenues in the reporting period (2017: two significant customers contributing 14% and 11%).

Geographical territories

	2018 £'000	2017 £'000
UK	**109**	130
Europe	**342**	224
North America	**177**	144
Total	**628**	498

3 Operating costs

	2018 £'000	2017 £'000
Staff costs – employees (Note 5)	**3,391**	2,709
Depreciation – owned assets (Note 12)	**446**	267
(Profit)/loss on disposal of property, plant and equipment	**1**	5
Amortisation of intangible assets (Note 11)	**341**	156
Impairment of intangible assets (Note 11)	**3**	89
Operating lease costs – other	**399**	237
Auditor's remuneration (see below)	**72**	56
Third-party research, development and clinical study costs	**2,044**	2,685
Patent and legal costs	**328**	69
Inventories used in research and development	**245**	156
Listed company costs	**471**	424
Foreign exchange	**(17)**	(44)
Other operating costs	**1,720**	1,001
Total operating costs	**9,444**	7,810

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

Third-party research and development costs include the cost of clinical studies, key opinion leader research agreements, instrument design, scientific advisory board and laboratory supplies.

Auditor's remuneration

	2018 £'000	2017 £'000
Audit services		
Statutory audit of parent and consolidated accounts	**52**	40
Statutory audit of subsidiaries	**8**	7
Non-audit services		
Review of Interims	**2**	–
Tax compliance services	**8**	7
Tax advisory services	**2**	2
Total	**72**	56

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

Notes to the Consolidated Financial Statements
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4 Directors' emoluments

	2018 £'000	2017 £'000
Aggregate emoluments for qualifying services	**552**	408
Employer pension contributions (Note 6)	**40**	10
Sub-total per Directors' Annual Remuneration Report (page 47)	**592**	418
Employer's National Insurance contributions	**71**	51
Total	**663**	469

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

Emoluments for qualifying services	**336**	231
Employer's National Insurance contributions	**45**	30
Total	**381**	261

Disclosures relating to individual Directors' emoluments are given in the Directors' Annual Remuneration Report on page 47.

5 Employment

Employment costs

The aggregate of employment costs of staff (including Directors) for the year was:

	2018 £'000	2017 £'000
Wages and salaries	**2,981**	2,423
Social security costs	**297**	231
Pension contribution costs (Note 6)	**60**	13
	3,338	2,667
Share-based payment charge (Note 18)	**324**	254
Total staff costs	**3,662**	2,921
Staff costs capitalised as product development	**(271)**	(212)
Total staff costs in operating costs (Note 3)	**3,391**	2,709

The key management personnel are the Directors and their remuneration is disclosed in Note 4 and within the Directors' Annual Remuneration Report on pages 47 to 48.

Number of employees

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

	2018 Number	2017 Number
Specialist medtech	**43**	31

6 Pension costs

The Group incurred UK pension contribution charges of £54,014 (2017: £10,320) for payment directly to personal pension plan schemes and £6,063 to the ANGLE auto-enrolment pension scheme (2017: £2,380). Contributions to personal pension plan schemes of £2,251 (2017: £320) and to the ANGLE auto-enrolment pension scheme of £2,083 (2017: £775) were payable at the reporting date and are included in trade and other payables (Note 16). One Director has received contributions under a defined contribution pension scheme (2017: one) – see Directors' Annual Remuneration Report on page 47.

7 Net finance income/(costs)

	2018 £'000	2017 £'000
Finance income		
Bank interest	**8**	25
Finance costs	**–**	–
Net finance income/(costs)	**8**	25

8 Tax

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

	2018 £'000	2017 £'000
Current tax:		
Corporation tax on losses in the year	**–**	–
Research and development tax credit receivable for the current year	**(1,077)**	(760)
Prior year adjustment in respect of research and development tax credit	**(310)**	(258)
Deferred tax:		
Origination and reversal of timing differences	**–**	–
Tax charge/(credit)	**(1,387)**	(1,018)

	2018 £'000	2017 £'000
Profit/(loss) before tax	**(8,925)**	(7,410)
Corporation tax:		
Tax on profit/(loss) at 20.6% (2017: 19.9%)	**(1,839)**	(1,476)
Factors affecting charge:		
Permanent differences	**38**	59
Excess of depreciation (over)/under capital allowances	**(77)**	6
Enhanced research and development relief	**(463)**	(306)
Share-based payments	**62**	49
Unutilised losses carried forward	**1,200**	895
Other tax adjustments	**2**	13
Prior year adjustment	**(310)**	(258)
Tax charge/(credit) for year	**(1,387)**	(1,018)

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

The Group has accumulated losses available to carry forward against future trading profits of £29.9 million (2017: £21.8 million). No deferred tax asset has been recognised in respect of tax losses since it is uncertain at the reporting date as to when future profits will be available against which the unused tax losses can be utilised. The estimated value of the deferred tax asset not recognised, measured at a standard rate of 20.8% (2017: 17%), is £6.7 million (2017: £3.7 million).

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

Notes to the Consolidated Financial Statements

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9 Earnings/(loss) per share

The basic and diluted earnings/(loss) per share is calculated by dividing the after tax loss for the year attributable to the owners of the parent of £7.6 million (2017: £6.6 million) by the weighted average number of shares in the year.

In accordance with IAS 33 Earnings per share, 1) the "basic" weighted average number of ordinary shares calculation excludes shares held by the Employee Share Ownership Trust (ESOT) as these are treated as treasury shares and 2) the "diluted" weighted average number of ordinary shares calculation considers potentially dilutive ordinary shares from instruments that could be converted. Share options are potentially dilutive where the exercise price is less than the average market price during the year. Due to the losses in 2018 and 2017, share options are non-dilutive for those years as adding them would have the effect of reducing the loss per share and therefore the diluted loss per share is equal to the basic loss per share.

	2018 £'000	2017 £'000
Profit/(loss) for the year attributable to owners of the parent	**(7,556)**	(6,567)

	Number of shares	Number of shares
Weighted average number of ordinary shares	**95,614,021**	73,463,745
Weighted average number of ESOT shares	**(113,259)**	(113,259)
Weighted average number of ordinary shares – basic	**95,500,762**	73,350,486
Effect of potential dilutive share options	**–**	–
Adjusted weighted average number of ordinary shares – diluted	**95,500,762**	73,350,486

Earnings/(loss) per share attributable to owners of the parent		
Basic and Diluted (pence per share)	**(7.91)**	(8.95)

10 Investments

The Company has investments in the following subsidiaries:

Company name	Principal activity	Class of share held	Holding %
ANGLE Biosciences Incorporated[1]	Medical diagnostics	Common	100.00
ANGLE Europe Limited[1]	Medical diagnostics	Ordinary	100.00
ANGLE North America Incorporated	Medical diagnostics	Common & Preferred	90.53[2]
ANGLE Technology Limited[1]	Medical diagnostics	Ordinary	100.00
ANGLE Technology Ventures Limited	Medical diagnostics	Ordinary	100.00
ANGLE Partnerships Limited[1]	Dormant	Ordinary	100.00
ANGLE Technology Licensing Limited	Dormant	Ordinary	100.00

1 Subsidiary held directly

2 The effective Group holdings in individual investments are shown before a) the effects of any dilutive share options or convertible loans and b) additional ANGLE holdings from convertible loans or warrants within the individual investments. If these instruments were all converted then the fully diluted holding would be 96.55% at 30 April 2018

The Group is now entirely focused on medical diagnostics and the Group structure is in the process of being further rationalised.

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

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

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

ANGLE North America Incorporated is incorporated and registered in the US. Its registered address is 1150 1st Avenue, Suite 1010, King of Prussia, PA 19406, USA.

11 Intangible assets

	Goodwill £'000	Acquired intangible assets £'000	Intellectual property £'000	Computer software £'000	Product development £'000	Total £'000
Cost						
At 1 May 2016	**–**	**–**	**442**	**6**	**1,339**	**1,787**
Additions	–	–	209	1	462	672
Disposals	–	–	–	(5)	–	(5)
Exchange movements	–	–	26	–	168	194
At 30 April 2017	**–**	**–**	**677**	**2**	**1,969**	**2,648**
Additions	–	–	146	5	500	651
Acquisition of assets (Note 23)	2,207	1,214	–	–	–	3,421
Disposals	–	–	–	(1)	–	(1)
Exchange movements	–	(1)	(14)	–	(90)	(105)
At 30 April 2018	**2,207**	**1,213**	**809**	**6**	**2,379**	**6,614**
Amortisation and impairment						
At 1 May 2016	**–**	**–**	**62**	**4**	**375**	**441**
Charge for the year	–	–	13	1	142	156
Disposals	–	–	–	(5)	–	(5)
Impairment	–	–	89	–	–	89
Exchange movements	–	–	–	–	49	49
At 30 April 2017	**–**	**–**	**164**	**–**	**566**	**730**
Charge for the year	–	87	21	2	231	341
Disposals	–	–	–	(1)	–	(1)
Impairment	–	–	3	–	–	3
Exchange movements	–	–	(7)	–	(40)	(47)
At 30 April 2018	**–**	**87**	**181**	**1**	**757**	**1,026**
Net book value						
At 30 April 2018	**2,207**	**1,126**	**628**	**5**	**1,622**	**5,588**
At 30 April 2017	–	–	513	2	1,403	1,918

"Goodwill" relates to the acquisition of the assets of Axela Inc. on 1 November 2017. Note 23 contains further details of the transaction and resulting financial impact on the Group. Goodwill is deemed to have an indefinite useful life, is carried at fair value and is reviewed for impairment annually or more frequently if events or changes in circumstances indicate a potential impairment.

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

The carrying amount of goodwill has been assessed based on value-in-use cash projections for the CGU that cover a ten year period in which the key judgements and estimates are in relation to the revenues and revenue growth rates, profit margins and the applied discount rate of 20%, reflecting the early stage of development and the risk factors in achieving successful commercialisation. Cash flows beyond that period have been extrapolated using a terminal growth rate of 2%. A ten year forecast period is required because the achievement of the revenue growth rate is dependent on the successful execution of the commercial strategy for the ovarian cancer triage test (clinical validation through clinical studies and product launch) and in relation to the non-oncology side of the business. A failure to achieve the expected revenues and growth would make an impairment to goodwill possible. Given the acquisition occurred six months before the year-end, has broadly performed in line with expectations and there are no indications of impairment, then the assessment has been by reference to the valuation of the Company in the analysts note at the time of the placing and also the market value of the equity at the reporting date. Both of these measures provide substantial headroom over the carrying amount of the goodwill and estimated selling costs.

"Acquired intangible assets" also relates to the acquisition of the assets of Axela Inc. (Note 23) and comprises the fair value of the identifiable intangible assets arising at the date of acquisition. This comprises mainly the technology but also some modest amounts for customer contracts and relationships and critical supplier contracts and relationships. Identifiable intangible assets are amortised over their expected useful life.

Notes to the Consolidated Financial Statements
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11 Intangible assets continued

"Product development" relates to internally generated intangible assets that were capitalised in accordance with IAS 38 Intangible Assets (Note 1.12). Capitalised product development costs are directly attributable costs comprising cost of materials, specialist contractor costs, labour and overheads. Product development costs are amortised over their estimated useful lives commencing when the related new product is in commercial production. Development costs not meeting the IAS 38 criteria for capitalisation continue to be expensed through the statement of comprehensive income as incurred. During the period the Group undertook a review of the carrying amount of the CE Mark as the current FDA studies will also be used to update the CE Mark. As a consequence the remaining useful life of the existing CE Mark was shortened based on the expected replacement date which resulted in an additional amortisation charge of £93,075.

Product development includes a carrying value of £1,116,848 (2017: £626,871) in relation to the FDA development work.

The carrying value of intangible assets excluding goodwill is reviewed for indications of impairment whenever events or changes in circumstances indicate that the carrying value may exceed the recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its "value-in-use". The key assumptions to assess value-in-use are the estimated useful economic life, future revenues, cash flows and the discount and terminal value rate to determine the net present value of these cash flows. Where 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 charged to operating costs in the Consolidated Statement of Comprehensive Income.

12 Property, plant and equipment

	Leasehold improvements £'000	Computer equipment £'000	Laboratory equipment and tooling £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost					
At 1 May 2016	**–**	**40**	**768**	**83**	**891**
Additions	250	7	69	6	332
Disposals	–	(8)	(30)	(2)	(40)
Transfers from inventories	–	–	284	–	284
Exchange movements	–	7	28	2	37
At 30 April 2017	**250**	**46**	**1,119**	**89**	**1,504**
Additions	–	39	770	10	819
Acquisition of assets (Note 23)	–	–	89	–	89
Disposals	–	(19)	(96)	(11)	(126)
Transfers from inventories	–	–	211	–	211
Exchange movements	–	(1)	(33)	(2)	(36)
At 30 April 2018	**250**	**65**	**2,060**	**86**	**2,461**
Depreciation					
At 1 May 2016	**–**	**30**	**351**	**55**	**436**
Charge for the year	–	6	249	12	267
Disposals	–	(8)	(25)	(2)	(35)
Transfers from inventories	–	–	(3)	–	(3)
Exchange movements	–	–	14	1	15
At 30 April 2017	**–**	**28**	**586**	**66**	**680**
Charge for the year	50	17	365	14	446
Disposals	–	(19)	(95)	(11)	(125)
Transfers from inventories	–	–	–	–	–
Exchange movements	–	–	(14)	(1)	(15)
At 30 April 2018	**50**	**26**	**842**	**68**	**986**
Net book value					
At 30 April 2018	**200**	**39**	**1,218**	**18**	**1,475**
At 30 April 2017	250	18	533	23	824

Laboratory equipment includes a carrying value of £608,197 (2017: £362,019) in relation to Parsortix instruments being used in-house and on long-term loan to Key Opinion Leaders, including instruments and equipment for the FDA clinical studies. Tooling includes amounts in relation to moulds for the productionisation of cassettes, enabling higher volume production, lower pricing and compliance with medical device manufacturing quality requirements.

Depreciation charges are charged to operating costs in the Consolidated Statement of Comprehensive income.

13 Financial risk management

Overview

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

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

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

Financial assets

Financial assets of the Group comprise cash at bank and in hand as well as treasury deposits, trade and other receivables (Note 15). It is the Group's policy to place surplus cash resources on deposit at both floating and fixed term deposit rates of interest with the objective of maintaining a balance between accessibility of funds and competitive rates of return. Fixed term deposits are for varying periods ranging from one to six months, to the extent that cash flow can be reasonably predicted.

Financial liabilities

Financial liabilities of the Group in the normal course of business comprise trade and other payables (Note 16), overdraft facilities and finance leases. It is the Group's policy to use various financial instruments with floating and fixed rates of interest with the objective of maintaining a balance between continuity of funding, matching the liability with the use of the asset and finding flexible funding options for a reasonable charge.

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

Liquidity risk

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

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

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

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

Capital risk management

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

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

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

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

	2018 £'000	2017 £'000
Total equity attributable to owners of the parent	**16,538**	9,525
Total assets	**18,282**	10,918
Equity ratio	**90.5%**	87.2%

Credit risk

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

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

Notes to the Consolidated Financial Statements
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13 Financial risk management continued

Interest rate risk

The Group's financial assets and financial liabilities have the following interest rate profile:

	Fixed rate[1] £'000	Floating rate[2] £'000	Interest free £'000	**2018 Total £'000**	Fixed rate[1] £'000	Floating rate[2] £'000	Interest free £'000	2017 Total £'000
Financial assets:								
Trade and other receivables	–	–	285	**285**	–	–	170	170
Cash and cash equivalents	46	6,617	982	**7,645**	17	5,371	148	5,536
Total	46	6,617	1,267	**7,930**	17	5,371	318	5,706
Financial liabilities:								
Trade and other payables	–	–	2,104	**2,104**	–	–	1,830	1,830
Total	–	–	2,104	**2,104**	–	–	1,830	1,830

1 Fixed rate cash deposits in Sterling earned interest at the rate of 0.5% (2017: 0.0%)
2 Floating rate cash deposits in Sterling earned interest at rates between 0.01% and 0.2% (2017: 0.01% and 0.4%). The weighted average interest rate on Sterling cash deposits for this period was 0.08% (2017: 0.0% and 0.4%)

The Group does not consider the impact of interest rate risk to be material to its results or operations.

The primary interest rate risk impact relates to movements in underlying bank interest rates and the impact on interest received on cash and cash equivalents held by the Group with corporate banks. If interest rates had been 1% higher on floating rate cash deposits then finance income would have been increased by £70,620 (2017: £91,098).

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

All amounts have maturity dates of less than twelve months (2017: £nil was greater than twelve months).

Foreign currency risk

The Group has overseas subsidiaries whose income and expenses are primarily denominated in US Dollars (USD) and Canadian Dollars (CAD). As a result, the Group's Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position may be affected by movements in the USD:Sterling and CAD:Sterling exchange rate.

The majority of the Group's operating revenues and expenses are in Sterling, Euros, USD and CAD. Sales are priced in Sterling, Euros and USD although the Group may have a limited amount of revenues denominated in other currencies. Excess exposure, if any, may be managed for all significant foreign currencies using forward currency contracts or currency swaps.

Sensitivity analysis

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

	2018 USD £'000	**2018 CAD £'000**	2017 USD £'000
Profit/(loss) – 5% strengthening	**(147)**	**(49)**	(171)
Profit/(loss) – 5% weakening	**162**	**54**	155

Hedging

The Group did not hedge its financial transactions in 2018 or 2017.

Currency profile

The Group's financial assets and financial liabilities have the following currency profile:

	Sterling £'000	USD £'000	Euro £'000	CAD £'000	**2018 Total £'000**	Sterling £'000	USD £'000	Euro £'000	2017 Total £'000
Financial assets:									
Trade and other receivables	59	125	85	16	**285**	47	57	66	170
Cash and cash equivalents	7,136	166	273	70	**7,645**	5,446	82	8	5,536
Total financial assets	7,195	291	358	86	**7,930**	5,493	139	74	5,706
Financial liabilities:									
Trade and other payables	1,150	668	198	88	**2,104**	1,051	707	72	1,830
Total financial liabilities	1,150	668	198	88	**2,104**	1,051	707	72	1,830

Fair values of financial assets and liabilities

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

The fair values of the Group's financial assets and liabilities, together with the carrying values shown in the Consolidated Statement of Financial Position, are as follows:

	Fair value through profit or loss £'000	Amortised cost £'000	Total carrying value £'000	Fair value £'000
30 April 2018				
Trade and other receivables	–	285	285	285
Cash and cash equivalents	–	7,645	7,645	7,645
Trade and other payables	–	(2,104)	(2,104)	(2,104)
30 April 2017				
Trade and other receivables	–	170	170	170
Cash and cash equivalents	–	5,536	5,536	5,536
Trade and other payables	–	(1,830)	(1,830)	(1,830)

14 Inventories

	2018 £'000	2017 £'000
Raw materials and work in progress	**6**	–
Finished goods	**593**	665
	599	665

Notes to the Consolidated Financial Statements

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15 Trade and other receivables

	2018 £'000	2017 £'000
Current assets:		
Trade receivables	**184**	170
Other receivables	**193**	144
Prepayments and accrued income	**451**	400
	828	714

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

	2018 £'000	2017 £'000
Age profile of trade receivables:		
Not past due	**134**	70
0 – 30 days past due	**42**	100
30 – 60 days past due	**5**	–
>60 days past due	**3**	–
Total	**184**	170

The Directors consider the carrying amount of trade and other receivables to approximate their fair value. Receivables are unsecured and interest free, unless past their due date when interest may be charged.

16 Trade and other payables

	2018 £'000	2017 £'000
Current liabilities:		
Trade payables	**994**	980
Other taxes and social security costs	**72**	71
Other payables	**4**	1
Accruals and deferred income	**1,328**	1,060
	2,398	2,112

Accruals include amounts for professional fees, holidays/vacation, salary and bonuses (Note 22). Deferred income includes amounts for pre-billed revenues.

17 Share capital

The share capital of the Company is shown below:

	2018 £'000	2017 £'000
Allotted, called up and fully paid		
117,086,522 (2017: 74,815,774) Ordinary shares of 10p each	**11,709**	7,482

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

The Company issued 7,481,570 new ordinary shares with a nominal value of £0.10 at an issue price of £0.375 per share in a subscription, realising gross and net proceeds of £2.8 million. Shares were admitted to trading on AIM in October 2017.

The Company issued 34,789,178 new ordinary shares with a nominal value of £0.10 at an issue price of £0.35 per share in a placing and subscription, realising gross proceeds of £12.2 million (£11.6 million net of expenses). Shares were admitted to trading on AIM in October and November 2017.

18 Share-based payments

The key disclosures that enable the user of the Financial Statements to understand the nature and extent of share-based payment charges through the Statement of Comprehensive Income relate to shares in ANGLE plc.

The share-based payment charge for the Company Employee Share Option Schemes was £324,495 (2017: £254,207).

Company – Share Option Schemes

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

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

EMI Share Option Scheme and Unapproved Share Option Schemes

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

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

	2018 Number of share options #	**2018 Weighted average exercise price (p)**	2017 Number of share options #	2017 Weighted average exercise price (p)
Outstanding at 1 May	**9,775,806**	**64.88**	7,082,806	65.91
During the year				
Granted	**1,050,000**	**40.02**	3,305,000	64.50
Exercised	**–**	**–**	(22,000)	25.75
Forfeited	**(500,000)**	**65.04**	(590,000)	76.56
Outstanding at 30 April	**10,325,806**	**62.35**	9,775,806	64.88
Capable of being exercised at 30 April	**3,548,867**	**51.33**	2,884,137	46.54

The options outstanding at 30 April 2018 had a weighted average remaining contractual life of six years and six months (2017: seven years and three months).

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

Notes to the Consolidated Financial Statements

continued

18 Share-based payments

The following assumptions are used in the model to determine the fair value of share options at the respective date of grant that are still outstanding at 30 April 2018:

Date of grant	Exercise price (£)	Share price at date of grant (£)	Expected volatility	Risk free interest rate	Expected life of option (years)	Expected dividends	Vesting conditions	Outstanding share options
30 August 2011	0.2575	0.2575	45.00%	1.06%	3.5	Nil	(1)	1,199,353
18 November 2011	0.7550	0.7550	40.00%	0.62%	2.5	Nil	(2)	1,247,315
5 November 2012	0.2575	0.3750	40.00%	0.35%	3.0	Nil	(1)	380,647
5 November 2012	0.7550	0.3750	40.00%	0.23%	2.0	Nil	(2)	312,685
11 December 2013	0.7300	0.7300	40.00%	0.97%	3.0	Nil	(3)	550,000
18 July 2014	0.7500	0.7500	40.00%	1.40%	3.0	Nil	(4)	40,000
10 November 2014	0.8625	0.8625	40.00%	1.53%	5.0	Nil	(5)	1,500,000
10 November 2014	0.8625	0.8625	40.00%	1.03%	3.0	Nil	(4)	390,000
31 March 2015	0.8625	0.7850	40.00%	0.67%	3.0	Nil	(4)	420,000
12 November 2015	0.1000	0.7550	40.00%	0.68%	2.0	Nil	(6)	120,806
1 March 2016	0.5650	0.5650	40.00%	0.42%	3.0	Nil	(4)	150,000
25 November 2016	0.6450	0.6450	40.00%	0.30%	3.0	Nil	(4)	1,465,000
25 November 2016	0.6450	0.6450	40.00%	0.30%	3.0	Nil	(7)	1,500,000
1 November 2017	0.4000	0.4000	40.00%	0.57%	3.0	Nil	(8)	500,000
1 November 2017	0.4000	0.4000	40.00%	0.57%	3.0	Nil	(4)	450,000
16 November 2017	0.4025	0.4025	40.00%	0.55%	3.0	Nil	(4)	100,000
Total								**10,325,806**

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

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

(1) Vesting is subject to a) a performance condition that the Company's share price together with any dividend payments has risen by at least 50% from the market price on 30 August 2011, and b) a service condition with options vesting over a three-year period. These conditions have been met and the options are fully vested and capable of exercise.
(2) Vesting is subject to a) the performance conditions that (i) the Company's share price must have increased to £2.00 at some point since the date of grant and (ii) the Parsortix separation device must have been demonstrated to successfully capture circulating tumour cells from cancer patient blood (this condition has been met), and b) a service condition with options vesting over a three-year period (this condition has been met).
(3) Vesting is subject to a) specific performance conditions for senior management and b) a service condition with options vesting over a three-year period.
(4) Vesting is subject to a service condition with options vesting over a period up to three years.
(5) Vesting is subject to the performance conditions that a) the Company's share price must have increased to £2.00, £2.25, £2.50 and £2.75 at some point since the date of grant for each quarter of the allocation and b) a time/event condition with options vesting after five years or on the sale of the Parsortix business, whichever is earliest.
(6) Options were granted as Bonus Options in accordance with the Remuneration Committee's discretion to settle an element of the Annual Bonus in the form of share options. The Bonus Options vest immediately and are exercisable at par value.
(7) Vesting is subject to a) a performance condition that the Company's share price has risen by at least 100% from the market price on 25 November 2016, and b) a service condition with options vesting over a three-year period.
(8) Vesting is subject to a) a performance condition that the Company's share price has risen by at least 100% from the market price on 1 November 2017, and b) a service condition with options vesting over a three-year period.

Once all performance and/or service conditions have been met the employee becomes unconditionally entitled to the options and they are capable of exercise. Based on these performance and/or service conditions a number of options have vested and become capable of exercise. No options were exercised in the year (2017: 22,000).

19 ESOT shares

	2018 £'000	2017 £'000
At 30 April	**102**	102

Employee Share Ownership Trust (ESOT) shares are ANGLE plc shares held by the ANGLE Employee Trust. At 30 April 2018 the Trust held 113,259 shares (2017: 113,259 shares). The market value of these shares at 30 April 2018 was £53,798 (2017: £58,328). Shares purchased by the ANGLE ESOT are used to assist in meeting the obligations under employee remuneration schemes.

20 Contingent liabilities

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

21 Guarantees and other financial commitments

The Group has operating lease commitments for office accommodation and specialist laboratories.

	2018 £'000	2017 £'000
Aggregate commitments under non-cancellable operating leases on property falling due in:		
Not later than one year	**325**	185
Between one and five years	**367**	502
	692	687

In the prior year, the Group moved office and laboratory facilities in the UK and entered into a ten year lease, with a break clause at year five.

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

During the year, the Group entered into certain commitments in relation to the development of the Parsortix cancer diagnostic product. In aggregate these gave rise to financial commitments of up to £2.0 million over one year (2017: £0.5 million).

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

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

22 Related party transactions

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

Directors' interests – related party interests and transactions

Apart from the interests disclosed in the Directors' Annual Remuneration Report on pages 47 and 48 and below, none of the Directors had any interest at any time during the year ended 30 April 2018 in the share capital of the Company or its subsidiaries.

At the reporting date, £103,000 of remuneration (2017: £nil) was due to Andrew Newland and £65,545 of remuneration (2017: £nil) was due to Ian Griffiths.

Brian Howlett entered into a consultancy contract with effect from 7 January 2013 to provide specialist commercial advice outside of his normal Board responsibilities. Consultancy fees of £nil were paid to Brian under this contract (2017: £nil).

SoBold Limited provides digital marketing services and website management to ANGLE with fees in the year of £38,390 (2017: £49,122). Andrew Newland's son is the managing director and a main shareholder of SoBold Limited. The relationship is managed by US Vice President, Peggy Robinson.

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

Notes to the Consolidated Financial Statements

continued

23 Acquisition

On 1 November 2017, the Group acquired the assets and business of Axela Inc., a private corporation based in Toronto, Canada, with a novel multiplex gene and protein analysis platform. The assets and business were acquired as the Axela technology had been used over a two year period in ANGLE's US ovarian cancer studies and had shown key advantages over other established downstream analysis technologies on the market. The acquisition also represented a major strengthening of ANGLE's position within the liquid biopsy market providing a key competitive differentiation of owning both a CTC harvesting technology and a downstream molecular analysis technology thereby enabling a "sample-to-answer" solution, and also allowing ANGLE to capture more of the value chain. The Chairman's Statement on pages 04 to 07 provides more details.

The deal was structured as an asset purchase whereby specific assets were purchased, liabilities were excluded and key people transferred such that the business could continue. The transaction is treated as a business combination within the scope of IFRS 3 Business Combinations.

The amounts recognised in respect of the assets acquired on 1 November 2017 are as set out in the table below:

	Fair value £'000
Identifiable intangible assets	1,214
Property, plant and equipment	89
Inventories	86
Other tangible assets	17
Total identifiable assets acquired	**1,406**
Goodwill arising on acquisition	2,207
Total consideration	**3,613**

The total consideration was paid entirely in cash in full and final settlement in the amount of CAD$6.2 million (£3.6 million).

The acquired intangible assets comprise separately identifiable intangible assets and goodwill. The identification and fair values of the acquired intangible assets have been assessed by an independent third-party valuation company.

The fair value of the acquired identifiable intangible assets is primarily attributed to the technology, comprising patents, licenced IP, copyright on software and designs, developed and in-process products, completed and in-process research and development, documented trade secrets such as technical know-how and manufacturing and operating procedures, methods and processes. In addition some modest fair value has been attributed to customer contracts and relationships and critical supplier contracts and relationships.

The fair value of acquired property, plant and equipment primarily relates to the residual values of the property, plant and equipment acquired.

The fair value of acquired inventories represents inventories valued at the original purchase price less provision to take account of the condition of the inventory and any costs needed to bring the product up to current regulations and standards.

The goodwill arising represents the highly knowledgeable, skilled and specialised workforce, cost savings and operating synergies expected to result from having a larger R&D base in North America, the ability to access new markets, the advantages of the combination of Parsortix and Ziplex technologies enabling "sample-to-answer" tests, capturing more of the value chain and competitive differentiation.

Acquisition-related expenses of £0.1 million (2017: £0.3 million) are included in operating costs in the Consolidated Statement of Comprehensive Income, which includes expenditure on market research, IP advice, legal and accounting services.

Included in the Consolidated Statement of Comprehensive Income in the period 1 November 2017 to 30 April 2018 was revenue of £0.1 million and loss before tax of £0.6 million, excluding inter-company transactions. If the acquisition had been consolidated from 1 May 2017 the acquired business would have contributed revenues of £0.2 million and loss before tax of £1.0 million, excluding inter-company transactions.

24 Post reporting date event

As reported in the Chairman's Statement and elsewhere, the Company completed a fundraise of £12.7 million before costs in July and August 2018 and issued 25,400,000 new ordinary shares at an issue price of £0.50 per share in a placing and subscription. The net proceeds of £12 million, together with the Company's existing cash reserves, will be used to a) progress FDA studies, clearance and associated metastatic breast cancer applications, b) progress work on the ovarian cancer pelvic mass triage application, c) progress prostate cancer applications, d) undertake product development improvements and e) contribute to ongoing operating expenses.

Company Statement of Financial Position

As at 30 April 2018

	Note	**2018 £'000**	2017 £'000
Assets			
Non-current assets			
Investment in subsidiaries	C3	**3,811**	3,487
Other receivables	C4	**37,166**	23,892
Total non-current assets		**40,977**	27,379
Current assets			
Cash and cash equivalents		**6,430**	5,313
Total current assets		**6,430**	5,313
Total assets		**47,407**	32,692
Equity			
Equity			
Share capital	C5	**11,709**	7,482
Share premium		**43,449**	33,285
Share-based payments reserve		**1,049**	799
Retained earnings		**(8,800)**	(8,874)
Equity attributable to owners		**47,407**	32,692

The Company's profit for the year and total comprehensive income for the year were £nil (2017: £nil) and £nil (2017: £nil) respectively.

The Financial Statements on pages 79 to 82 were approved by the Board and authorised for issue on 5 October 2018 and signed on its behalf by:

I F Griffiths
Director

A D W Newland
Director

Registered No. 04985171

Company Statement of Cash Flows

For the year ended 30 April 2018

	2018 **£'000**	2017 £'000
Investing activities		
Loans to subsidiaries	**(13,274)**	(7,352)
Loan repayment by subsidiaries	**–**	–
Net cash from/(used in) investing activities	**(13,274)**	(7,352)
Financing activities		
Net proceeds from issue of share capital	**14,391**	9,570
Net cash from/(used in) financing activities	**14,391**	9,570
Net increase/(decrease) in cash and cash equivalents	**1,117**	2,218
Cash and cash equivalents at start of year	**5,313**	3,095
Cash and cash equivalents at end of year	**6,430**	5,313

Company Statement of Changes in Equity

For the year ended 30 April 2018

	Equity attributable to owners				
	Share capital £'000	Share premium £'000	Share-based payments reserve £'000	Retained earnings £'000	Total equity £'000
At 1 May 2016	**5,898**	**25,299**	**606**	**(8,935)**	**22,868**
For the year to 30 April 2017					
Issue of shares (net of costs)	1,584	7,986			9,570
Share-based payments			254		254
Release on exercise			(1)	1	–
Release on forfeiture			(60)	60	–
At 30 April 2017	**7,482**	**33,285**	**799**	**(8,874)**	**32,692**
For the year to 30 April 2018					
Issue of shares (net of costs)	4,227	10,164			14,391
Share-based payments			324		324
Release on forfeiture			(74)	74	–
At 30 April 2018	**11,709**	**43,449**	**1,049**	**(8,800)**	**47,407**

Notes to the Company Financial Statements

For the year ended 30 April 2018

C1 Accounting policies

C1.1 Basis of preparation

The Parent Company Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) in issue that have been endorsed by the EU for the year ended 30 April 2018. They have also been prepared in accordance with those parts of the Companies Act 2006 that apply to companies reporting under IFRS.

The accounting policies of the Company which have been applied consistently throughout the year are the same as those of the Group and are presented on pages 57 to 64 with the addition of the following:

C1.2 Judgements and key sources of estimation uncertainty

Accounting for inter-company loans

The Company has funded the trading activities of its principal subsidiaries by way of inter-company loans. The amounts advanced do not have any specific terms relating to their repayment, are unsecured and are interest free. In the light of the above, management have had to determine whether such loan balances should be accounted for as loans and receivables in accordance with IAS 39, 'Financial Instruments: Measurement', or whether, in fact, it represents an interest in a subsidiary which is outside the scope of IAS 39 and accounted for in accordance with IAS 27, 'Separate Financial Statements'. Management have concluded that, in substance, the loans represent an interest in a subsidiary as the funding provided is considered to provide the subsidiary with a long-term source of capital. Therefore the loans are accounted for in accordance with IAS 27 and are carried at their historical cost less provision for impairment, if any.

C1.3 Investments

Investments in subsidiaries are stated at cost plus capital contribution to the subsidiary in respect of share-based payments, less any provision for impairment. The Company considers the recoverability of loans and investments on an annual basis. Where there is an indication that the carrying value exceeds the recoverable amount an impairment review will be undertaken and a provision for impairment made when considered necessary.

C2 Total comprehensive income

As permitted by Section 408 of the Companies Act 2006, the Parent Company's Statement of Comprehensive Income has not been included in these Financial Statements. The total comprehensive income for the year was £nil (2017: £nil).

The only employees of the Company are the Directors; the remuneration of the Directors is borne by Group subsidiary undertakings. Full details of their remuneration can be found in the Annual Directors' Remuneration Report on pages 47 and 48.

Administrative expenses, including auditor's remuneration, are borne by other Group companies.

C3 Investment in subsidiary undertakings

	2018 £'000	2017 £'000
Cost		
At 1 May	**3,487**	3,233
Share-based payments charge	**324**	254
At 30 April	**3,811**	3,487

Details of the Company's subsidiary undertakings at 30 April 2018 are shown in Note 10 to the Consolidated Financial Statements along with other interests held indirectly through subsidiary undertakings.

FINANCIAL STATEMENTS

Notes to the Company Financial Statements
continued

C4 Trade and other receivables

	2018	2017
	£'000	£'000
Amounts receivable after more than one year		
Cost		
At 1 May	**34,579**	27,227
Additions/(repayments)	**13,274**	7,352
At 30 April	**47,853**	34,579
Provisions		
At 1 May	**10,687**	10,687
Additions/(releases)	**–**	–
At 30 April	**10,687**	10,687
Net book value		
At 30 April	**37,166**	23,892

The Company provides a centralised treasury function to trading subsidiaries through ANGLE Technology Limited. The amounts due from Group undertakings are interest free, unsecured and have no fixed date of repayment.

The Company's credit risk is that one of its subsidiaries is unable to repay intercompany amounts owing. The recoverability of the Company's intercompany receivable is considered at each reporting date.

The provision reflects the Directors' view on the long-term value of the amounts owed by subsidiary undertakings.

C5 Share capital

The share capital of the Company is shown below:

	2018	2017
	£'000	£'000
Allotted, called up and fully paid		
117,086,522 (2017: 74,815,774) Ordinary shares of 10p each	**11,709**	7,482

Details of the Company's share capital and changes in its issued share capital can be found in Note 17 to the Consolidated Financial Statements on page 74.

Details of the Company's share options schemes can be found in Note 18 to the Consolidated Financial Statements on pages 75 and 76.

C6 Related party transactions

Group transactions and balances

Details of balances owed by ANGLE Technology Limited are given in Note C4 above.

Directors' interests – related party interests and transactions

Details are given in Note 22 to the Consolidated Financial Statements on page 77.

C7 Post reporting date event

Details are given in Note 24 to the Consolidated Financial Statements on page 78.

NOTICE OF ANNUAL GENERAL MEETING

Notice of Annual General Meeting

Directors:
I F Griffiths (Finance Director)
B Howlett (Non-executive Director)
A D W Newland (Chief Executive)
G R Selvey (Chairman)

Registered Office
10 Nugent Road
The Surrey Research Park
Guildford
GU2 7AF

5 October 2018

Dear Shareholder

Annual General Meeting

You will find included with this document a Notice convening the Annual General Meeting (the "Meeting") of the Company for 2:00 pm on Tuesday 30 October 2018 at which the following resolutions will be proposed:

1. **Resolution 1** to receive the Annual Report and Accounts of the Company for the financial year ended 30 April 2018.

2. **Resolution 2** to approve the Remuneration Policy (insofar as it relates to the Directors), as set out on page 46 of the Annual Report. Note: this is an advisory vote only.

3. **Resolution 3** to approve the Directors' Annual Remuneration Report for the financial year ended 30 April 2018 set out on pages 47 and 48 of the Annual Report. Note: this is an advisory vote only.

4. **Resolution 4** to re-appoint the auditors of the Company, RSM UK Audit LLP, and authorise the Directors to determine their level of remuneration.

5. **Resolution 5** to grant the Directors authority to allot unissued shares in the capital of the Company up to an aggregate nominal amount of £4,749,551.

   Note: the Directors wish to renew their authorisations with respect to the allotment of new shares.

6. **Resolution 6** to disapply statutory pre-emption rights.

   Note: the Directors wish to renew their authorisations for the disapplication of the statutory pre-emption rights in respect of the allotment of new shares pursuant to rights issues or otherwise for cash, as detailed in the Notice of Annual General Meeting, to enable the Directors to take advantage of opportunities as they arise without the need for further shareholder approval.

7. **Resolution 7** to grant the Directors authority to purchase issued shares in the capital of the Company up to an aggregate nominal amount of £1,424,865.

   Note: whilst the Directors have no present intention of purchasing the Company's shares, the Directors are seeking authorisation as they wish to have the flexibility to do so if this was generally in the best interests of the shareholders and (except in the case of purchases intended to satisfy obligations under share schemes) the expected effect of the purchase would be to increase earnings per share of the remaining shares.

8. **Resolution 8** to adopt new Articles of Association in substitution for and to the exclusion of the existing Articles of Association of the Company.

   Note: a copy of the proposed new Articles of Association of the Company, together with a copy of the existing Articles of Association of the Company adopted by a special resolution dated 29 September 2010 marked to show the changes being proposed, are available for inspection during normal business hours at the registered office of the Company (public holidays excluded) and will also be available for inspection at the place of the Annual General Meeting from at least 15 minutes before time of AGM until its conclusion.

The authorities requested in items 5, 6 and 7 will expire at the 2019 Annual General Meeting or, if earlier, 31 October 2019.

Action to be taken

A Form of Proxy for use at the Annual General Meeting is enclosed. If you are a holder of shares in the Company you are advised to complete and return the form in accordance with the instructions printed on it so as to arrive at the Company's registrars, Link Asset Services PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible, but in any event no later than 48 hours before the time fixed for the Meeting. The return of the Form of Proxy does not preclude you from attending and voting at the Annual General Meeting if you so wish. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.

Recommendation

Your Directors consider the resolutions to be proposed at the Annual General Meeting to be in the best interests of the Company and its shareholders. Accordingly, the Directors unanimously recommend shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully

Garth Selvey
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice of Annual General Meeting

continued

(Company number 04985171)

NOTICE IS HEREBY GIVEN that the fifteenth **ANNUAL GENERAL MEETING** of ANGLE plc (**"the Company"**) will be held at 2:00 pm on Tuesday 30 October 2018 at ANGLE plc, 10 Nugent Road, The Surrey Research Park, Guildford GU2 7AF for the purpose of considering and, if thought fit, passing the following resolutions of which the resolutions numbered 1 through 5 will be proposed as ordinary resolutions and resolutions numbered 6 through 8 will be proposed as special resolutions:

Ordinary Business

1. **TO** receive the Accounts of the Company for the year ended 30 April 2018, and the reports of the Directors and auditors thereon.

2. **TO** approve the Remuneration Policy (insofar as it relates to the Directors) as set out on page 46) of the Annual Report. Note: this is an advisory vote only.

3. **TO** approve the Directors' Annual Remuneration Report as set out on pages 47 and 48 of the Annual Report for the year ended 30 April 2018 Note: this is an advisory vote only.

4. **TO** re-appoint RSM UK Audit LLP as auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next general meeting of the Company at which accounts are laid and to authorise the Directors to determine their remuneration.

Special Business

5. **THAT**, for the purposes of section 551 of the Companies Act 2006 (**"the Act"**), the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company, or grant rights to subscribe for or convert any security into shares in the Company, up to an aggregate nominal amount of £4,749,551 PROVIDED that this authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the earlier of the conclusion of the next Annual General Meeting of the Company or on 31 October 2019 EXCEPT that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or the granting of rights to subscribe for, or convert any security into, shares in the Company after such expiry and the Directors may allot shares and grant rights to subscribe for, or convert any security into, shares in the Company in pursuance of any such offer or agreement as if the authority conferred hereby had not expired. This authority shall replace any existing like authority which is hereby revoked with immediate effect.

6. **THAT**, subject to and conditional upon the passing of Resolution 5, the Directors be and they are hereby generally empowered, in addition to all existing authorities, pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 5 above as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

   (a) the allotment of equity securities in connection with an offer of equity securities open for acceptance for a period fixed by the Directors to holders of equity securities on the register of members of the Company on a date fixed by the Directors in proportion (as nearly as may be) to their respective holdings of such securities or in accordance with the rights attached thereto but SUBJECT to such exclusions, variations or other arrangements as the Directors may deem necessary or expedient to deal with:

      i. fractional entitlements;
      ii. directions from any holders of shares to deal in some other manner with their respective entitlements;
      iii. legal or practical problems arising in any overseas territory;
      iv. the requirements of any regulatory body or stock exchange; or
      v. otherwise howsoever;

   (b) the allotment of equity securities (otherwise than pursuant to sub-paragraph (a) above) up to an aggregate nominal amount of £1,424,865,

   and the power hereby conferred shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 October 2019 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs) EXCEPT that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

7. **THAT**, the Company be and is hereby generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10p each in the capital of the Company provided that:

   (a) the maximum number of ordinary shares that may be purchased is 14,248,652 (representing approximately 10% of the Company's issued share capital at the date of this notice);

   (b) the minimum price (exclusive of expenses) which may be paid for each ordinary share is 10p;

   (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to 105% of the average of the middle market quotations of an ordinary share of the Company taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased,

   and the power hereby conferred shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 October 2019 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs) EXCEPT that the Company may, before such expiry, enter into one or more contracts to purchase ordinary shares under which such purchases may be completed or executed wholly or partly after the expiry of this authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

8. **THAT**, with effect from the conclusion of the Meeting, the Articles of Association produced to the Meeting and for the purposes of identification marked "A" and signed by the Chairman of the Meeting, be adopted in substitution for and to the exclusion of the existing Articles of Association of the Company.

Registered Office
10 Nugent Road
The Surrey Research Park
Guildford
GU2 7AF

By Order of the Board
Ian F Griffiths
Company Secretary

Dated 5 October 2018

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend, speak and vote instead of him. A proxy need not be a member of the Company. The Form of Proxy for use by members is enclosed. To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Proxy Form together with the number of shares in relation to which the proxy is authorised to act. The box on the Proxy Form must also be ticked to indicate that the proxy instruction is one of multiple instructions being given.

2. To be valid, an appointment of proxy must be returned to the Company's Registrars at least 48 hours before the time of the Meeting or any adjourned meeting by one of the following methods:

   - the Form of Proxy in hard copy duly executed, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority) must be deposited at the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU; or
   - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in Note 4 of this document.

   Completion and return of the Form of Proxy will not preclude a member from attending and voting in person.

3. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that, to be entitled to attend and vote at the Meeting (and for the purpose of determining the number of votes they may cast), members must be entered on the Company's register of members at close of business on 26 October 2018. Changes to entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.

4. To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent RA10 by at least 48 hours before the time of the Meeting or any adjourned meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. EUI does not make available special procedures in CREST for any particular messages, therefore normal system timings and limitations will apply in relation to the input of CREST proxy instructions. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulations 35(5) (a) of the Uncertificated Securities Regulations 2001. In any case your Proxy Form must be received by the Company's registrars no later than at least 48 hours before the time of the Meeting or any adjourned meeting.

NOTICE OF ANNUAL GENERAL MEETING

Notice of Annual General Meeting

continued

Explanatory Notes:

Resolution 1: Report and Accounts
The Directors are required to present to the Meeting the audited accounts and the reports of the Directors and the auditors for the financial year ended 30 April 2018.

Resolution 2: Remuneration Policy
As an AIM-quoted company the Company is not subject to the legislation requiring companies to submit their remuneration policy insofar as it relates to the directors to a binding vote of shareholders. However, the Company has on a voluntary basis prepared a forward-looking Remuneration Policy which is submitted to a vote of shareholders on an advisory basis. If the Remuneration Policy insofar as it applies to the Directors is approved and remains unchanged, it will be valid for up to three financial years without new shareholder approval being requested. If the Company wishes to change the policy in any material way, it intends to put the revised policy to a shareholder vote before it is able to implement that revised policy.

Resolution 3: Directors' Annual Remuneration Report
This resolution seeks approval of the Directors' Annual Remuneration Report for the year ended 30 April 2018. The full text of the Directors' Annual Remuneration Report is contained on pages 47 and 48 of the Company's Annual Report.

This is an advisory vote and no entitlement to remuneration for the year ended 30 April 2018 is conditional on the resolution being passed.

Resolution 4: Re-appointment of auditors
The Company is required to appoint auditors at each general meeting at which accounts are laid before the Company, to hold office until the end of the next such meeting. This resolution proposes the appointment and, in accordance with standard practice, gives authority to the Directors to determine the remuneration to be paid to the auditors.

Resolution 5: Directors' authority to allot shares
Section 551 of the Act provides that the directors of a company may not allot shares (or grant rights to subscribe for shares or to convert any security into shares) in a company unless they have been given prior authorisation for the proposed allotment by ordinary resolution of the company's shareholders or by the Articles of Association of a company.

Accordingly, this resolution seeks to grant a new authority under section 551 of the Act to authorise the Directors to allot shares in the Company or grant rights to subscribe for, or convert any securities into, shares of the Company and will expire on 31 October 2019 or at the conclusion of the next Annual General Meeting of the Company following the passing of this resolution, whichever occurs first.

If passed, Resolution 5 would give the Directors authority to allot shares or grant rights to subscribe for, or convert any security into, shares in the Company up to a maximum nominal value of £4,749,551 representing approximately one-third of the Company's nominal value of the issued share capital at the date of this notice.

Resolution 6: Disapplication of pre-emption rights
Under section 561(1) of the Act, if the Directors wish to allot any of the unissued shares or grant rights over shares for cash (other than pursuant to an employee share scheme) they must in the first instance offer them to existing shareholders in proportion to their holdings. There may be occasions, however, when the Directors will need the flexibility to finance business opportunities by the issue of shares without a pre-emptive offer to existing shareholders. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights.

Resolution 6 empowers the Directors to allot equity securities for cash other than in accordance with the statutory pre-emption rights in respect of (i) rights issues and similar offerings, where difficulties arise in offering shares to certain overseas shareholders, and in relation to fractional entitlements and certain other technical matters and (ii) generally in respect of ordinary shares up to a maximum nominal value of £1,424,865, representing approximately 10% of the Company's nominal value of the issued share capital at the date of this notice.

Resolution 7: Authority for market purchase
Resolution 7 will permit the Company to purchase up to 14,248,652 ordinary shares of 10p each (approximately 10% of the shares in issue as at the date of this notice) through the market subject to the pricing limits set out in the resolution and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 31 October 2019 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs). It is intended to propose this as a special resolution.

Resolution 8: Adoption of new Articles of Association

It is proposed to adopt new Articles of Association (the **"New Articles"**) with immediate effect to update the Company's current Articles of Association (the **"Current Articles"**).

The principal changes introduced in the New Articles are set out below. Other changes, which are of a minor, technical or clarifying nature, have not been noted. A copy of the New Articles and a copy of the Current Articles marked to show the changes being proposed by this resolution are available for inspection as noted on page 83 of this document.

Principal changes to the Current Articles:

- Allowing a general meeting to consider a special resolution to be convened on a more typical 14 days' notice (instead of the current 21 days' notice).
- Removing the right to suspend the registration of transfers to ensure consistency with the Companies Act 2006 requirements that share transfers must be registered as soon as practicable.
- Adding specific provisions for the holding of "virtual" general meetings.
- Removing the Chairman's casting vote to ensure consistency with section 282 of the Companies Act 2006.
- Removing the ability to pass written resolutions to ensure consistency with section 281 of the Companies Act 2006 that all resolutions of a public company are to be passed at a general meeting.
- Removing Article 98.4 to ensure consistency with the Mental Health Discrimination Act 2013.
- Allowing electronic payment to shareholders without the requirement to obtain specific shareholder consent.
- Including authority for the Directors of the Company to make provision for employees on cessation or transfer of the business pursuant to section 247(4)(b) of the Companies Act 2006 without the requirement to first obtain an ordinary resolution.

NOTICE OF ANNUAL GENERAL MEETING

General Information for Shareholders in respect of the Annual General Meeting

Time of the Meeting
The doors will open at 1:50 pm and the AGM will start promptly at 2:00 pm on Tuesday 30 October 2018.

The venue
The Meeting will be held at ANGLE plc, 10 Nugent Road, The Surrey Research Park, Guildford, Surrey, GU2 7AF.

Directions
Directions to the venue can be found at http://www.surrey-research-park.com/how-get-here or from any website mapping service such as www.google.co.uk/maps

Shareholders' enquiries
Shareholders' enquiries will be dealt with by a member of staff.

Questions at the Meeting
The Chairman will take questions from shareholders during the Meeting relating to the various items of business and resolutions contained in the formal Notice of Annual General Meeting included herewith. If you wish to ask a question, please make your way to the question registration area, where there will be somebody to assist you.

Travel details
There is easy access from the A3. From the A3 from London follow signs and take the exit for Cathedral/ University. Take the third exit off the roundabout at the end of slip road to the Royal Surrey Hospital and The Surrey Research Park. Go across the first roundabout and then straight on through the traffic light controlled crossroads. This will bring you onto Gill Avenue (Hospital on your right). At the top of Gill Avenue you come onto The Surrey Research Park, go straight over at the mini-roundabout and then further down on your right is Nugent Road where parking is available in the visitor spaces. You will need to sign in at reception and obtain a visitors parking permit to place in your car.

The nearest railway station is Guildford and the venue is located approximately five minutes taxi ride away from the railway station. Alternatively, there is a ten-minute bus ride. The bus stop at The Surrey Research Park is approximately two minutes walking distance away from the venue.

Refreshments
Coffee, tea and biscuits will be available before the Meeting.

Toilet facilities
These will be available at the venue.

Mobile phones
Please ensure mobile phones are switched off for the duration of the Meeting.

Smoking
Smoking will not be permitted anywhere in the venue or during the Meeting.

Disabled persons
Arrangements have been made for disabled shareholders. Please follow the signs to the separate areas for disabled car parking. If you have a companion to assist you, they will be admitted to the Meeting. Guide dogs are also permitted. The meeting room is located on the ground floor.

Form of Proxy

Relating to the Annual General Meeting ("the Meeting") of ANGLE plc ("the Company") to be held at 2:00 pm on Tuesday 30 October 2018 at ANGLE plc, 10 Nugent Road, The Surrey Research Park, Guildford, GU2 7AF.

I/We (insert name) _____

of (address) _____

being (a) holder(s) of (number) _____ ordinary shares of 10p each in the Company hereby appoint the Chairman of the Meeting or

(see note 6) _____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 2:00 pm on Tuesday 30 October 2018 and at any adjournment thereof.

My/Our proxy is to vote on the resolutions as follows:

ORDINARY RESOLUTIONS	For	Against	Withheld
1. To receive the audited Financial Statements of the Company for the year ended 30 April 2018 and to receive the Directors' Report and the auditor's report thereon.			
2. To approve the Remuneration Policy (Advisory Vote).			
3. To approve the Directors' Annual Remuneration Report (Advisory Vote).			
4. To re-appoint RSM UK Audit LLP as auditors of the Company and to authorise the Directors to fix the remuneration of the auditors.			
5. To authorise the Directors to exercise all the powers of the Company to allot securities up to an aggregate nominal amount of £4,749,551.			
SPECIAL RESOLUTIONS			
6. To disapply statutory pre-emption rights.			
7. To authorise the Company to purchase its own shares.			
8. To adopt the New Articles.			

In the absence of instructions, the proxy is authorised to vote (or abstain from voting) at his or her discretion on the specified resolutions. The proxy is also authorised to vote (or abstain from voting) on any other business which may properly come before the Meeting.

Date _____ Signature _____

Please mark this box if you are appointing more than one proxy ☐

Notes

1. Please indicate how you wish your proxy to vote on the resolution by inserting "X" in the appropriate space.
2. The 'Withheld' option is to enable you to abstain on any particular resolution. Such a vote is not a vote in law and will not be counted in the votes 'For' or 'Against' a resolution.
3. In the case of a corporation, the proxy must be under its common seal (if any) or the hand of its duly authorised agent or officer. In the case of an individual, the proxy must be signed by the appointor or his agent, duly authorised in writing.
4. This Form of Proxy, together with any authority (or a notarially certified copy of such authority) under which it is signed, should reach the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU no less than 48 hours before the time for the holding of the Meeting or adjourned meeting.
5. You may appoint one or more proxies of your choice to attend, vote and speak at the Meeting and any adjournment thereof, provided each proxy is appointed to exercise rights in respect of different shares. To appoint more than one proxy (an) additional proxy form(s) may be obtained by contacting the registrars or you may photocopy this page indicating on each copy the number of shares in respect of which the proxy is appointed. All forms must be signed and should be returned to Link Asset Services in the same envelope.
6. If you wish to appoint a proxy other than the Chairman of the Meeting, delete the words "the Chairman of the Meeting or" and insert the name and address of your proxy in the space provided. Please initial the amendment. If you wish your proxy to make comments on your behalf you will need to appoint someone other than the Chairman and give them relevant instructions directly. A proxy, who need not be a member of the Company, must attend the Meeting in person to represent you.
7. In the case of joint holders, the signature of only one of the joint holders is required but, if more than one joint holder votes at the Meeting, the vote of the first named on the register of members will be accepted to the exclusion of the other joint holders.
8. Shares held in uncertificated form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.

Please complete this Form of Proxy and return in the enclosed reply paid envelope to:

PXS 1
34 BECKENHAM ROAD
BECKENHAM
BR3 4ZF

ADDITIONAL INFORMATION

Explanation of Frequently Used Terms

Term	Explanation
Antibody	A protein made by white blood cells in response to an antigen (a toxin or foreign substance). Each antibody can bind to only one specific antigen. The purpose of this binding is to help destroy the antigen
Antigen	Proteins that can be used as markers in laboratory tests to identify cancerous and normal tissues or cells
Benign	Not cancerous. Benign tumours may grow larger but do not spread to other parts of the body. Also called non-malignant
Biomarker	A biological molecule found in blood, other body fluids, or tissues that is a sign of a normal or abnormal process, or of a condition or disease. A biomarker may be used to see how a disease is developing or how well the body responds to a treatment for a disease or condition. Also called molecular marker and signature molecule
Biopsy	Process by which cancer cells are removed from the tumour for molecular analysis
Cancer	A term for diseases in which abnormal cells divide without control and can invade nearby tissues. Cancer cells can also spread to other parts of the body through the blood and lymph systems
Capture	Process for capturing target cells from sample
Capture efficiency	Proportion of target cells captured
Carcinogen	Any substance that is directly involved in causing cancer
CD45	The CD45 antibody recognises the human CD45 antigen, also known as the leukocyte common antigen. WBC are CD45+ whereas CTCs are CD45-. Staining with CD45 often used as a negative confirmation that CTCs are not WBC
Cell(s)	In biology, the smallest unit that can live on its own and that makes up all living organisms and the tissues of the body. The human body has more than 30 trillion cells
Cell culture	See cultured cells
Cell-free DNA	Genomic DNA found in the plasma
Cell labelling	Technique involving the staining of target cells with fluorescent and/or chromogenic markers for cell identification
Cell lines	Cultured cells
CE Mark	Regulatory authorisation for the marketing and sale of products for clinical use in the European Union. The CE marking is the manufacturer's declaration, following appropriate assessment by a CE Notified Body, that the product meets the requirements of the applicable EC directives
Circulating tumour cell	Cancer cell that is circulating in the patient's blood
CTC	Circulating tumour cell
CTC labelling	CTCs are often labelled with three markers and are formally identified as CTCs if they are CK+, CD45-, DAPI+
ctDNA or cfDNA	Abbreviation for circulating tumour DNA also known as cell-free DNA
Chemotherapy	The treatment of cancer by chemicals (drugs). In cancer care the term usually means treatment with drugs that destroy cancer cells or stop them from growing
Clinical study	A type of research study that tests how well new medical approaches work in people. These studies test new methods of screening, prevention, diagnosis, or treatment of a disease
CLIA Laboratory	The Clinical Laboratory Improvement Amendments (CLIA) of 1988 are federal regulatory standards that apply to all clinical laboratory testing performed on humans in the United States (with the exception of clinical trials and basic research). A clinical laboratory is defined by CLIA as any facility which performs laboratory testing on specimens obtained from humans for the purpose of providing information for health assessment and for the diagnosis, prevention, or treatment of disease
Companion diagnostic	A medical device which provides information that is essential for the safe and effective use of a corresponding drug or biological product
Contract Research Organisation (CRO)	A company hired by another company or research centre to take over certain parts of running a clinical trial. The company may design, manage, and monitor the trial, and analyse the results. Also called CRO
CK	Cytokeratin
CK+	A cell positive for the presence of cytokeratin protein or mRNA with the presence of distinct cytokeratins often used to identify epithelial cells
Clinical application	Use in treating patients
Clinical samples	Patient samples, usually blood
Clinical use	Use in treating patients
Cultured cells	Cultured cells grown in the laboratory from human-derived cells used for experimental work
Cytokeratin	Cytokeratins are family of intracytoplasmic cytoskeleton proteins with members showing tissue specific expression

ADDITIONAL INFORMATION

Explanation of Frequently Used Terms

continued

Term	Explanation
DAPI	A nuclear stain that is often used to identify the nucleus in a cell
DEPArray™	A commercial single cell isolation system
Diagnosis	The process of identifying a disease, condition, or injury from its signs and symptoms. A health history, physical examination and tests, such as blood tests, imaging tests, and biopsies, may be used to help make a diagnosis
Diagnostic LeukApheresis (DLA)	Removal of the blood to collect specific blood cells such as leukocytes. The remaining blood is then returned to the body
Diagnostic test	A type of test used to help diagnose a disease or condition
DNA	Deoxyribonucleic acid (DNA), the molecule that encodes the genetic instructions used in the development and functioning of all known living organisms and many viruses
Downstream technologies	Technologies used to undertake molecular analysis of harvested cells after the separation has taken place
EGFR	The epidermal growth factor receptor – a signalling molecule which is typically present on the cell surface and can control cell activity including cell proliferation. Mutations in EGFR or deregulation have been associated with a number of cancers including ~30% of all epithelial cancers
Enrichment	Generic term for concentrating target cells or molecules in a starting heterogeneous mixture
EpCAM	The Epithelial Cell Adhesion Molecule (EpCAM) protein is found spanning the membrane that surrounds epithelial cells, where it is involved in cell adhesion
EpCAM+ cells	Cells that express EpCAM. CTCs can be either EpCAM+ or EpCAM-
Epithelial cells	Cells that line the surfaces and cavities of the body
Epithelial-mesenchymal transition	Process by which epithelial cells lose their cell polarity and cell-cell adhesion, and gain migratory and invasive properties to become mesenchymal cells. EMT is thought to occur as part of the initiation of metastasis and is often responsible for cancer progression
EMT	Epithelial-mesenchymal transition
Epitope	A part of a molecule to which an antibody will bind
FDA	U.S. Food and Drug Administration responsible for authorised medical products in the United States
FDA 510(k)	A 510(k) is a premarket submission made to the FDA to demonstrate that the device to be marketed is at least as safe and effective, that is, substantially equivalent, to a legally marketed device that is not subject to Premarket Approval. Submitters must compare their device to one or more similar legally marketed devices and make and support their substantial equivalency claims
Fluorescence In-Situ Hybridization (FISH)	A laboratory technique for detecting and locating a specific DNA sequence on genes or chromosome in tissue and cells. The technique relies on exposing genes or chromosomes to a small DNA sequence called a probe that has a fluorescent molecule attached to it. The probe sequence binds to its corresponding sequence on the genes or chromosome and they light up when viewed under a microscope with a special light
Gene expression	The process by which a gene gets turned on in a cell to make RNA and proteins. Gene expression may be measured by looking at the RNA or the protein made from the RNA
Genome	Genetic material of an organism. The genome includes both protein coding and non-coding sequences
Genotyping	Process of determining differences in the genetic make-up (genotype) by examining the DNA sequence
Gleason Score	A system of assessing how aggressive prostate cancer tissue is based on how it looks under a microscope. Gleason scores range from 2 to 10 and indicate how aggressive and fast-growing the cancer is. A low Gleason score means the cancer tissue is similar to normal prostate tissue and the tumour is less likely to spread; a high Gleason score means the cancer tissue is very different from normal prostate tissue and the tumour is more likely to spread
Gynecological cancer	Cancer of the female reproductive tract, including the cervix, endometrium, fallopian tubes, ovaries, uterus, and vagina
Harvest	Process for recovering captured cells from the separation system to allow molecular analysis
Harvest efficiency	Proportion of target cells harvested
Harvest purity	The number of target cells (such as CTCs) in the harvest as a proportion of the WBC. The minimum purity from which downstream analysis is possible is 0.5%. Analysis of one target cell therefore requires no more than 200 WBC be in the harvest
HER2	A member of the epidermal growth factor receptor (EGFR/ERBB) family. Amplification or overexpression of HER2 has been shown to play an important role in the development and progression of certain aggressive types of breast cancer. In recent years the protein has become an important biomarker and target of therapy for ~30% of breast cancer patients
Heterogeneity	A word that signifies diversity

Term	Explanation
Histopathology	The study of diseased cells and tissues using a microscope
HNV	Healthy normal volunteer
HT29	Cultured colorectal cancer cell line
Immunohistochemistry	A lab test that uses antibodies to test for certain antigens (markers) in a sample of tissue. Immunohistochemistry is used to help diagnose diseases, such as cancer. It may also be used to help tell the difference between different types of cancer
Immunostain	A general term that applies to any use of an antibody-based method to detect a specific protein or antigen in a sample
Immunotherapy	Treatment that stimulates the body's immune system to fight cancer
In-cassette labelling or in-situ labelling	CTC labelling for cell identification undertaken inside the separation system
Indolent cancer	A type of low risk cancer that grows slowly
In vitro diagnostic (IVD)	An in vitro diagnostic is a method of performing a diagnostic test outside of a living body in an artificial environment, usually a laboratory
Key Opinion Leader	Key Opinion Leaders (KOLs) are research centers and/or physicians who influence their peers' medical practice
KRAS	A signalling molecule frequently mutated in the development of many cancers
Leukocytes	White blood cells
Liquid biopsy	Term used for the process of obtaining cancer cells (or cell-free DNA) from a blood sample. Unlike solid biopsy, liquid biopsy is non-invasive and repeatable
Localised	Describes disease that is limited to a certain part of the body. For example, localised cancer is usually found only in the tissue or organ where it began, and has not spread to nearby lymph nodes or to other parts of the body. Some localised cancers can be completely removed by surgery
Lymphocyte	A type of immune cell that is made in the bone marrow and is found in the blood and in lymph tissue. A lymphocyte is a type of white blood cell
Lysis	The breaking down of a cell, often by viral, enzymatic, or osmotic mechanisms that compromise its integrity
Malignant	Cancerous. Malignant cells form part of the tumour, and can invade and destroy nearby tissue and spread to other parts of the body
Marker	A diagnostic indication that disease may develop or is already present. A chemical substance produced by a cancer and used to monitor the progress of the disease. These chemicals are usually measured by a blood test
meEGFR	Arginine methylation of the epidermal growth factor receptor
Megakaryocyte	A large bone marrow cell with a lobulated nucleus responsible for the production of blood thrombocytes (platelets), which are necessary for normal blood clotting
Mesenchymal CTCs	CTCs generally lacking epithelial markers with mesenchymal features
Metastasis	Spread of a cancer from one site to another
Microfluidic device	An instrument that uses very small amounts of fluid on a microchip to do certain laboratory tests. A microfluidic device may use body fluids or solutions containing cells or cell parts to diagnose diseases
Microtentacles	Microtubule-based membrane protusions in detached cancer cells
Molecular analysis	Analysis of DNA, RNA and protein often used to determine the mutational status of a patient
Morphology	The study of the form and structure of cells
Mouse model	The use of special strains of mice to study a human disease or condition, and how to prevent and treat it
mRNA	Messenger RNA used to direct the synthesis of proteins
Mutation	A gene mutation is a permanent change in the DNA sequence that makes up a gene. Gene mutations can be inherited from a parent or can happen during a person's lifetime. Mutations passed from parent to child are called hereditary or germline mutations. Mutations that happen during a person's life, known as somatic mutations, can be caused by environmental factors such as ultraviolet radiation from the sun. Or they can occur if a mistake is made as DNA copies itself during cell division
Mutational analysis	Testing for the presence of a specific mutation or set of mutations
Next Generation Sequencing (NGS)	Also known as high-throughput sequencing, is the catch-all term used to describe a number of different modern sequencing technologies including: Illumina (Solexa) sequencing. Roche 454 sequencing. ThermoFisher Ion torrent: Proton / PGM sequencing. It is a method by which the bases of DNA and RNA can be determined, which is used in biological research and to obtain clinically relevant information

ADDITIONAL INFORMATION

Explanation of Frequently Used Terms

continued

Term	Explanation
NICE	Abbreviation for the National Institute for Health and Care Excellence
Non-invasive	In medicine, it describes a procedure that does not require inserting an instrument through the skin or into a body opening. Although a needle is inserted to draw blood, liquid biopsies are referred to as non-invasive as they do not require surgery
NSCLC	Non Small Cell Lung Cancer
Off-chip labelling	CTC labelling for cell identification of harvested cells undertaken outside the separation system
Oncologist	A doctor who has special training in diagnosing and treating cancer and may also specialise in certain cancers or techniques
Oncology	A branch of medicine that specialises in the diagnosis and treatment of cancer. It includes medical oncology (the use of chemotherapy, hormone therapy and other drugs to treat cancer), radiation oncology (the use of radiation therapy to treat cancer) and surgical oncology (the use of surgery and other procedures to treat cancer)
Paired samples	Two related samples often used to compare different systems
Pathologist	A doctor who has special training in identifying diseases by studying cells and tissues under a microscope
Patient study	A type of research study, on a smaller scale than a clinical study, that tests how well new medical approaches work in people. These studies test new methods of screening, prevention, diagnosis, or treatment of a disease
PCR	See Polymerase Chain Reaction
Pelvic mass	A general term for any growth or tumour on the ovary or in the pelvis. A pelvic mass can be cystic (cystadenoma), solid (fibroma) or both (dermoid). A pelvic mass can be benign or malignant
Peripheral blood	Blood circulating throughout the body
Personalised cancer care	Treating a patient individually based on their personal data often including mutational and disease status
Phenotype	A phenotype is the composite of an organism's observable characteristics or traits, such as its morphology, development, biochemical or physiological properties, behaviour and products of behaviour. A phenotype results from the expression of an organism's genes as well as the influence of environmental factors and the interactions between the two
Pilot study	The initial study examining a new method or treatment
Plasma	Pale-yellow liquid component of blood obtained following removal of cells
Polymerase Chain Reaction (PCR)	A laboratory technique used to amplify DNA sequences. The method involves using short DNA sequences called primers to select the portion of the genome to be amplified. The temperature of the sample is repeatedly raised and lowered to help a DNA replication enzyme copy the target DNA sequence. The technique can produce a billion copies of the target sequence in just a few hours
Precision medicine	The customisation of healthcare – with medical decisions, practices, and/or products being tailored to the individual patient. In this model, diagnostic testing is often employed for selecting appropriate and optimal therapies based on the context of a patient's genetic content or other molecular or cellular analysis
Pre-labelled cell lines	Cells which are labelled often with a fluorescent label to facilitate identification during analysis or enrichment
Prognosis	The likely outcome or course of a disease; the chance of recovery or recurrence
Prostate-Specific Antigen (PSA)	A protein made by the prostate gland and found in the blood. PSA blood levels may be higher than normal in men who have prostate cancer, benign prostatic hyperplasia (BPH), or infection or inflammation of the prostate gland
Protocol	A detailed plan of a scientific or medical experiment, treatment, or procedure. In clinical studies, it states what the study will do, how it will be done, and why it is being done. It explains how many people will be in the study, who is eligible to take part in it, what study drugs or other interventions will be given, what tests will be done and how often, and what information will be collected
PSA	See Prostate-Specific Antigen
Purity	The relative absence of extraneous matter in a sample
Regulatory authorisation	The authorisation by the appropriate regulatory body for a specific territory that allows an in vitro diagnostic product to be sold for clinical use in that territory
Relapse	When an illness that has seemed to be getting better, or to have been cured, comes back or gets worse again
Remission	If a cancer is in remission, there is no sign of it in examinations or tests. Generally, the longer the remission, the less likely it is that the patient will relapse
Research use	Sales can be made to certain organisations of in vitro diagnostic products without the need for regulatory authorisation provided they are labelled as Research Use Only (RUO) or Investigational Use Only (IUO)

Term	Explanation
RNA	Ribonucleic acid performs multiple vital roles in the coding, decoding, regulation, and expression of genes. Together with DNA, RNA comprises the nucleic acids, which, along with proteins, constitute the three major macromolecules essential for all known forms of life
RNA-Sequencing (RNA-seq)	Also called whole transcriptome shotgun sequencing (WTSS), uses next-generation sequencing (NGS) to reveal the presence and quantity of RNA in a biological sample at a given moment in time
Screening	Checking for disease when there are no symptoms. Since screening may find diseases at an early stage, there may be a better chance of curing the disease
Sensitivity	Refers to the percentage of people who test positive for a specific disease or condition among people who actually have the disease or condition
Separation	Term used for processing of a sample through the Parsortix system
Single cell analysis	Extraction of a single target cell from the harvest for analysis
Solid biopsy	Standard process for surgically excising (cutting out) cells from a solid tumour when that tumour is accessible
Specificity	Refers to the percentage of people who test negative for a specific disease or condition among a group of people who do not have the disease or condition
Spiked cell experiments	Experiments where cultured cells are added (spiked) to HNV blood to assess the capture and harvest efficiency of the system
Stage	The extent of a cancer in the body. Staging is usually based on the size of the tumour, whether lymph nodes contain cancer and whether the cancer has spread from the original site to other parts of the body
Standard Operating Procedure (SOP)	Written instructions for doing a specific task in a certain way. In clinical trials, Standard Operating Procedures are set up to store records, collect data, screen and enroll subjects and submit Institutional Review Board (IRB) applications and renewals
Transcriptome (whole)	The transcriptome is the set of all messenger RNA molecules in one cell or a population of cells
Translational research	A term used to describe the process by which the results of research done in the laboratory are used to develop new ways to diagnose and treat disease
Triage	The process of determining the priority of patients' treatments based on the severity of their condition
Tumor/Tumour	An abnormal mass of tissue that results when cells divide more than they should or do not die when they should. Tumours may be benign (not cancer), or malignant (cancer) Tumor is the American English spelling and Tumour is the standard English spelling
Tumour heterogeneity	Describes the observation that different tumour cells can show distinct morphological and phenotypic profiles, including cellular morphology, gene expression, metabolism, motility, proliferation, and metastatic potential. This phenomenon occurs both between tumours (inter-tumour heterogeneity) and within tumours (intra-tumour heterogeneity) The heterogeneity of cancer cells introduces significant challenges in designing effective treatment strategies
Tumour marker	A substance found in tissue, blood, or other body fluids that may be a sign of cancer or certain benign (non-cancerous) conditions. Most tumour markers are made by both normal cells and cancer cells, but they are made in larger amounts by cancer cells. A tumour marker may help to diagnose cancer, plan treatment, or determine how well treatment is working or if the patient has relapsed Examples of tumour markers include CA-125 (in ovarian cancer), CA 15-3 (in breast cancer), CEA (in colon cancer), and PSA (in prostate cancer)
WBC	White blood cells
WGA	Whole genome amplification
Whole genome amplification	Method for amplification of an entire genome necessary for the picogram amounts of genomic DNA present in a single cell

Primary source: http://www.cancer.gov/publications/dictionaries/cancer-terms

ADDITIONAL INFORMATION

Company Information

Directors	Ian F Griffiths, Finance Director Brian Howlett, Non-executive Director [ANR] Andrew D W Newland, Chief Executive Garth R Selvey, Chairman [ANR] [A] – Audit Committee [N] – Nomination Committee [R] – Remuneration Committee
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