

ANGLE plc

Transforming cancer care with a liquid biopsy based on a simple blood test

Annual Report and Financial Statements
31 December 2020

WEDNESDAY



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COMPANIES HOUSE

Who we are

ANGLE plc
is a commercially
driven medical
diagnostics company
that has developed
pioneering products
and services in
cancer.

ANGLE's Parsortix® system has the potential to deliver profound improvements in clinical and health economic outcomes in the diagnosis and treatment of cancer.

Our purpose

To revolutionise
cancer diagnosis
and treatment

Mission

To enable personalised
cancer care by providing the
complete picture of the
patient's cancer from a
simple blood test

Vision

To make precision
medicine a reality

Visit our website for more information at:

www.angleplc.com

@parsortix

ANGLEplc

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The Annual Report and Financial Statements 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 impact of the COVID-19 pandemic, the general economic climate and market conditions, as well as specific factors including the success of the Group's research and development activities, commercialisation strategies, the uncertainties related to clinical study outcomes and regulatory clearance, obtaining reimbursement and payor coverage, getting into national guidelines and the acceptance of the Group's products by customers.

At a glance

Liquid biopsy improving patient outcomes and reducing healthcare costs

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

Tissue biopsy is the current standard of care but has many shortcomings (see over) and is challenged by:

- 1) the frequent lack of tissue availability (too ill for surgery, tumour inaccessible, insufficient tissue)
- 2) tumour heterogeneity as only samples one site, and
- 3) the dynamic nature of the cancer response to treatment meaning the original biopsy information is out-of-date

Obtaining cancer tissue for analysis

Solid tissue biopsy

Tumour tissue is cut out from the cancer site through an **invasive** procedure

Liquid biopsy

Cancer tissue is obtained from a **simple blood test**
Non-invasive, repeatable, real time, cost effective

Tissue samples

Tissue is specially prepared so sections can be examined – usually formalin-fixed paraffin-embedded (FFPE) samples

CTCs

Living cancer cells shed from a tumour into the bloodstream in the process of metastasis

Circulating tumour DNA (ctDNA)

DNA from **fragments of dead cells** shed into the bloodstream can contain cancer-related mutations

Benefits of Parsortix CTC solution

		Solid tissue biopsy		Liquid biopsy	
Source		Primary tumour	Metastatic site	CTCs ¹	ctDNA ²
Sample type		Intact cells	Intact cells	Intact cells	Fragmented DNA
Procedure		Invasive	Invasive	Non-invasive ³	Non-invasive ³
Sample accessibility		Not always accessible	Less accessible	Accessible using Parsortix⁴	Accessible
Tumour heterogeneity		Site of biopsy sampling	Site of biopsy sampling	Multi-site sampling	Multi-site sampling
Patient recovery time		Varies	Longer	None	None
Test costs		Varies	Higher	Lower	Lower
Test turnaround time		Varies	Longer	Shorter	Shorter
Longitudinal monitoring ⁵		Difficult	Very difficult	Easy	Easy
Molecular analysis	DNA	Yes	Yes	Yes	Yes
	RNA	Yes	Yes	Yes	Difficult
	Protein	Yes	Yes	Yes	No
Live cells	Cell culture	Yes	Yes	Yes	No
	Xenograft	Yes	Yes	Yes	No
Standard of care		Proven	Proven	Not yet proven	Not yet proven

1 CTCs (circulating tumour cells) are live cancer cells circulating in the blood

2 ctDNA is cell-free circulating tumour fragments of DNA from dead cells, which may be found in the plasma component of the blood

3 Tissue obtained from simple peripheral blood test

4 Access to CTCs from blood is technically challenging given the low number of CTCs present and historically has been very difficult. ANGLE's Parsortix system has been specially designed to address this issue

5 Solid tissue biopsy information is a one-time snapshot and rapidly becomes outdated and does not reflect response to treatment and current mutational status. Liquid biopsy information is dynamic as tests can be repeated to provide real time information to monitor changes over time

The challenge

Cancer: a significant and growing 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 rapidly multiply. This may cause a growth called a tumour.

How many people are affected?

40-50%

Of the population will be diagnosed with cancer in their lifetime^{1,2}

32%

The number of new cancer diagnoses in the US per year is increasing, and has risen by more than 32% since 1999^{3,4}

1.8m

In 2020, an estimated 1,806,590 new cases of cancer will be diagnosed in the US and 606,520 people will die from the disease¹

- 1 www.cancer.gov/about-cancer/understanding/statistics – USA (40%)
- 2 www.cancerresearchuk.org/about-cancer/what-is-cancer – UK (50%)
- 3 www.ncbi.nlm.nih.gov/pmc/articles/PMC3597235/
- 4 <https://gis.cdc.gov/Cancer/USCS/DataViz.html>

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 via the blood circulation. 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 so serious?

90%

Metastasis causes ~90% of cancer deaths³

The "stage" of cancer at diagnosis is extremely important to survival. Cancer staging is a way of describing the size of a cancer and how far it has spread and is important in helping determine treatment. If the cancer is "early" stage and just in one place then a local treatment, such as surgery or radiotherapy, may be sufficient. If the cancer is "later" stage and has spread through the body to other organs (metastasis) then treatment is needed that also circulates throughout the whole body such as chemotherapy, hormone therapy or targeted cancer drugs. Once cancer spreads it can be hard to control and whilst some types of metastatic cancer can be driven into remission with treatment, most cannot.

There is also a huge variation in survival between cancer types. Some cancers have screening programmes or more obvious symptoms and can be detected earlier (e.g. breast, colorectal, cervical, skin) and others may have mostly slow growing cancers which may remain early stage (e.g. prostate) and therefore have higher survival rates. Other cancers may have no obvious symptoms and/or are aggressive and may be detected late once they have already spread (e.g. brain, ovarian, pancreatic) and therefore have lower survival rates.

What are the challenges to treatment?

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

- 1** How do we know which drug will work most effectively for 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?

Tissue biopsy shortcomings

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

Expensive to perform and requires a lot of hospital resources

Requires **invasive** procedure and can cause adverse events

Patients experience a longer **recovery** time which may **delay** treatment

Frequent **lack of tissue** availability from **difficulty** in accessing some tumours (pancreatic, lung, brain, liver and bone cancers)

Difficult to repeat so missing the dynamic nature of cancer response to treatment

Only samples **one site** and may not fully reflect tumour heterogeneity

Which sample type?

CTCs provide the complete picture

CTCs Complete DNA, RNA and proteins

CTCs are living cells, often resistant to drug therapy and the cause of metastasis. Targeting these cells will improve patient outcomes.

ctDNA DNA fragments only

ctDNA is derived from dead cells and may not be indicative of how cancer is developing.

Multiple DNA abnormalities

Multiple DNA abnormalities

RNA expression

Protein expression

**Circulating
Tumour
Cell
(CTC)**

**Circulating
Tumour
DNA
(ctDNA)**

Blood sample

In vitro and in vivo culture

Circulating tumour cells (CTCs) and circulating tumour DNA (ctDNA) can be measured concurrently from a single blood draw to provide complementary information for clinical decision making.

This includes early diagnosis, accurate prognosis, therapeutic target selection, spatiotemporal monitoring of metastasis, as well as monitoring response and resistance to treatment and potentially an early warning for relapse.

Genome

Between

20k-25k

Genes

Genes (units of DNA) code for proteins. Abnormalities in certain genes can result in cancer development and growth.

Transcriptome

Approximately

100,000

Transcripts

To make proteins, genes must first be transcribed into messenger RNA (mRNA). Different sections of a gene can either be included or excluded from the mRNA transcript, producing multiple different transcripts from a single gene that result in related but different proteins.

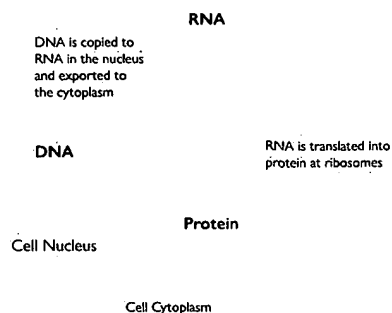
Proteome

Estimated more than

1,000,000

Proteins

After mRNA transcripts are translated into proteins, proteins undergo modifications that affect their activity and how long they are present in a cell. Protein abundance, diversity and function could hold the key to understanding why genomic-based therapies may not work as expected.



The cancer genome atlas has transformed the development of targeted treatment, however many patients who are matched to therapy based on their DNA fail to respond to targeted treatment or do not have a sustained response.

Key information about the biology of the tumour is missing from looking at the genome alone. The effect of mutations on the cell can only be understood fully by looking at protein expression, the proteome.

Understanding proteins is critically important when developing drugs, selecting treatments, and predicting treatment response. Integration of proteomic information is the next step in precision oncology.

National Cancer Institute, August 2020

Social and environmental impact

Liquid biopsy – helping healthcare systems meet the challenges of COVID-19

COVID-19 has caused an unprecedented crisis which will likely continue to have an impact on cancer diagnosis and care for a considerable time.

70%

fall in urgent cancer referrals¹

2,000

cancer cases undiagnosed each week¹

90%

decrease in elective procedures¹

Diagnosis

With healthcare staff and resources diverted to care for patients directly affected by COVID-19, cancer screening programmes for asymptomatic patients were suspended in many countries. In the UK urgent cancer referrals fell by 70% in April 2020 with an estimated 2,000 cancer cases undiagnosed each week. Endoscopy services in the US, Europe, and Asia all stopped elective procedures due to the risk of COVID-19 transmission. As a result, services reported a 90% decrease in procedures in April 2020.

Cancer treatment

Surgical resection with the goal of complete removal of disease is, for many cancer patients, the first line of treatment. However, requisition of theatre space, ventilators and beds for COVID-19 patients meant that only urgent surgery, such as for perforated, obstructed or actively bleeding cancers, continued.

Recurrence monitoring

Postponing or cancelling visits to hospitals that did not involve delivering treatments was one of the first and most widely implemented measures taken by European healthcare systems. Many planned follow-up visits were replaced by remote consultations over the phone or internet. What was lost, in many cases, were opportunities for follow-up tests and imaging that provide early signals of local recurrence or metastatic spread. This reprioritisation may have long-term implications for cancer patient outcomes.

How can liquid biopsy support cancer care in a post-COVID-19 world?

Cancer is the leading cause of death in most developed nations, responsible for an estimated 9.6 million deaths per year globally. As such, cancer diagnosis and care remain a priority and services will need to rapidly evolve to counter the substantial challenge of COVID-19. Ending delays and addressing backlogs – particularly cancer surgeries and diagnostic tests – will need to be an urgent priority moving forward.

The information provided by liquid biopsy could help clinicians diagnose, monitor, and treat cancer more efficiently. Liquid biopsy is minimally invasive and can be undertaken safely in community clinics or in the home to provide patients with a rapid diagnosis and timely treatment with targeted therapies. Liquid biopsy may also help to safely monitor cancer patients in remission to provide early warning of recurrence. In a future pandemic, the benefit of these features cannot be overstated. **The adverse impact of COVID-19 on cancer care has shown that it is essential to have a diagnostic tool which is quick, easy and alleviates the burden of conducting hospital-based surgical tissue biopsies.**

ANGLE adapted its working procedures due to COVID-19 and re-located its phlebotomy unit first to a separate building and then to a van in order to facilitate social distancing measures.

¹ In the UK in April 2020.

The solution

Parsortix system

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 circulating tumour cells (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 "folds over" in a microscope slide sized cassette.

Inlet

Outlet

Cross section
Patented multifold and separation step

Critical gap

Captured CTCs
White blood cells
Red blood cells
Blood flow

Able to capture one CTC
in a billion blood cells.

The benefits of CTCs

A simple peripheral blood test can be used to provide crucial medical information regarding a patient's disease.

- ✓ CTCs enable the **complete picture** of the cancer to be understood as they are viable, intact whole cells allowing DNA, RNA and protein analysis as well as culturing.
- ✓ CTCs are **biologically specific** – they cannot be present unless the patient has cancer.
- ✓ By **analysing** CTCs you can identify the characteristics of the cancer to better determine which drugs will be more effective.
- ✓ 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.
- ✓ A simple blood test **monitoring** the 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

Unlike many other CTC systems, the Parsortix system is applicable for **all solid tumour cancers**. Parsortix can be used without modification and to date has been shown to work with **24 different cancer types**.

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

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 of Technology

How it works

Capture, harvest and analysis of CTCs

ANGLE owns both a CTC harvesting technology (Parsortix®) and a downstream molecular analysis technology (HyCEAD™) to interrogate the harvested CTCs.

ANGLE has well-differentiated patent-protected products. Both systems have proprietary consumables, which provide a “razor blade” approach to commercialisation.

ANGLE's proprietary technologies can be combined to provide automated, **sample-to-answer** solutions in both centralised laboratory and point-of-use cartridge formats.

ANGLE has optimised the entire process, from blood collection and transportation to molecular diagnostic techniques, thereby minimising the risk of variability and allowing reliable, repeatable and scalable CTC analysis.

Automated process requiring minimum user intervention

1 Blood collection

Designed for a single 10 ml tube of blood. No pre-processing required.

2 Automated blood processing

Blood is pumped through the cassette with minimal user input.

3 Cell capture in cassette

Proprietary single use cassette captures intact living cancer cells.

4 Cell harvest

CTCs can be harvested in <200µl buffer for multiple downstream analysis techniques.

Downstream analysis

5a Widely available techniques

The cells harvested by the Parsortix system can be analysed using existing techniques already established for tissue biopsy, including:

- Cytopathology
- Immunofluorescence (IF)
- Fluorescent In Situ Hybridisation (FISH)
- Polymerase Chain Reaction (PCR)
- Next Generation Sequencing (NGS)
- RNA sequencing (RNA-seq)
- Whole Genome Amplification (WGA)
- Whole Exome Sequencing (WES)

5b Proprietary HyCEAD system

The HyCEAD 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 HyCEAD 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 benchtop instrument providing researchers with a highly flexible platform that is fast, simple to use and cost effective.

HyCEAD at a glance

- Benchtop laboratory platform
- DNA, RNA and protein biomarkers
- Low cost
- Highly multiplexed
- Rapid and sensitive capture of targets
- High variety of sample types

HyCEAD chemistry

>100

Enables simultaneous measurement of more than 100 genes in a single reaction

>500

Rapid content creation for new applications of more than 500 target genes to date

To watch our video visit:

www.angleplc.com/parsortix/technology/introduction/

The potential

Seeking first ever FDA clearance for a device to harvest cancer cells from patient blood for subsequent analysis

ANGLE is focused on commercialising its liquid biopsy system which has the potential to transform cancer diagnosis and treatment.

Unique patented microfluidic approach: strongly differentiated from competition.

Two 200 patient studies in ovarian cancer completed with best in class 95.1% accuracy

200 patient clinical verification study in process

Read more on pages 06 and 07

Positive results from 400 subject FDA clinical study

Read more on pages 08 and 09

Emerging multi-US\$ billion market

Read more on page 02

400

200

\$100bn

41

**Parsortix
world-leading
liquid biopsy
system**

115,000

26 leading independent cancer centres have published 41 peer-reviewed publications

Read more on pages 10 and 11

>115,000 blood samples processed

Read more on page 10

24

200

Shown to work with 24 different cancer types to date

>200 instruments in active use

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Market opportunity

A major opportunity in an emerging and growing global market

Market drivers

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 gene mutations

Key drivers of cancer diagnostics market

- Shift towards precision medicine need for companion diagnostics
- Health economics – reduced costs
- Early detection (screening)
- Therapy selection, treatment monitoring and remission monitoring

Precision medicine

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

Key drivers

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

40-50%

People will get cancer in their lifetime^{2,3}

47%

Estimated rise in global cancer cases within the next two decades⁴

Growing market

Liquid biopsy: Emerging multi-US\$ billion market

Cowen – up to \$130 billion per annum (US only)

Frost & Sullivan – \$100 billion per annum (US only)

Global burden of cancer¹

New cancer incidence
(per annum)

19.2m

2020

14.1m

2012

Living with and after cancer

50.5m

2020

32.5m

2012

Deaths from cancer
(per annum)

9.9m

2020

8.2m

2012

¹ Source: International Agency for Research on Cancer (Globocan 2020)

² www.cancer.gov/about-cancer/understanding/statistics – USA (40%)

³ www.cancerresearchuk.org/about-cancer/what-is-cancer – UK (50%)

⁴ Global cancer statistics, (Globocan 2020)

Estimates of incidence and mortality worldwide for 36 cancers in 185 countries

ANGLE's focus

Current		Medium term		Longer term
Detection of cancer in high risk groups	Therapy selection	Assessing treatment	Remission monitoring	Screening for early cancer
Ovarian pelvic mass Active surveillance (watchful waiting)	Breast HER-2 Abbott Prostate AR-V7 Qiagen Immunotherapy PD-L1/PD-1 inhibitors	Assessing minimal residual disease	Repeat testing to ensure CTCs not present	Need to assess aggressiveness and avoid false positives

FDA clearance a major validation opening up commercial pathway

Prospect of **first ever** FDA clearance for harvesting cancer cells from blood for analysis. Expected to accelerate sales and deals.

- Existing **research use sales** to leading translational researchers will expand with new product development and sample-to-answer solutions.
- Expansion into research use sales for **pharma** services in drug trials.

£6bn p.a. estimated global market for existing Parsortix applications in metastatic breast cancer, ovarian cancer and prostate cancer¹.

- Service-led strategy** in LDT (laboratory developed test) market.
- Product-led strategy** for clinical sales of Parsortix instruments and consumables direct to hospitals.

Research	Pharma	LDTs	Clinical products
Leveraged R&D model	Large-scale research use sales for drug trials	Laboratory developed tests in a service laboratory	Product sales worldwide to hospitals and corporate partners
Proof-of-concept studies provide evidence and drive new applications	Biomarker discovery	Accelerator and demonstrator	Metastatic breast cancer
	Companion diagnostics	Ovarian	Abbott PathVysion
	Culturing CTCs for drug testing	Metastatic breast	
		Prostate	

Market accessible on multiple fronts with Parsortix product-based solution
Allows ANGLE to be both an equipment supplier and a diagnostic test provider

¹ Source: Company estimate

Strategy

A clear path to success

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

Our strategy

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 to support regulatory approval of Laboratory Developed Tests and product.

Read more on pages 06 and 07

Clinical studies

Securing **regulatory approval** of the Parsortix 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 pages 08 and 09

Services and partnerships

Regulatory approval

Research use only services to pharmaceutical and biotechnology customers for drug research and use in clinical trials.

Providing Laboratory Developed Tests for specific clinical decision making.

Establishing **partnerships** with large healthcare companies for market deployment and development of multiple clinical applications incorporating the Parsortix and/or HyCEAD systems.

Read more on pages 12 to 15

Published evidence

Building 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 pages 10 and 11

Strong progress has been made in each of these areas

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.

Andrew D W Newland
Chief Executive

What we have achieved in the year and since the year end

Clinical studies – ovarian cancer

Despite COVID-19 lock down delays, the study regained momentum and patient enrolment progressed well.

Post year end, patient enrolment was completed in April 2021.

Regulatory approval – metastatic breast cancer

Following COVID-19 lock down delays, analytical and clinical studies were completed and a full De Novo Submission made to FDA in September 2020.

FDA Administrative Review successfully completed and Substantive Review in progress. Additional Information Request received and response planned for submission in May 2021.

Published evidence – leveraged R&D model

Leading independent cancer centres have delivered a total of **37 peer-reviewed publications** as at 31 December 2020.

Since the year end there have been a further four peer-reviewed publications.

26 independent cancer centres have published uniformly positive results on their use of the Parsortix system.

Services and partnerships

New clinical services laboratories in process in the UK and US, and opened after year end, to provide services to pharmaceutical and biotechnology customers, and in due course for the development and sale of Laboratory Developed Tests.

Post year end, first large scale pharma services contract signed.

Discussions progressing with multiple partners which we expect to accelerate once FDA clearance for the system is achieved.

Building on previous achievements

Successful US and European ovarian cancer results in two 200 patient studies. Lead study delivered **best in class 95.1% accuracy** in discriminating between benign and malignant pelvic masses, significantly out-performing standard of care.

Extensive optimisation of the HyCEAD molecular analysis platform successfully completed, demonstrating exceptionally high sensitivity.

Ovarian cancer clinical verification study established with leading US cancer centre. Pre-study phase completed successfully. 200 patient study initiated in August 2019.

FDA clinical study enrolling 400 subjects with four leading US cancer centres completed with positive result for primary and exploratory objectives announced. FDA analytical studies undertaken.

Ongoing dialogue with FDA. Q-Submission process with FDA completed.

Total of 26 peer-reviewed publications at 31 December 2019.

Collaborative agreements signed with three leading global healthcare companies: Abbott, Philips and QIAGEN.

Abbott development work completed on combining Parsortix and PathVysion and enabling an Abbott liquid biopsy solution.

Philips collaborative research project making progress.

QIAGEN protocol work undertaken and a joint poster and joint marketing material developed.

Strategic aims in action

Clinical studies

Ovarian cancer clinical application – abnormal pelvic mass triage test

ANGLE's Parsortix and HyCEAD systems are being developed to triage women having surgery for an abnormal pelvic mass to identify those with ovarian cancer.

Extensive optimisation of the HyCEAD system and its combination with Parsortix was successfully completed.

A detailed market review was completed to identify key user requirements for the test. Testing of the modified and further optimised platforms has been successfully completed and the performance of the improvements **confirmed in a pre-study**.

A 200 patient clinical verification study is in progress with the University of Rochester Medical Center Wilmot Cancer Institute. Patient enrolment was completed in April 2021.

Once the new performance data is available, and assuming positive results, ANGLE intends to establish this test as a Laboratory Developed Test in-house and/or with third-party laboratories.

The test has the potential to significantly improve patient outcomes whilst at the same time reduce overall healthcare costs.

ANGLE's pelvic mass triage test achieved higher sensitivity and specificity than any other test for the same indication.

The **best in class** performance of the combined Parsortix and HyCEAD systems used in the US study demonstrates the capability to **out-perform** current approaches for the detection of ovarian cancer.

With the establishment of its own clinical laboratories (see pages 12 and 13), ANGLE will be in a position to commercialise its ovarian cancer assay as a Laboratory Developed Test, opening up a significant market opportunity.

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 Medical Center
Wilmott Cancer Institute

2x200

patient studies in Europe and the US completed and reported positively

95.1%

correct prediction of cancer with a best in class accuracy (area under the curve) for the predictive assay

US\$1.8bn

p.a. estimated market potential for Parsortix in ovarian cancer¹

5-10%

of women will develop a pelvic mass requiring surgery at some point in their lives²

>200,000

women p.a. have pelvic mass surgery in the US market alone¹

314,000

women diagnosed with ovarian cancer globally in 2020³

93% at stage I⁴
30% at stage IV⁴

5-year survival rates at time of diagnosis

¹ Company estimate – United States only

² www.contemporaryobgyn.net/view/pelvic-mass-workup

³ International Agency for Research on Cancer (Globocan 2020)

⁴ <https://seer.cancer.gov/statfacts/html/ovary.html>

Strategic aims in action

Regulatory approval

Seeking FDA clearance in metastatic breast cancer

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

The FDA **clinical study** (Study) previously reported positive results that the Study had achieved its primary objective to demonstrate the ability of the Parsortix system to capture and harvest cancer cells from the blood of a significant proportion of metastatic breast cancer patients and that it had achieved secondary endpoints demonstrating that the cells harvested from patient blood could be interrogated using subsequent molecular analysis techniques.

Considerable progress has also been made on the **analytical studies**.

The Company has had ongoing dialogue with the FDA and has made use of the Q-submission process (a pre-submission used to request formal comments from FDA on key questions) to reduce the risk that the full De Novo Submission might be rejected.

Despite COVID-19 related disruption, full De Novo FDA Submission was made during the year, comprising over 400 technical reports and documents based on over 15,000 samples run on the Parsortix system in the UK and at clinical sites in the US. ANGLE received an Acceptance Review Notification from FDA that the Submission was accepted and contains all of the necessary elements and information needed by FDA to proceed with substantive review.

Following substantive review, FDA has provided a written response in the form of an Additional Information Request (AIR). Receipt of an AIR was expected and is in line with typical De Novo clearance processes. Some of the technical information requested necessitates some targeted additional analytical studies. However, these additional analytical studies do not require patient samples and ANGLE anticipates that the necessary studies, which are already underway, can be completed and the response submitted in May 2021. FDA regulatory decision is anticipated during H2 2021.

ANGLE is following a De Novo FDA process for the Parsortix system as there is no predicate device. Consequently, there is inherent uncertainty over the timing of the process and its ultimate success.

For more information on our work for breast cancer, go to our website at:

www.angleplc.com/translational-research/womens-health/breast-cancer/

What is FDA?

FDA is the US 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 the Parsortix system for treating patients in the United States. It will also greatly facilitate sales into pharmaceutical drug trials directly and with contract research organisations.

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 FDA is considered the global standard for approval of medical devices and diagnostics. 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.

ANGLE has sustained a high level of resources commitment on its effort to progress towards FDA clearance over several years. Four of the leading US cancer centres enrolled **400 subjects** for the clinical studies including **200 metastatic breast cancer patients and 200 healthy volunteers**: University of Texas MD Anderson Cancer Center, University of Rochester Medical Center Wilmot Cancer Institute, University of Southern California Norris Comprehensive Cancer Center, and Robert H Lurie Comprehensive Cancer Center Northwestern University. The global healthcare company **Abbott** joined the Study, enabling us to use its proprietary PathVysion HER-2 DNA FISH Probe Kits.

Analytical studies have and are being undertaken in-house to deal with key aspects such as 1) precision and reproducibility 2) limits of quantification and detection 3) accuracy and linearity and 4) interferences and carryover.

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 the Parsortix system 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
Chief of Breast Surgery,
Cleveland Clinic. Formerly,
Director, USC Breast Cancer
Program, Associate Professor of
Surgery, Norris Comprehensive
Cancer Center, University of
Southern California

4

leading US cancer centres enrolled patients for FDA clinical studies

400

subject study in the US completed and reported positively

US\$3.9bn

p.a. estimated market potential for Parsortix in metastatic breast cancer¹

2.6m

women diagnosed globally with breast cancer in 2020²

7.8m

women living with and after breast cancer²

20-30%

of people initially diagnosed at early stages will develop metastatic breast cancer³

¹ Company estimate – United States only

² International Agency for Research on Cancer (Globocan 2020)

³ www.mbcn.org/incidence-and-incidence-rates/

Published evidence

The medical devices industry is evidence led, and in addition to the clinical studies and regulatory studies described previously, peer-reviewed publications are a key performance metric.

Leveraged R&D model achieving more

ANGLE's product based approach means that we are able to deploy our system to leading cancer centres, as key opinion leaders and customers. ANGLE's **unique approach** to capturing and harvesting CTCs is enabling these translational researchers to undertake a wide range of research which shows the effectiveness of the system and is leading to new uses and applications for Parsortix as well as achieving **breakthrough research** in many areas due to the special attributes of the system. This is leading to an increasing number of peer-reviewed publications.

Further, ANGLE is not funding customer work, and indeed the sale of instruments and cassettes is generating revenues. We refer to this as a **"leveraged R&D model"**, because significantly more R&D work is being undertaken than if we had to pay for this ourselves.

26 separate cancer centres have published uniformly positive reports on their use of the Parsortix system. Using ANGLE's Parsortix system leading independent cancer centres throughout Europe, North America and RoW are also undertaking research in **24 different cancer types**.

This deployment of the Parsortix system for research now means that the system is widely presented and discussed at leading cancer conferences around the world.

New peer-reviewed publications

There were 37 peer-reviewed publications as at 31 December 2020 with 11 new publications announced during the year (see <https://angleplc.com/library/publications/>):

Edith Cowan University, Perth, Australia demonstrating prognostication and treatment response in **melanoma** with the Parsortix system **out-performing competing systems** in head-to-head comparisons

University Medical Center Hamburg-Eppendorf, Germany with validated standardised Parsortix system protocols for use in future clinical trials in **metastatic breast cancer** including single cell analysis

Istituto Nazionale Tumori di Milano, Milano, Italy showing the Parsortix system **out-performing other CTC systems in renal cell carcinoma**

University Medical Center Hamburg-Eppendorf, Germany with **breakthrough research into brain metastasis** and the potential for a Parsortix system blood test to replace a highly invasive tissue biopsy of the patient's brain

University of Athens, Greece demonstrating molecular analysis in head and neck squamous cell carcinoma and key advantages of the Parsortix system over other CTC systems

University of Southern California, USA developing a workflow for gene expression in **prostate cancer** with **key advantages** compared to alternative approaches

Liquid Biopsy Analysis Unit at the Health Research Institute of Santiago, Spain on **MET mutations** expressed by CTCs as a target for MET inhibitor drugs in **head and neck cancer and non small cell lung cancer**

University of Southern California, USA comparing the Parsortix system liquid biopsy to tissue biopsy in **metastatic breast cancer**. Potential actionable therapeutic targets were found using CTCs harvested by Parsortix that were missed by tissue biopsy

Laboratory of Translational Oncology, School of Medicine, University of Crete, Greece published **breakthrough research** using the Parsortix system to assess whether **non-small cell lung cancer** patients will respond to immunotherapy drugs. This potentially opens a new market for ANGLE for use in PD-L1 cancer drug trials worth an estimated US\$1 billion per annum globally

University of Basel, Switzerland using the Parsortix system to research the role of hypoxia (reduced oxygen levels) in promoting **breast cancer metastasis**

University of Texas MD Anderson Cancer Center, USA showing that CTCs harvested by the Parsortix system can be analysed using multiple downstream molecular techniques

Since the year end there have been a further four peer-reviewed publications.

Installed base

>200

installed base of Parsortix systems in active use

Parsortix samples processed

Year	Cumulative samples processed at 31 December
2015	11,000
2016	24,000
2017	41,000
2018	64,000
2019	93,000
2020	115,000

Peer-reviewed publications

Year	Cumulative publications at 31 December
2015	2
2016	4
2017	8
2018	14
2019	26
2020	37

The Parsortix system

Growing body of peer-reviewed publications



Some leading cancer centres we work with

Strategic aims in action

Clinical laboratories and pharma services

ANGLE has established clinical laboratories in the UK and the US with a view to accelerating commercialisation of the Parsortix system. The laboratories, which will act as **accelerators and demonstrators**, will offer CTC analysis services to pharmaceutical customers and Laboratory Developed Tests (LDTs) in the clinical market.

Clinical laboratories – initial focus on PD-L1 and ovarian cancer

Both the UK and US laboratories will seek ISO 15189 accreditation and the US laboratory will also seek Clinical Laboratory Improvement Amendments (CLIA) accreditation, which will allow ANGLE to market LDTs for clinical use. Given the extensive clinical work already completed with the Ovarian cancer pelvic mass triage assay, it is anticipated that this will be ANGLE's first LDT to market.

ANGLE is developing a pipeline of further assays, for development in-house or with partners, including PD-L1 (see more below), prostate cancer and lung cancer. ANGLE intends the labs will act as an "accelerator" for Parsortix LDT clinical applications as the LDT will enable early progress with payers and receipt of reimbursement codes ahead of a FDA cleared product.

What is CLIA accreditation?

The Clinical Laboratory Improvement Amendments (CLIA) regulate laboratory testing and require all US clinical laboratories to be certified by the Center for Medicare and Medicaid Services (CMS) before they can accept human samples for diagnostic testing.

PD-L1 as immunotherapy biomarker

There are now several published studies demonstrating the use of the Parsortix system for enabling the molecular analysis of circulating tumour cells (CTCs) in solid tumours, including the investigation of PD-L1 (programmed death-ligand 1) expression, a key target for leading immunotherapy drugs.

ANGLE has made significant progress in developing an immunofluorescence (IF) imaging assay for determination of PD-L1 expression levels in CTCs harvested by the Parsortix system. This work has been completed and ANGLE has a method for assessing the presence and number of PD-L1 positive and PD-L1 negative CTCs in patient blood samples.

The newly developed in-house cell-based approach will enable use of the Parsortix system to assess PD-L1 status using two complementary techniques, molecular analysis and cell imaging. We believe this is a powerful combination, which, together with the key advantages of the Parsortix system to capture both epithelial and mesenchymal CTCs (traditional antibody-based systems fail to capture the clinically relevant mesenchymal CTCs) and to capture CTC clusters, may provide significant benefits to the pharma services market (see next page).

US\$1.1bn

PD-L1 Pharma Services Market Value¹

US\$22bn & growing at >40% p.a.

Spend on PD-L1 immunotherapy drugs¹

¹ Company estimate

Strategic aims in action

Pharma services

Liquid biopsies are moving towards routine clinical use, but in the meantime, they are already informing clinical trial outcomes and supporting drug discovery.

A number of trials are already using CTC analysis as an endpoint. CTC count is being used predominantly as a measure of response to treatment and may provide a much earlier measure of treatment resistance, when compared to radiological measures (eg. CT and MRI).

A key advantage of CTCs when compared to tissue biopsy is the ability to provide access to tumour cells throughout the study duration (i.e. at baseline, during and after drug intervention and remission monitoring and short-term follow-up) which is not possible with tissue biopsy.

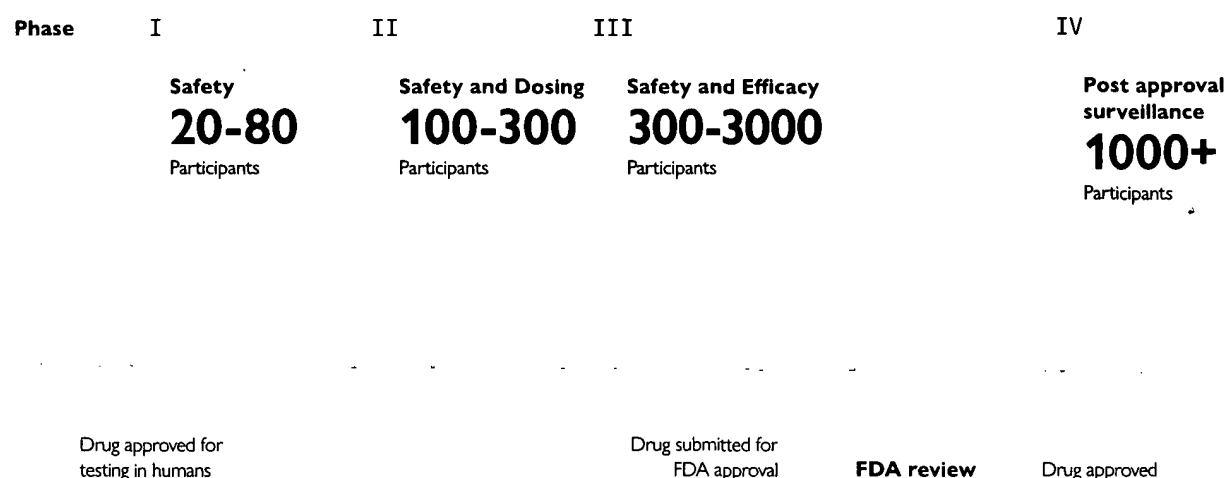
Harvesting intact CTCs and CTC clusters with the Parsortix system for downstream analysis in a robust and scalable sample-to-answer solution should prove highly attractive to pharmaceutical and biotech industry partners.

As an example, there are over 2,000 PD-L1 interventional trials, recruiting over 300,000 patients which are currently enrolling or in progress. In these studies, assessment of PD-L1 status on CTCs from patient blood samples may have a major bearing on whether the trial is successful.

Future clinical studies will be targets for adoption of the Parsortix system and ANGLE is developing a service capability to process samples on a commercial scale as part of these trials. ANGLE has established a dialogue with prospective customers and collaborators for the deployment of CTC PD-L1 analysis capabilities in pharma services cancer drug trials.

Parsortix harvested CTC cluster.

Clinical Trial Phases



Why does industry need a companion diagnostic (CDx) for PD-L1 inhibitors?

A number of PD-L1 inhibitors have been withdrawn from the market following a failure to demonstrate statistically significant improvement in patient outcomes. This includes Merck's withdrawal of Keytruda in small-cell lung cancer; BMS' withdrawal of Opdivo also in small-cell lung cancer and AstraZeneca's withdrawal of Imfinzi in bladder cancer. Similarly, several PD-L1 inhibitors have failed in phase 2/3 trials. These include Novartis' spartalizumab in skin cancer; Roche's Tecentriq in ovarian cancer; Pfizer's Bavencio in head and neck and ovarian cancer; Merck's Keytruda in ovarian cancer and GSK's bintrafusp alfa in biliary tract cancer.

Failing in late-stage clinical development is costly and time-consuming for the pharmaceutical and biotech industry. As such, a robust CDx is urgently required in this space.

Strategic aims in action

Services and partnerships

ANGLE has a strategy to partner with large-scale healthcare companies for market deployment and development of multiple other clinical applications incorporating our systems.

The Parsortix system is compatible with multiple existing downstream analysis techniques. In addition to the capture and harvest of CTCs the system can capture and harvest other rare cells such as foetal cells.

The HyCEAD system can be employed with many other sample types, not just CTCs, and in many other sectors, not just cancer. The priority has been on optimising this to work in the ovarian cancer pelvic mass triage test which involves a panel of genes. HyCEAD is being developed for other cancer panels including breast and prostate and with partners for the other areas.

Progressing partnerships with 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 on achieving FDA clearance for the system.

ANGLE has established three key partnerships with large healthcare companies.

Abbott's proprietary PathVysion HER-2 DNA FISH Probe kits were utilised in ANGLE's **FDA clinical study** for FISH (fluorescence in situ hybridization) analysis of circulating tumour cells. The process of analysis using FISH was **successful** and ANGLE is pursuing commercial discussions with Abbott.

The collaborative research project with Philips to develop liquid biopsy solutions as part of a four-year European Union research grant funded programme progressed during the period. 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.

A co-marketing agreement with QIAGEN has been established with a focus on the measurement of AR-V7 in prostate cancer. A **joint poster publication** was released at a leading international cancer conference and joint marketing material has been prepared. Next steps are currently being evaluated.

Non-invasive prenatal testing (NIPT)

Previously, ANGLE completed a pilot study demonstrating that the Parsortix system could harvest foetal cells from the blood of pregnant women. The detection of foetal abnormalities by analysis of foetal cells as opposed to cell free foetal DNA (tiny fragments of dead cells) could greatly extend the applicability of the process while addressing key limitations in existing approaches.

The NIPT market is expected to reach US\$1.0 billion in market size by 2022¹. ANGLE plans to progress commercialisation of Parsortix in this market through commercial partnerships with one or more large healthcare companies.

¹ www.zionmarketresearch.com/report/non-invasive-prenatal-testing-market

Abbott is the global market leader for FISH testing for HER-2 in solid tissue biopsies, a market estimated to be worth US\$0.5 billion per annum in 2016 (source: Grand View Research).

There is now the potential for Abbott to offer a Parsortix-based product for HER-2 analysis from a routine blood test. Testing of CTCs for HER-2 could provide Abbott with a **repeat test** for HER-2 giving a 4x increase in use of their PathVysion test. Combining Parsortix and PathVysion could command much **higher reimbursement**, increasing margins as well as the potential for exclusivity in the repeat testing market.

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

Parsortix harvested HER-2 stained cells.

Chairman's Statement

FDA clearance in substantive review

The Company adapted to COVID-19 related disruption and successfully completed the work required to make the full De Novo FDA Submission for the Parsortix system. This marked a watershed moment for ANGLE in its goal to achieve the first ever FDA clearance for a system to harvest cancer cells from patient blood for subsequent analysis, initially in metastatic breast cancer.

Garth R Selvey
Chairman

Operational Highlights

- Full De Novo Submission made in September 2020 for US Food and Drug Administration (FDA) clearance of the Parsortix® system for capturing and harvesting circulating tumour cells from metastatic breast cancer patients
- FDA Administrative Review complete and Substantive Review in progress
- FDA Additional Information Request (AIR) received and response planned for submission in May 2021
- Ovarian cancer clinical verification study in progress with leading US cancer centre
- patient enrolment completed after the year end
- surgical procedures in progress and sample analysis in preparation
- study expected to report headline results in Q4 2021
- targeting launch as an LDT (laboratory developed test) around the end of the year
- Planning, recruitment and the development of facilities progressed during the year and, post year end, ANGLE launched clinical laboratories in the UK and United States and initiated a global pharma services business
- Post year end, first large-scale pharma services contract signed with an oncology focused pharma customer utilising the Parsortix system for longitudinal monitoring of patients in a Phase III drug trial with revenue potential of up to US\$1.2 million over 18 months
- Over 22,000 samples processed during the year and a further 11 peer-reviewed publications from internationally recognised cancer centres with key developments in breast, head and neck, melanoma, non-small cell lung, prostate and renal cancers

As previously reported, restrictions enforced as a result of COVID-19 disrupted the Company's progress with both its key development programmes during the year, most notably through preventing the collection of blood samples for key studies, including healthy volunteer samples for our De Novo FDA Submission and patient samples for our ovarian cancer clinical verification study.

The Company responded by changing working patterns and introducing new protocols to enable blood collection for the remaining FDA analytical studies. Similarly, University of Rochester Medical Center Wilmot Cancer Institute resumed patient blood collection for the Company's ovarian cancer verification study, once protocols had been put in place, albeit with slower patient enrolment while hospital resources and facilities have been allocated to COVID-19 patients and urgent treatments.

During the year, ANGLE progressed clinical and analytical studies to support a De Novo FDA Submission for its Parsortix system for capturing and harvesting circulating tumour cells from metastatic breast cancer patients and successfully completed the FDA Submission in September 2020. FDA review progress has been encouraging and an Additional Information Request, as had been expected, has been received and is the focus of current work.

Patient enrolment for the Company's ovarian cancer assay clinical verification study resumed in June 2020 and has now completed. The study is expected to report headline results in Q4 2021. A laboratory developed test is scheduled for launch around the end of 2021, pending the results of the study and once the clinical laboratories have received accreditation.

Following a successful fundraise in November 2020, ANGLE has made excellent progress in establishing clinical laboratories in the US and UK, which were launched ahead of schedule. These laboratories are already offering pharma services and, once accredited, will be able to offer validated clinical tests. These will be used as accelerators and demonstrators in support of the Company's established plan for product sales of Parsortix instruments and cassettes and to provide services to pharmaceutical and biotech customers running drug trials. ANGLE has already signed a large-scale pharma services contract for the use of the Parsortix system in three separate global clinical trials.

ANGLE's collaborators and customers continue to demonstrate the Parsortix system's versatility in cancer translational research developing important new applications. This work generated 11 new publications during the year increasing the body of peer-reviewed evidence supporting the platform from independent cancer centres.

Strategy

ANGLE has continued with its sustained focus on its four-pronged strategy for achieving widespread adoption of its Parsortix system in the emerging multi-US\$ billion liquid biopsy market:

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

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 circulating tumour cells (CTCs) from the blood of patients (initially metastatic breast cancer patients) for subsequent analysis

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

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

ANGLE has also made excellent progress in establishing clinical laboratories in the United States and the UK that will have the capability of offering validated clinical tests. These will be used as accelerators and demonstrators in support of the Company's established plan for product sales of Parsortix instruments and cassettes and to provide services to pharmaceutical and biotech customers running drug trials.

Read more about our strategy on pages 04 to 15

Overview of Financial Results

Following a detailed review, a number of areas were identified for restatement or reclassification and the prior year numbers have been amended accordingly. These have no cash impact and are explained in Note 21. The restatement amendments relate to 1) a judgement that certain of the capitalised product development costs do not meet the IAS 38 criteria and should be expensed rather than capitalised and 2) exchange differences on certain overseas Group loans being recognised in the income statement rather than other comprehensive income resulting in a movement in reserves. The reclassification amendment relates to certain short-term deposits now shown separately from cash and cash equivalents.

Revenue of £0.8 million in the year (eight months ended 31 December 2019: £0.6 million) came mainly from research use of the Parsortix system, with sales impacted due to COVID-19 closures at customer sites. ANGLE continued its investment in studies to develop and validate the clinical application and commercial use of the Parsortix system and began the investment required in its new clinical laboratories and pharma services business, resulting in operating costs of £14.4 million (eight months ended 31 December 2019 restated: £9.5 million) and a loss for the year of £11.6 million (eight months ended 31 December 2019 restated: loss £7.6 million).

The cash and cash equivalents and short-term deposits combined balance was £28.6 million at 31 December 2020 (2019: £18.8 million) with R&D Tax Credits due at 31 December 2020 of £2.1 million (2019: £3.4 million). The cash position was strengthened in November 2020 with a successful placing of new shares with demand from new and existing US and UK institutional investors, which raised gross proceeds of £19.6 million. Proceeds net of expenses were £18.5 million.

FDA De Novo application submitted and in substantive review

ANGLE is seeking to become the first ever company to receive FDA clearance for a medical device that harvests intact circulating tumour cells from the blood of metastatic breast cancer patients for subsequent analysis. US regulatory clearance by FDA is considered the global standard for approval of medical devices and diagnostics.

On 28 September 2020, ANGLE announced it had submitted a full De Novo FDA Submission for its Parsortix PC1 system seeking FDA clearance for use with metastatic breast cancer (MBC) patients. The Submission comprised over 400 technical reports and documents characterising the system. This included the assessment, *inter alia*, of performance with clinical samples, recovery, linearity, limit of detection, reproducibility, repeatability, blood volume, blood stability and interfering substances both exogenous and endogenous, requiring over 15,000 samples to be run on the Parsortix system in the UK and at clinical sites in the United States. This process, combined with the manufacture of the Parsortix system and associated consumables, has been completed and fully documented under ANGLE's ISO 13485 quality system and in compliance with numerous other technical and quality standards active in the United States and Europe. The Submission was also designed to meet the requirements for European CE Mark and, if granted clearance by FDA in the United States, ANGLE intends to register for European CE Mark clearance allowing clinical sales in both the United States and Europe for the intended use.

As announced on 20 October 2020, ANGLE received an Acceptance Review Notification from FDA that the Submission was accepted. The administrative acceptance review is a formal process undertaken by FDA to determine that the Submission contains all of the necessary elements and information needed by FDA to proceed with substantive review.

Following substantive review, FDA has provided a written response in the form of an Additional Information Request (AIR). Receipt of an AIR was expected and is in line with typical De Novo clearance processes. Some of the technical information requested necessitates some targeted additional analytical studies. These additional analytical studies do not require patient samples and ANGLE anticipates that the necessary studies, which are currently in progress, can be completed and the response submitted in May 2021. FDA regulatory decision is anticipated during H2 2021.

As previously communicated, ANGLE is following a De Novo FDA process for the Parsortix system as there is no identified predicate device. Consequently, there is inherent uncertainty over the timing of the process and its ultimate success. The outcome and timing of any FDA regulatory decision is entirely dependent on FDA's review and response to the Company's Submission. Whilst there has not been a delay to date, in its communication with FDA, ANGLE has been advised that, due to unprecedented allocation of resources to COVID-19 priorities, it is currently unclear how quickly FDA will be able to review ANGLE's response to the AIR once it has been submitted.

Chairman's Statement

continued

Ovarian cancer clinical application

ANGLE's ovarian cancer clinical verification study is in progress and is being undertaken by the University of Rochester Medical Center (URMC) Wilmot Cancer Institute, New York, USA to evaluate the use of ANGLE's combined Parsortix® and HyCEAD™ platforms as a simple blood test to detect the presence of ovarian cancer in women with an abnormal pelvic mass.

A positive outcome from the study will support ANGLE's plans to launch a clinical assay for the detection of ovarian cancer in women with an abnormal pelvic mass, with both high sensitivity (correctly detecting cancer) and high specificity (correctly detecting no cancer with a low false positive rate).

Post year end, patient enrolment for this pivotal study has completed and, following surgical procedures and analysis of the patient samples, headline results of the study are expected in Q4 2021.

Once the new performance data is available and assuming positive results, ANGLE intends to establish this test as a laboratory developed test (LDT) in an accredited clinical laboratory setting. The test has the potential to significantly improve patient outcomes whilst also reducing overall healthcare costs and is scheduled for launch around the end of 2021.

PD-L1 assessment capability

There are now several published studies demonstrating the use of the Parsortix system for enabling the molecular analysis of CTCs in solid tumours, including the investigation of PD-L1 (programmed death-ligand 1) expression, a key target for leading immunotherapy drugs.

During the year, ANGLE made significant progress in developing an immunofluorescence (IF) imaging assay for determination of PD-L1 expression levels in CTCs harvested by the Parsortix system. This work has been completed and we have a method for assessing the presence and number of PD-L1 positive and PD-L1 negative CTCs in patient blood samples. This approach examines actual cells (cytological analysis) as opposed to molecular analysis approaches, which work with cell lysates (nucleic contents of cells that have been broken open, analysed as a mixture). Currently the PD-L1 expression assay is Research Use Only, however we are examining options for clinical development.

The newly developed in-house cell-based approach will enable use of the Parsortix system to assess PD-L1 status using two complementary techniques, molecular analysis and cell imaging with IF. We believe this is a powerful combination, which, together with the key advantages of the Parsortix system to capture both epithelial and mesenchymal CTCs (traditional antibody-based systems fail to capture the clinically relevant mesenchymal CTCs) and to capture CTC clusters, may provide significant benefits to the pharma services market.

Launch of clinical laboratories and pharma services

ANGLE has made excellent progress in establishing clinical laboratories in the United States and the UK that will have the capability of offering validated clinical tests. The laboratories, in Guildford, UK and Plymouth Meeting, Pennsylvania, United States, were completed ahead of schedule in Q1 2021 and are now processing clinical samples for global clinical trials. The laboratories will be used as accelerators and demonstrators in support of the Company's established plan for product sales of Parsortix instruments and cassettes and to provide services to pharmaceutical and biotech customers running clinical trials.

In April 2021, ANGLE announced that it has secured its first large-scale pharma services contract. The customer, a pharma company with numerous cancer drugs under development and forecast revenues exceeding US\$1 billion per annum, selected ANGLE's Parsortix system to undertake longitudinal monitoring of patients in a Phase III global clinical trial in prostate cancer and two other smaller Phase I clinical trials. Longitudinal monitoring relates to assessing a patient's condition at multiple time points (i.e. before, during and after drug intervention), which cannot be achieved with tissue biopsy.

The contract is expected to be worth up to US\$1.2 million over 18 months. The Phase I studies, if successful, could progress to larger Phase II studies and, if successful, much larger Phase III studies.

The services cover the capture, harvest and analysis of CTCs and CTC clusters. Samples are being shipped from multiple study centres to ANGLE's clinical laboratories in the United States and the UK for analysis using the Parsortix system.

The contract represents the first large-scale adoption of the Parsortix system for processing patient blood samples to help inform decision making in cancer drug trials. Importantly, the customer recognises the advantage in capturing mesenchymal as well as epithelial cancer cells and the importance that CTC clusters as well as single CTCs may have in the progression of disease, metastasis, and drug resistance.

The Parsortix liquid biopsy has particular advantages in capturing intact cancer cells including mesenchymal cells and clusters and provides the opportunity for longitudinal testing in a clinical setting, which is not possible with tissue biopsy. ANGLE believes that longitudinal monitoring of CTCs will prove highly attractive to the pharma industry looking for new insights in cancer drug trials.

In a further initiative, ANGLE has identified numerous immunotherapy cancer drug trials in progress or planned where assessment of PD-L1 status on CTCs from patient blood samples may have a major bearing on whether the trial is successful. The new trials being planned are targets for adoption of the Parsortix system and ANGLE is developing a service capability to be able to process samples on a commercial basis as part of these trials. ANGLE has established

a dialogue with prospective customers and collaborators for the deployment of PD-L1 analysis capabilities in pharma services cancer drug trials.

Building 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 independent third parties driving development of new clinical applications, continues to build momentum.

Over 115,000 samples have been processed using the Parsortix system as at 31 December 2020, with over 22,000 samples in the year. There were 37 peer-reviewed publications as at 31 December 2020 with 11 new publications announced during the year (see <https://angleplc.com/library/publications/>):

- Edith Cowan University, Perth, Australia demonstrating prognostication and treatment response in melanoma with the Parsortix system out-performing competing systems in head-to-head comparisons
- University Medical Center Hamburg-Eppendorf, Germany with validated standardised Parsortix system protocols for use in future clinical trials in metastatic breast cancer including single cell analysis
- Istituto Nazionale Tumori di Milano, Milano, Italy showing the Parsortix system out-performing other CTC systems in renal cell carcinoma
- University Medical Center Hamburg-Eppendorf, Germany with breakthrough research showing the investigation of brain metastasis in non-small cell lung cancer and the potential for a Parsortix system blood test to replace a highly invasive tissue biopsy of the patient's brain
- University of Athens, Greece demonstrating molecular analysis in head and neck squamous cell carcinoma and key advantages of the Parsortix system over other CTC systems
- University of Southern California, USA developing a workflow for RNA gene expression in prostate cancer with key advantages compared to alternative approaches
- Liquid Biopsy Analysis Unit at the Health Research Institute of Santiago, Spain on the assessment of MET alterations on CTCs as a target for MET inhibitor drugs in head and neck cancer and non-small cell lung cancer opening an important new revenue opportunity for ANGLE with pharma services
- University of Southern California, USA compared the Parsortix system liquid biopsy to tissue biopsy of a metastatic site in metastatic breast cancer. Potential actionable therapeutic targets were found in the Parsortix system liquid biopsy that were missed in the tissue biopsy of a single metastatic site

ANGLE continues to gather momentum and, through its new services business, has begun to accelerate commercialisation.

Garth R Selvey
Chairman

- Laboratory of Translational Oncology, School of Medicine, University of Crete, Greece published breakthrough research using the Parsortix system to assess whether non-small cell lung cancer patients will respond to immunotherapy drugs. This potentially opens a new market for ANGLE for use in PD-L1 cancer drug trials worth an estimated US\$1 billion per annum globally
- University of Basel, Switzerland using the Parsortix system to research the role of hypoxia (reduced oxygen levels) in promoting breast cancer metastasis
- University of Texas MD Anderson Cancer Center, United States showing CTCs harvesting by the Parsortix system can be analysed using multiple downstream molecular techniques.

Following the year end, there were four further publications of note:

- Western University and Lawson Health Research Institute, Ontario, Canada demonstrating the performance of the Parsortix system in a head-to-head comparison with the leading antibody-based CTC system
- CANCER-ID Consortium, the Europe-wide Public-Private-Partnership aimed at standardising protocols and driving wide adoption of liquid biopsy in clinical practice, establishing the performance and technical capabilities of five CTC isolation platforms, in which key advantages of the Parsortix system were identified
- National and Kapodistrian University of Athens, Greece demonstrating the utility of the Parsortix system for minimally invasive, longitudinal monitoring of changes in CTC gene expression in non-small cell lung cancer patients with an EGFR mutation being treated with the tyrosine kinase inhibitor (TKI), Osimertinib (AstraZeneca's Tagrisso®)
- University Medical Center Hamburg-Eppendorf, Germany demonstrating the ability of the Parsortix system to harvest CTCs with a mesenchymal phenotype, which can be used to detect the metastatic biomarker cysteine-rich angiogenic inducer 61 (Cyr61) in breast cancer patients.

To date, 26 separate cancer centres from around the world have published positive reports on their use of the Parsortix system. Leading independent cancer centres throughout Europe, North America and elsewhere using the Parsortix system are working on developments in 24 different cancer types.

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 continue 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 once FDA clearance for the Parsortix system has been achieved.

COVID-19

The Company has had some short-term negative impacts from government lock downs associated with COVID-19. While this created an initial need to adapt the operating model, it has not had any significant long-term impact on the Company.

During lock downs, 'non-essential' screening, surgical and other procedures for cancer treatment have been postponed, delayed or cancelled by clinical institutions across the world. This extends to procedures such as tissue biopsies both of primary cancer sites for diagnosis and secondary cancer sites for treatment selection. The delay of these procedures may have significant adverse impacts on patients. This highlights the need for the regulatory approval of a CTC based liquid biopsy alternative to such invasive tissue biopsy procedures. Harvested cancer cells from a simple blood test that could be used to progress a patient's diagnosis and treatment while reducing the time to answer delays associated with the processing and pathological evaluation of tissue biopsies would be extremely valuable. The blood draw could be undertaken at the patient's home avoiding the need for the patient to visit the clinical institution for a surgical procedure.

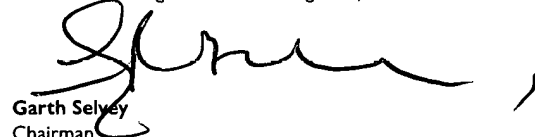
Outlook

The Company adapted to COVID-19 related disruption and successfully completed the work required to make the full De Novo FDA Submission for the Parsortix system. This marked a watershed moment for ANGLE in its goal to achieve the first ever FDA clearance for a system to harvest cancer cells from patient blood for subsequent analysis, initially in metastatic breast cancer. It was encouraging that the Additional Information Request was received without undue delay despite the ongoing pressure on FDA resources as a result of COVID-19. Whilst recent communication with FDA indicates a potential delay to their review processes, we anticipate a regulatory decision during H2 2021. Approval for use of the Parsortix system with MBC patients would open up a market that ANGLE estimates is worth a potential US\$3.9 billion per annum in the United States alone.

Towards the end of the year, we successfully raised further capital in a fundraising that was well supported by new and existing shareholders, particularly in the United States. As planned, the funds raised supported the launch of our commercial laboratory and pharma services business. Post year end, ANGLE has announced its first large-scale contract with an oncology focused pharma customer. The signing of a commercial contract with its first pharma customer validates this strategy and ANGLE looks forward to announcing the further expansion of this business and additional customer agreements in due course.

ANGLE is making progress with the development of its ovarian cancer test, which in clinical studies to date has shown the potential to out-perform current standard of care by greatly reducing the level of false positives. Patient enrolment has been completed in the pivotal clinical verification study, and headline results are expected to be reported in Q4 2021, with the aim of supporting the establishment of a laboratory developed test for ovarian cancer around the end of the year, addressing a large unmet medical need.

In 2020, ANGLE made significant progress towards its strategic objectives and has set a solid foundation for the future. The start of 2021 has seen ANGLE continue to gather momentum and, through its new services business, has begun to accelerate commercialisation of its unique liquid biopsy platform to support personalised cancer care. The planned roll-out of its sample-to-answer solutions and expansion of pharma services business will further strengthen the ANGLE offering as we move through the year.



Garth Selvey
Chairman
29 April 2021

Business Strategy

Sustained focus on delivering our strategy

ANGLE's ultimate objective is to transform cancer diagnosis, treatment and monitoring enabling personalised medicine for all cancer patients.

Andrew D W Newland
Chief Executive

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

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, Europe, China, Australia, Canada, India, Japan and Mexico. 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, including for example foetal cells.

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 (human epidermal growth receptor 2, a protein which if positive promotes the growth of cancer cells) 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, relatively costly and not suited to repeat testing compared with a blood test. Importantly it cannot always be used effectively in difficult to access tumours, such as brain, pancreatic and lung cancers where insufficient tissue may be obtained for analysis or the patient is too ill for the biopsy surgery.

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 on a repeat basis would have a profound impact in understanding the patient's current cancer status and evolution 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 up to £150,000 per annum. 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, typically 20-30%, of patients.

In this situation, 70-80% 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.

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 19.2 million new cancer cases worldwide in 2020, a marked rise on the 14.1 million cases in 2012. In 2020, there were an estimated 9.9 million deaths from cancer (2012: 8.2 million). In 2020, there were an estimated 50.5 million people living with and after cancer (2012: 32.5 million). (Source: International Agency for Research on Cancer – Globocan 2020).

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. Frost & Sullivan and Cowen have estimated that the liquid biopsy market will be worth \$100 billion and up to \$130 billion per annum respectively in the United States alone.

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 a continuous improvement process along with developing Standard Operating Procedures (SOP) for new applications and new product development to meet customer needs to ensure it operates effectively with existing medtech platforms for cell analysis. The system is well established with an installed base of more than 200 instruments in active use.

Successful evaluation of the system by major cancer research centres as Key Opinion Leaders (KOLs) for the market was achieved and has led to good adoption amongst leading translational researchers. 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. Customers have also delivered ground breaking research and identified new uses. This raises awareness of the Parsortix system through peer-reviewed publications and other published evidence as well as the cancer centres 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 and customers 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 cancer centre 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 demonstrated 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 solely 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.

Business Strategy continued

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, 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, which allows multiplex gene expression for more than 100 genes simultaneously on a highly cost-effective basis
- enhancing automation and throughput in a next generation of the Parsortix system
- optimising the full process from blood collection and stability to cytological and molecular analyses in sample-to-answer solutions.

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 Class II clearance for clinical use of the Parsortix system in the United States. 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 and only one system authorised for the capture and counting of CTCs, which is antibody-based. Securing FDA authorisation will be a key competitive differentiation of the Parsortix system.

Offer services through clinical laboratories

ANGLE has established clinical laboratories in the UK and United States to provide a global service capability. These laboratories are intended to act as accelerators and demonstrators to support ANGLE's product-led strategy.

They will be used to offer CTC analysis services to pharma and biotech customers for drug trials and, once accreditation is secured, to offer validated clinical tests known as Laboratory Developed Tests (LDTs) to support cancer patient management.

A growing number of drug trials are using CTC evaluation as a key biomarker to assess patient response as a proxy trial endpoint. CTC evaluation may provide a measure of response to treatment and may provide a much earlier measure of treatment resistance, when compared to radiological measures (e.g. CT and MRI). A key advantage of CTCs when compared to tissue biopsy is the ability to undertake longitudinal monitoring of the patient response and condition during the trial through repeat measurements, for example before, during and after treatment. There is also the potential for remission monitoring and long-term follow up.

Pharma services utilising the clinical laboratories presents a large-scale commercial opportunity that can be accessed ahead of FDA product approval. With CLIA accreditation, ANGLE can offer LDTs from its own laboratories for patient management again ahead of FDA product clearance. The clinical laboratory service approach is an established business model for many diagnostic companies. In addition it enables early progress with payers and reimbursement codes ahead of FDA cleared product. The adoption of clinical laboratories alongside ANGLE's core product-based strategy is intended to accelerate commercialisation and revenue generation.

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 on pages 16 to 19.

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.

This report was approved by the Board of Directors on 29 April 2021 and is signed on its behalf by:



Andrew D W Newland
Chief Executive
29 April 2021

ANGLE's new pharma services business offers longitudinal monitoring of patients using the Parsortix system providing new insights for pharmaceutical cancer drug trials.

Andrew D W Newland
Chief Executive

Key Performance Indicators

Strong progress against key milestones

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 Manage cash and expenditure to deliver the strategy	The cash position (cash and cash equivalents and short-term deposits) at 31 December 2020 was £28.6 million (2019: £18.8 million). The Group carefully plans expenditure with rolling cash flow forecasts and tight financial control. During the year the COVID-19 virus pandemic impacted the business and following a detailed review, certain expenditures were reduced and/or deferred in order to extend the cash runway; new plans were put in place following the fundraise. The Group has a high level of discretionary expenditure given the nature of its activities. The Group utilises a collaborative cost sharing leveraged R&D model approach with Key Opinion Leaders (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.
Clinical laboratories Establish clinical laboratories	The most recent fundraise included funds to establish clinical laboratories in the UK and US for delivering pharma services and Laboratory Developed Tests (LDTs). The focus in the year has been on planning for these activities and recruitment of a new head of clinical laboratories and subsequent to the fundraise developing these activities further and securing facilities for fit-out and recruiting staff to develop the necessary procedures and systems.
Intellectual property Increase the depth and breadth of IP	Intellectual property strengthened with new patent filings increasing the breadth and duration of patent coverage and the range of medical applications covered. Patent applications are being progressed worldwide associated with the core Parsortix system, the HyCEAD system and new product development. 26 patents protecting the Parsortix system granted at the reporting date (2019: 24) in the United States, Europe, Australia, Canada, China, Japan, India and Mexico, extending patent coverage out to 2034. 11 patents protecting HyCEAD and Ziplex systems granted at the reporting date (2019: 9) in the United States, Europe, Canada, China and Japan, with an additional 15 in progress, extending patent coverage out to 2035.
Ovarian cancer clinical application: triaging abnormal pelvic mass Progress patient enrolment	There have been two successful 200 patient studies for the detection of ovarian cancer in patients having surgery for abnormal pelvic masses and the optimisation of the ovarian assay combining the Parsortix system and HyCEAD has been completed. The optimised assay is now being tested in a new 200 patient study being run by the University of Rochester Medical Center Wilmot Cancer Institute (URMC). During the year, COVID-19 resulted in URMC temporarily ceasing enrolment which has since been restarted.
Product development Deliver ongoing upgrades, enhancements and optimisation of our systems	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 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 more than 200 Parsortix instruments in active use (in-house, KOLs, and customers) at the reporting date (2019: c.200). Over 115,000 blood separations have been performed on the system at the reporting date (2019: 93,000). 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. To date the Parsortix system has been used successfully with 24 different types of cancer. Upgrades, enhancements and optimisation of the Parsortix and HyCEAD 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 and in order to meet pharma services needs, for example, in blood stability.

KPI	Performance
Published evidence Build the body of independent data	Successful evaluations and studies with multiple third-party cancer centres has led to a growing body of published evidence: • 37 as at 31 December 2020 (2019: 26) publications in peer-reviewed journals
Regulatory authorisation Make FDA Submission and maintain quality control systems	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. Clinical studies have been completed and reported positively. During the year COVID-19 resulted in analytical studies being halted due to COVID-19 related restrictions in the UK causing the loss of availability of healthy volunteer blood donors and the temporary closure of the ANGLE Guildford laboratory. Blood donations subsequently restarted and the remaining analytical studies and documentation was completed with FDA Submission made in September 2020 and accepted by the FDA in October 2020 for substantive review. The Company subsequently received an Additional Information Request and work is in progress to respond to the points raised. Four leading US cancer centres conducted the clinical studies: • University of Texas MD Anderson Cancer Center • University of Rochester Medical Center Wilmot Cancer Institute • University of Southern California Norris Comprehensive Cancer Center • Robert H Lurie Comprehensive Cancer Center Northwestern University ANGLE Europe maintains its Quality Control system to ISO 13485:2016 and has a BSI certificate of registration certifying our compliance with this standard and is subject to and continues to receive annual compliance audits by BSI. Work is ongoing to prepare for 21CFR820 compliance in support of FDA clearance. In addition, ANGLE Biosciences Inc., ANGLE's Toronto facility, has secured ISO 13485:2016 certification (assessed by BSI North America) under the Health Canada regulations in March 2021.
Research use sales Build sales to leading translational researchers and develop pharma services offering	Sales have been made to multiple customers in Europe, North America and elsewhere including existing KOLs, new research users, big pharma and immunotherapy companies comprising new instrument sales and repeat orders for cassettes and warranties. The product was launched in late summer 2015 after uniformly positive results published by five KOLs with first sales in December 2015. Sales for the year were £0.8 million (eight months ended 31 December 2019: £0.6 million). During the year, sales temporarily reduced due to the impact of COVID-19 with customer sites being closed. The Group is also developing leads with pharma companies for its new clinical laboratories with the aim of building sales in 2021, the first large-scale contract being announced in April 2021.

Principal Risks and Uncertainties

Managing 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 HyCEAD to discriminate between malignant ovarian cancer and other benign conditions. Clinical studies may be delayed due to slow or insufficient patient enrolment or may be temporarily ceased due to factors outside of our control, such as the COVID-19 pandemic, which did cause patient enrolment to stop for a period and subsequently resulted in slower patient enrolment. 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. Data produced may not be sufficient to support roll-out of the application via a clinical service laboratory (CLIA Laboratory). Appropriate third-party payer reimbursement codes may be delayed or may not be obtained thereby limiting commercial uptake of the application. Vested and competing interests may impede market acceptance for either a laboratory developed test or a regulated device.	The Group employs an experienced clinical studies director, who has developed detailed clinical study programmes (including prior experience in CTCs and ovarian cancer) which have had thorough internal and third-party reviews, including the study lead and other experts. 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 assembles multiple study sites and partners where possible to achieve patient accrual rates in a timely fashion. The Group has undertaken independent market research to understand end user needs and ensure the studies produce the necessary data. The Group is taking independent advice on reimbursement codes and commercialisation strategy.
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, ctDNA analysis). It is possible at any time that a competing technology which outperforms 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 (SAB), 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. CTCs are the closest solution to a tissue biopsy allowing all types of analysis to be undertaken and is differentiated from ctDNA analysis. The Group strengthened its competitive position through the acquisition of the HyCEAD technology as 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, product development, clinical laboratories and product marketing and consequently is loss making and utilising cash reserves to support operational activities. The commencement of material revenues is difficult to predict as 1) 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, and 2) the Group needs FDA clearance to boost research use sales and in particular to pharma in drug trials. 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 is exposed to US and Canadian Dollar exchange rates which it is unable to control. The Group also has critical European suppliers and incurs costs in Euros and is exposed to Euro exchange rates which it is unable to control. Post-Brexit EU trading and human resource issues and the potential impact of further COVID-19 restrictions may have an effect 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.	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 with leading translational researchers. The Group is pursuing development of a laboratory service-based offer for research use sales to the Pharmaceutical sector providing CTC capture and analysis services that would support the use of CTC derived information in drug development studies, pre-clinical and clinical drug trials. The Group is working with KOLs, SAB members and specialist consultants to identify suitable clinical applications which offer significant revenue potential either as a lab developed test or FDA cleared product. 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 holds a modest finished goods inventory, held in multiple locations to help mitigate any COVID-19 and Brexit related supply chain problems. The Group established a Dutch subsidiary to facilitate EU sales and mitigate post-Brexit trading issues. Details of the Group's financial risk objectives and policies are disclosed in Note 14 to the Financial Statements.
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 26 granted patents protecting the Parsortix system at the reporting date in the USA, Europe, Australia, Canada, China, India, Japan and Mexico, with others in progress, extending patent coverage out to 2034.

Principal Risks and Uncertainties

continued

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 three key single source suppliers. Problems at outsourced manufacturers and their suppliers could lead to disruption in supplies, delays, product inconsistency and product failure. We anticipate the ongoing COVID-19 pandemic may impact our supply chains. These events 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 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 and validated processes to help achieve the highest standards. 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 as they arise. To manage the risk of loss or disruption of supply (e.g. from COVID-19 and Brexit), 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 and/or supply lines are restored. Dual sourcing of product from key suppliers is actively being pursued but it is unlikely that this will be fully 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, CTC systems 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 relatively modest, the research use sales market to leading translational researchers is a good market in its own right and will help generate additional data on utility, new uses and clinical applications as well as generating peer-reviewed publications. 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. The Group is pursuing a laboratory service-based offer for research use sales to the Pharmaceutical sector providing CTC capture and analysis services that would support the use of CTC derived information in drug development studies, pre-clinical and clinical drug trials. This will aim to promote the wider use of the Parsortix system and associated technology in the development of drugs and treatment protocols, which may ultimately lead to the establishment of the Parsortix system as a companion diagnostic for particular therapies in the oncology space. 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. The Group is working with KOLs and SAB members including specialist consultants to identify suitable clinical applications which offer significant revenue potential either as a lab developed test or FDA cleared product. Clinical applications need to meet key criteria and the Group is progressing its clinical application in ovarian cancer.

Risk	Description	Mitigation
Operational	In order for the Group to operate effectively the infrastructure needs to be robust, efficient and scalable. Unexpected events (such as COVID-19) could disrupt the business by affecting a key facility or critical equipment or donor or patient enrolment which could lead to an inability to undertake development work (e.g. analytical studies for FDA clearance or clinical studies with partners). 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. This plan has been deployed in the current COVID-19 pandemic due to its impact across the entire operations of the business and has allowed a rapid and effective response, ensuring a practical level of continuity of Group operations, despite ongoing restrictions across the world. Business critical systems are cloud-based facilitating remote working and back up mechanisms are also regularly tested. Staff have laptops and ongoing IT training. Staff can work remotely if required, although laboratory and engineering staff are limited in the amount of work they can undertake remotely. Critical equipment has service and maintenance contracts. The Group uses expert IT firms to ensure it operates with appropriate cyber defences. There is daily offsite back-up for rapid recovery from a problem. The back-up is regularly tested.
Pandemic/ epidemic	Exposure to a pandemic, such as COVID-19, or an epidemic that directly or indirectly leads to disruption of the Group's operations in particular to laboratory-based operations and delays to clinical studies.	The Group has a disaster recovery and business continuity plan that enables the rapid establishment and deployment of a Leadership Team (LT) to assess and manage disruptions to operations and task sub-teams with specific actions. It is the LT's responsibility to ensure the Group complies with all laws and guidance issued by Governments at any time. This may result in the Group's offices and/or laboratories being temporarily closed or operated on a restricted basis. It is the LT's responsibility to ensure management practices keep staff safe and healthy and produce updated or new procedures as required. Staff are transitioned where appropriate to working from home and with unnecessary travel avoided. Staff unable to work from home are transitioned where appropriate to split-shift working to assist social distancing and with the use of PPE, hygiene and enhanced procedures as appropriate to manage the work environment. The LT will review the impact of Government Laws and Guidelines and how they impact clinical and analytical studies. While the Group may be able to mitigate certain aspects of any Government Laws and Guidelines by enhancing or introducing new procedures, in certain situations studies may need to be temporarily paused in order to meet such Government Laws and Guidelines and can only be restarted once the Government Laws and Guidelines are updated and relaxed. This may include restrictions on the collection of patient samples needed for clinical studies and/or healthy volunteer blood samples needed for analytical studies. The LT will also review customer needs in the context of the pandemic. Ways of working have and are being adapted to provide virtual support to customers. The existing customer base is predominantly leading translational researchers based at hospitals and universities and consequently Government Laws and Guidelines may result in their operations temporarily being ceased, which means evaluations and ongoing research work may also be paused and sales reduced significantly until Government Laws and Guidelines are eased.

Principal Risks and Uncertainties

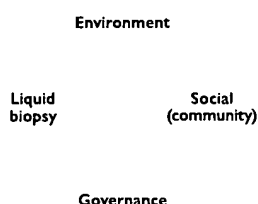
continued

Risk	Description	Mitigation
Pandemic/epidemic continued		The LT will review supply chain requirements. Close contact will be maintained with key suppliers to ensure they are able to provide services and goods in a relatively normal fashion, although noting they may have to modify their ways of working. The Group already holds significant levels of certain critical inventories to mitigate any potential supply chain problems and to date has not experienced any significant supply chain issues. Other supplies may be ordered to ensure the Group has a buffer stock and can continue operations. The Group seeks to maintain a reasonable cash balance to mitigate against the need to raise funding in potentially adverse market conditions. Discretionary and/or non-mission critical expenditure can be deferred or reduced where necessary to conserve cash until the environment is more certain. The Group may utilise Government support schemes where appropriate.
Regulation and quality assurance	The Group operates in a highly 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 etc) 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 ISO 13485:2016 standard to which we have already transitioned and the new In Vitro Diagnostic Device Regulation (IVDR), which will replace the current IVD Directive in 2022. The Group is confident that compliance with the new IVD requirements can be successfully achieved. In March 2021, ANGLE Biosciences Inc. achieved ISO 13485:2016 quality system certification under the Health Canada regulations, which complements the ISO 13485:2016 quality system certification held since 2015 by ANGLE Europe Ltd. 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. The Group's UK based notified body BSI has put in place contingency measures such that European IVDR compliance certificates and Quality System certificates can continue to be issued from within Europe and hence CE Mark applied. We continue to monitor the development of, and transition to the relevant UKCA conformity assessment procedures being put in place by UK Government post-Brexit.

Risk	Description	Mitigation
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 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 clinical study partners who are responsible for patient enrolment and on occasion core laboratory work.	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, clinical study partners and KOLs 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 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.

Corporate Responsibility Report

Sustainability and ESG strategy overview



ANGLE is committed to adopting best practice with respect to its impact on society and the environment.

ANGLE believes that investing in culture and community and in making a positive impact on the environment will help the Group meet its business, financial and commercial objectives. ANGLE encourages diversity and inclusion, and aims to support all employees to reach their full potential. ANGLE also aims to minimise its impact on the planet through its energy use, resource and material requirements, waste recovery and transportation. ANGLE views these efforts not as additional costs but as investments towards a sustainable future. Further, ANGLE is committed to good corporate governance and operational excellence, going above and beyond the requirements of the regulatory environment in which it operates.

Liquid biopsy

Access to healthcare and the role of liquid biopsy

As one of its 17 Sustainable Development Goals, the United Nations describes “ensuring healthy lives and well-being at all ages as essential to sustainable development”. The UN goes on to set a number of targets to achieve this goal, including a one third reduction in non-communicable diseases by 2030, including cancer. In addition, the UN places diagnosis, early warning, and risk reduction at the heart of its ambition to make healthcare more accessible and affordable for all countries.

This target is similarly reflected in the UK’s NHS Long-Term Plan which sets out new ambitions in cancer care. These include that:

- by 2028, the proportion of cancers diagnosed at stages 1 and 2 will rise from 50% to 75% of cancer patients.
- genomic testing will be offered to all cancer patients.
- all cancer patients will have access to personalised care and targeted treatment.
- after treatment, patients will have rapid access to clinical support where they are worried that their cancer may have recurred.

ANGLE’s stated mission is to change the way that cancer is diagnosed and treated. Our Parsortix system captures circulating tumour cells (CTCs), which are shed from a tumour, and harvests them from peripheral blood for analysis. This is known as liquid biopsy and its use has enormous potential throughout the patient care continuum to improve outcomes and reduce healthcare costs.

Cancer has a major negative social impact – an estimated one in two people born after 1960 in the UK will be diagnosed with cancer during their lifetime. Each patient’s cancer is different and highly complex and their cancer changes over time. Effective treatment requires personalised care.

The existing standard of care is a solid tissue biopsy, which is invasive, can have medical complications and uses a lot of healthcare resources – facilities, surgeon, anaesthetist, nurses etc with the associated high costs. Further, it is difficult to repeat, so risks missing the dynamic nature of cancer response, or development of resistance, to treatment.

ANGLE believes its Parsortix liquid biopsy system has the potential to significantly improve care for cancer patients as it is non-invasive and repeatable as well as reducing the costs and resources involved in cancer healthcare.

COVID-19 impact and response

COVID-19 and cancer – the big picture

Whilst the Government enforced lock downs resulted in positive environmental effects (working from home more, less business travel etc), there has been a notable negative impact on cancer diagnosis and treatment.

ANGLE believes that liquid biopsy could be a valuable tool in addressing what is likely to become a secondary healthcare crisis due to the global pandemic. Cancer is the leading cause of death in most developed nations, responsible for an estimated 9.9 million deaths per year globally. As such, cancer diagnosis and care remain a priority and services will need to rapidly evolve to counter the substantial challenge of COVID-19. Ending delays and addressing backlogs – particularly cancer surgeries and diagnostic tests – will need to be an urgent priority moving forward.

The information provided by liquid biopsy could help clinicians diagnose, monitor, and treat cancer more efficiently. Liquid biopsy is minimally invasive, can be undertaken safely in community clinics or in the home to provide patients with a rapid diagnosis and timely treatment with targeted therapies. Liquid biopsy may also help to safely monitor cancer patients in remission to provide early warning of potential recurrence. In a future pandemic, the benefit of these features cannot be overstated. The adverse impact of COVID-19 on cancer care has shown that it is essential to have a diagnostic tool which is quick, easy and alleviates the burden of conducting hospital-based surgical tissue biopsies.

COVID-19 and ANGLE’s response

From an internal perspective, ANGLE sought to follow Government guidance closely throughout the pandemic. Management developed and supported a viable Work-From-Home strategy wherever possible and supported employees with the necessary resources and flexibility in working hours to allow for an effective and sustainable Work-From-Home experience. ANGLE was able to maintain regular communications using a variety of electronic media, notably management, project and team web conferencing supplemented by CEO video updates and Company-wide web conferences shared with the entire workforce. Early in the pandemic, ANGLE deployed its Business Continuity Plan and created a dedicated COVID-19 response team that continuously reviewed its COVID-19 risk assessment and implemented any changes needed to respond to changing government guidelines and employee feedback. This included individual risk assessments to support vulnerable employees.

Lessons for the future

ANGLE has learned from the challenges imposed by the COVID-19 pandemic and management believes that there have been some positive aspects that can be maintained in the future, in particular the greater collaborative mentality and cross-group endeavour that has been necessarily created. Employee Assistance Programmes, added to benefits to offer confidential support, counselling and advice, are likely to be sustained. The impact on mental health has not gone unnoticed and ANGLE will continue to recognise and support Global Mental Health Awareness Day as well as providing staff access to Company-funded counselling and advice where required.

Social (community)

Human capital

ANGLE understands that long-term growth and business performance depends on the talent, skills and passion of its employees. The Directors therefore aim to create a work environment that appeals to, empowers and involves all employees at every level of the organisation.

Finding and keeping the best people

In order to attract and retain the best talent, ANGLE offers competitive and comprehensive salary and benefits packages. Salaries are reviewed annually and key roles are benchmarked externally. Benefits plans are also reviewed annually to determine comprehensiveness and external competitiveness.

ANGLE offers flexible working hours and part-time working to employees to accommodate individuals' needs and commitments outside the workplace. This is reflected in the fact that some 10% of staff are employed on a part-time basis and a significant proportion of staff who are able to balance working with caring for young children.

The Group works with universities to support science and operates an effective placement programme in both the UK and North America. In the UK, ANGLE offers placements to up to three undergraduate students each year, typically within the R&D and Engineering teams. In North America, two placements are offered annually within either the R&D or Administrative functions.

Training and development

The Group places a high priority on training and development throughout the organisation and from the start of a career at ANGLE. There is a comprehensive induction process in place to ensure that new employees are quickly integrated and operating with the Group's quality standards. This includes scheduled catch-up sessions between the new joiner and their supervisor and the new joiner and Human Resource management.

Thereafter, employees and managers are encouraged to identify and discuss individual training needs during regular one to one review meetings. A training needs analysis is embedded into the performance management process with various forms of training available to meet the differing needs of employees. In addition, ANGLE always seeks to promote staff internally, maximising the potential for career progression and development.

Performance management

Employees and managers are encouraged to meet regularly, usually monthly, to discuss performance feedback. Formal annual reviews are undertaken following the Company's financial year end. As a key tool in that process, ANGLE uses a performance management software system ("Clear Review") to enable meaningful, regular performance management. This system is used to set, track and evaluate employee performance and development objectives.

ANGLE operates a Development and Promotions Committee which meets twice yearly to consider promotions across the organisation as well as to determine development plans for those individuals who may in the future be considered for promotion.

Diversity and equal opportunity

The Group recognises the diversity and potential that different people can bring to their work and is committed to equal opportunities in the provision of services and in employment. ANGLE strives to allow all its people to develop as fully as possible in accordance with their individual aspirations and abilities. In all aspects of employment, including recruitment, pay, training and promotion, ANGLE avoids discrimination or harassment of any kind and specifically on the grounds of race, colour, nationality, ethnic or national origin, religion, gender, marital status, sexual orientation, medical condition including progressive illness, age and disability.

The Directors believe that, in addition to the over-arching responsibility of the Group and its management, all employees must take individual responsibility for promoting an environment that provides equality of opportunity for all. ANGLE asks all its people to embrace its policy of equal opportunities as their own and to take personal responsibility for making the workplace one that is free of discrimination. Where discrimination is found to have taken place, ANGLE will take strong action to address this. Discrimination of any nature, direct or indirect, will be regarded as misconduct, will be treated as a disciplinary matter and may lead to dismissal. Similarly, victimisation of anyone who has made a complaint will not be tolerated.

Communication and feedback

ANGLE ensures that appropriate emphasis is given to the practice of good communications and that time is allocated to it. Communications are encouraged on a two-way basis both through a consultative process and by encouraging feedback through all levels of the management chain. Managers are aware of their obligation to communicate to those with whom they work and staff managing activities have responsibilities to communicate relevant information to other staff involved with these activities.

Every available means, including the appropriate use of information technology, is used for the dissemination of relevant, accurate and prompt organisational and operational information.

In addition, the Clear Review platform provides a tool for bidirectional communication and feedback relating to professional (tied back to the organisational goals) and personal development goals and objectives of each employee.

Product quality

ANGLE is committed to providing quality in vitro diagnostic devices and accessories for the capture, harvest and analysis of cells present in blood based on their size and deformability, fulfilling the market and regulatory requirements to meet the needs of the customer and for the benefit of the patient. The quality of medical devices as a minimum will conform to the In Vitro Diagnostic Directive 98/79/EC (transitioning to In Vitro Diagnostic Regulation EU 2017/746), FDA GMP 21 CFR 820 and other requirements as applicable to the countries in which the device or service is intended to be offered for sale.

The Group will commit to encouraging staff to identify non-conformities and inefficiencies with the intent of creating and operating systems which cause zero harm to the patient. It is the policy of the Group to have a commitment to quality, with all quality procedures being maintained to EN ISO 13485:2016 reflecting the current state of the art and Post Market Surveillance findings. This policy is regularly reviewed and notified to all employees to ensure that it is understood, implemented and maintained.

ANGLE's Quality Management System falls within the scope of EN ISO 13485:2016 and covers the design, manufacture, testing, storage, distribution, service of and the sale of in vitro diagnostic devices, associated equipment and consumables for the capture and harvest of cells present in blood. There are no exclusions within the Quality Management System. Customer requirements, national standards, directives, external documents and regulatory and statutory requirements are all considered as inputs to the Quality Management System.

Certain activities are outsourced or subcontracted to third-party manufacturers, including the design, development and manufacture of mechanical, electrical and software components. In this instance the third-party's procedures are used if compliant with EN ISO 13485:2016 and certified by a suitable Notified Body with appropriate scope.

ANGLE's Quality Management System is subject to inspection audits by an external notified body (BSI). A complete annual programme of internal audits is also established. ANGLE's Quality Manager is responsible for addressing any corrective or preventative actions required.

Key Performance Indicators (KPIs) are established and performance data is analysed to ensure that the quality system remains effective. Issues arising are investigated in accordance with ISO 13485 CAPA and Defect Reporting Procedures. CAPA process requires evidence of effective completion and all information is captured in our quality system records and confirmed through internal and external audits.

Corporate Responsibility Report

continued

Social (community) continued

Health and safety

The Directors are committed to ensuring high standards of health and safety for employees, visitors and the general public. The Group complies with all applicable laws and regulations wherever it operates and holds all the licences necessary to operate its business.

Health and safety a shared responsibility

As the employer, ANGLE is ultimately responsible for employee health and safety and takes every reasonable precaution for the protection of workers in the workplace but believes all employees share a responsibility, and should work together, to reduce the risk of injury and occupational disease. ANGLE makes every effort to provide a safe, healthy work environment. The employer and all supervisors and employees are dedicated to reducing the risk of injury.

Supervisors are held accountable for the health and safety of workers under their supervision. Supervisors are subject to various duties in the workplace, including the duty to ensure that machinery and equipment are safe and that employees work in compliance with established safe work practices and procedures.

ANGLE ask that every employee must protect his or her own health and safety by working in compliance with the law and with safe work practices and procedures established by the employer. Employees will receive information, training, and competent supervision in their specific work tasks to protect their health and safety. It is in the best interest of all parties to consider health and safety in every activity. Commitment to health and safety must form an integral part of this organisation from the executives to the employees.

Zero tolerance of workplace violence and harassment

ANGLE is committed to the prevention of workplace violence and harassment and to protecting the health and safety of our employees in the workplace. We will take whatever steps are reasonable to protect employees from workplace violence and harassment. At ANGLE there is zero tolerance for workplace violence or harassment of any kind, including towards or from customers, clients, supervisors, employees, or members of the public.

ANGLE has a process to report and investigate complaints of workplace violence or harassment. All complaints and investigations will be dealt with in a fair, respectful, and timely manner. We will take all reasonable precautions to protect workers from all sources of work-related harassment. Supervisors are responsible to support a respectful workplace by reinforcing a zero-tolerance violence and harassment policy and providing information and training to employees.

All ANGLE employees are encouraged to work together to support a safe, healthy and respectful workplace.

Community, charity and outreach

The Guildford laboratory uses healthy volunteer blood donors to enable it to test multiple aspects of the Parsortix system and also to perform the analytical studies for its clinical applications. We are very grateful for the blood donors who are predominantly from the local vicinity.

The Group works with a number of charitable organisations, such as Cancer Research UK, and has donated products and funded medical research in pursuit of our mission. We have also worked with each of the local universities near our facilities in Guildford, Toronto and Philadelphia.

Governance

Governance and business ethics

Leadership from the Board of Directors
The Board is committed to high standards of corporate governance and adheres to the Quoted Companies Alliance (QCA) Corporate Governance Code for small and mid-size quoted companies (the "QCA Code").

Section 172 statement

The Corporate Governance Report on pages 45 to 52 and this Corporate Responsibility Report set out how the Board has approached its duty under Section 172 of the Companies Act, which is summarised below, in order to meet these requirements. Specifically it refers the reader to QCA Principle 1 (Strategy and business model), Principle 2 (Meeting shareholder needs), Principle 3 (Manage our responsibilities to wider stakeholders) and in particular within this report the sections headed Human capital and Health and safety for employees and the section headed Environmental stewardship for the impact of the Group's operations on the community and environment. The Corporate Governance Report can also be found on the Company's website www.angleplc.com.

In accordance with Section 172 of the Companies Act 2006, the Directors recognise the importance of our wider stakeholders to the sustainability of our business. The Directors behave and carry out their activities to promote the long-term success of the Group for the benefit of the Company's shareholders, employees, partners, customers, suppliers and other stakeholders such as regulatory authorities. The Group engages with stakeholders to reflect their insights and views when making decisions on strategy, delivering operational effectiveness, driving initiatives and delivering outcomes.

The culture and values promoted by the Directors create a focus across the Group on observing and maintaining high standards of regulatory compliance, quality control and business conduct whilst promoting the long-term success of the Group.

Management Charter

ANGLE recognises that it needs to support its employees as they take on additional responsibility, and nowhere is this truer than in their roles as managers. Managers not only help to deliver success through the organisation and support of their teams, but also shape the culture of the Group through their behaviour and leadership style. As ANGLE grows it is striving to ensure that its values are upheld and its collaborative, supportive and inclusive culture continues to develop. ANGLE has, therefore, produced a Management Charter, which sets out the expectations of all employees in managerial roles.

Our values	Our culture
Reputation, integrity and good governance	Hard-working and adaptable
Building long-term partnerships and trust	Driven by a passion to improve the quality of cancer diagnosis and treatment
Focus on R&D and innovation	Progressive and pragmatic
Openness and transparency	'Open door' and inclusive
Sustainability and responsibility	Collaborative and supportive

Responsible marketing

ANGLE is required to have systems in place to ensure it meets medical device regulatory standards for the accurate marketing of function and performance of In Vitro Diagnostic (IVD) and Research Use Only (RUO) products in territories in which ANGLE operates. At the moment, this is primarily the requirements of the IVDD and IVDR in Europe and 21CF801, 809, 820, 830 and 1010 in the USA. In addition, ANGLE retains membership of the BIVDA in the UK.

Clinical trials programmes and standards

ANGLE engages in clinical studies designed to evaluate a new medical device or an existing medical device for a new use and is responsible for complying with applicable national and international medical device and IVD regulations and requirements (e.g. the Food and Drug Administration (FDA), Code of Federal Regulations (CFR), European Union Medical Device and IVD Regulations, Institutional Review Boards (IRB) / Ethics Committees (EC), etc.) and for ensuring that all responsibilities are properly assigned.

Project Teams are responsible for developing a regulatory strategy, developing and implementing an Investigational Plan (IP), monitoring the progress of ongoing studies, and fulfilling all reporting requirements required by applicable national and international regulations. The Project Team may outsource one or more of these activities to external organisations (e.g. independent contractors, Contract Research Organisations (CROs) or other vendors). ANGLE must ensure these external entities are properly selected and have the proper training, experience and resources to adequately conduct the outsourced activities. ANGLE remains the ultimate authority and is responsible for all aspects in the conduct of regulated activities and ensures clinical studies are carried out in accordance with the IP and applicable regulations.

Standard Operating Procedures (SOPs) are in place for all clinical trial activities and all sites are trained in those SOPs prior to study initiation via Study Initiation Visits and maintenance of training records.

ANGLE's clinical study procedures require each site Principal Investigator and all sub-investigators to provide a current CV and a copy of the Medical Licence of the site, Financial Disclosure Forms signed by the site Principal Investigator and all sub-investigators and Duly completed Duties and Signature Log (a.k.a. Delegation of Authority Log).

Any ANGLE sponsored study investigator is responsible for ensuring that the study is performed in accordance with the protocol, current International Conference on Harmonization (ICH) guidelines E6 on Good Clinical Practice (GCP), and applicable regulatory and institution-specific requirements.

GCP is an international ethical and scientific quality standard for designing, conducting, recording, and reporting studies that involve the participation of human subjects. Compliance with this standard provides public assurance that the rights, safety, and well-being of study subjects are protected, consistent with the principles that originated in the Declaration of Helsinki, and that the study data are credible.

The site's responsible investigator must obtain local IRB/EC approval for the Protocol and Consent Form prior to enrolling subjects in the study, and must obtain IRB/EC approval for any amendments to the protocol as necessary.

The site's responsible investigator must ensure that written Informed Consent is obtained from all subjects participating in the study prior to any study procedures being done.

The site's responsible investigator must ensure that subjects are enrolled according to the Inclusion/Exclusion criteria and that all information on Informed Consent Forms, Sample Logs, and data captured on appropriate CRFs and/or in an eDCS is complete and accurate.

It is the responsibility of the site's investigators and study coordinators to ensure that, to the best of their knowledge, all subject information is complete and accurate.

Informed consent

As part of the requirement to perform studies in line with ICH GCP guidelines, all subjects enrolled in any ANGLE sponsored study must have provided informed consent to participate.

Each subject must give written informed consent according to local requirements after the nature of the study has been fully explained. The consent form must be signed before performance of any study-related activity. The consent form that is used must be approved by both the Sponsor and by the reviewing IRB and be in a language that the patients can read and understand. The informed consent should be in accordance with principles that originated in the Declaration of Helsinki, current ICH and GCP guidelines, applicable regulatory and/or country specific requirements, and institutional policies.

Furthermore, our pharma services agreements include the requirement for clients to provide assurances that samples have been ethically provided in line with ICH and other applicable regulations prior to the commencement of sample processing.

Environmental

Environmental stewardship

As a technology-based Group with most staff in a small number of locations, ANGLE believes its environmental footprint is small and climate related risks are low. Nevertheless, ANGLE views protection of the environment as a core priority. Our landlords also take their sustainability responsibilities seriously, for example, information can be found on our head office location at www.surrey.ac.uk/sustainability/estates-and-operations

Waste management

Our landlords offer waste management services and seek to divert landfill and recycle as much as possible. The Group undertakes some additional recycling with specialist suppliers associated with old electrical equipment, coffee pods etc and uses specialist hazardous waste disposal experts for laboratory waste. The Group uses plumbed water coolers which reduces the consumption of plastic bottles.

Our Parsortix system uses a microfluidic cassette that takes advantage of the size and deformability of CTCs with the instrument using pressure to harvest the cells rather than a chemical approach with the higher levels of antibody reagents and other chemicals used by many of our competitors.

Energy management

All of our offices now use LED lights with a programme of updates to tungsten and some halogen lighting since 2016. As well as providing a better working environment for staff, the most recent update is forecast to produce a 64% reduction in our consumption of energy for lighting purposes. We also use lighting sensors so that lights are automatically turned off for areas not in use. We have installed energy saving internet enabled thermostats and use programmed heating controls seeking to optimise temperatures dependent on whether people are present. We aim to buy higher rated energy efficient equipment for our laboratories. We use 100% renewable energy at our two main sites with hydro-electricity in Toronto. The Group uses plumbed boiling water taps which are more energy efficient than kettles.

Travel

The Group seeks to restrict business travel to necessary business travel and promotes the use of video conferencing. The Group promotes home and flexible working where feasible to reduce overall travel and travel during rush hour. Several of our employees are carpooling and we also promote the use of the cycle-to-work scheme.

Parsortix-based tests have the potential to significantly reduce patient travel and the consumption of healthcare resources. Blood can be drawn locally by a phlebotomist and shipped (with other goods) rather than an individual having to drive to a clinic for a tissue biopsy. A negative liquid biopsy result, such as with our ovarian cancer pelvic mass triage test, may allow local surgery with a simplified procedure rather than having to travel to a major cancer centre for surgery.

Financial Review

The Group has a strong cash position

Substantial investment has continued in multiple areas of the business with FDA analytical studies completed and submission made to FDA and in Substantive Review.

The fundraise was well supported by new and existing shareholders, particularly in the United States.

Ian F Griffiths
Finance Director

Financial Highlights

£0.8 million at 78%

Research use revenues for the year of £0.8 million (eight months ended 31 December 2019: £0.6 million) at a gross profit margin of 78% (2019: 76%)

£14.4 million

Planned expenditure on Parsortix system of £14.4 million (eight months ended 31 December 2019 restated: £9.5 million)

£11.6 million

Loss of £11.6 million (eight months ended 31 December 2019 restated: loss £7.6 million)

£19.6 million

Fundraise of £19.6 million (£18.5 million net of expenses) in November 2020

£28.6 million

Cash and cash equivalents and short-term deposits combined balance at 31 December 2020 £28.6 million (2019: £18.8 million)

Introduction

The Group has continued to make substantial investment in the FDA analytical and clinical studies, the ovarian cancer pelvic mass triage clinical application studies, new product development and sales and marketing for research use sales to advance and drive the development and adoption of the Parsortix cell separation system. Following a successful fundraise in October 2020, ANGLE has made excellent progress in establishing clinical laboratories in the US and UK that will be able to offer pharma services and also have the capability of offering validated clinical tests. These laboratories will be used as "accelerators and demonstrators" in support of the Group's established plan for product sales of Parsortix instruments and cassettes and to provide services to pharmaceutical and biotech customers running clinical trials.

Restatement and reclassification

Following a detailed review, a number of areas were identified for restatement or reclassification and the prior year numbers have been amended accordingly. This is explained in detail in Note 21. The restatement amendments relate to 1) a judgement that certain capitalised product development costs do not meet the IAS 38 criteria and should be expensed rather than capitalised and 2) that Group loans with US subsidiaries should not be treated as part of the Group's net investment in those foreign operations and exchange differences previously recognised in other comprehensive income on consolidation be reclassified to the income statement. In addition, there is a reclassification amendment that certain short-term deposits should be shown separately from cash and cash equivalents.

Consolidated Statement of Comprehensive Income

Revenues for the year were £0.8 million (eight months ended 31 December 2019: £0.6 million) with a gross profit margin of 78% (eight months ended 31 December 2019: 76%). 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 are seeing 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 the Parsortix system in their laboratory procedures. However, evaluations have taken longer to close than expected, generally because of limitations in downstream analytical techniques outside the Parsortix system, COVID-19 related issues and the grant funding environment for our research customers remains very challenging.

Grant income for the year of £0.1 million (eight months ended 31 December 2019: £0.1 million) was recognised in the year. This primarily relates to a collaboration with Philips on a €6.3 million Horizon 2020 EU grant 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 resulted in operating costs for the year of £14.4 million (eight months ended 31 December 2019 restated: £9.5 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 below.

This planned expenditure includes investment of £7.8 million (eight months ended 31 December 2019: £6.0 million) in research and development, in particular the FDA analytical and clinical studies, the ovarian cancer clinical application, where significant work was undertaken on the optimisation of the test, in-house work and ongoing work with KOLs on pilot studies and other potential uses of the system as well as new product development, patent prosecution and new patent grants. Fundamental aspects of the FDA analytical and clinical studies were successfully completed in the year leading to the De Novo Submission to the FDA in September 2020.

Expenditure includes sales and marketing costs associated with product promotion and "virtual" 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 for the year of £13.7 million (eight months ended 31 December 2019 restated: loss £9.0 million). The significant research and development expenditure resulted in research and development tax credits of £2.1 million for the year (eight months ended 31 December 2019: £1.5 million). The Group made a loss after tax of £11.6 million for the year (eight months ended 31 December 2019 restated: £7.6 million) resulting in a basic and diluted loss per share attributable to owners of the parent of 6.52 pence for the year (eight months ended 31 December 2019 restated: 4.62 pence).

Consolidated Statement of Financial Position

Intangible assets decreased in the year to £3.7 million (2019 restated: £4.0 million). Intellectual property of £0.1 million (2019 restated: £0.1 million) was capitalised during the year in accordance with IAS 38 Intangible Assets. Amortisation and impairment costs of £0.3 million (eight months ended 31 December 2019: £0.2 million) reduced the carrying value of the intangible assets.

The Group has restated its intangible assets at 31 December 2019 and 30 April 2019 following a detailed review of its policy for the capitalisation of product development costs. "Product development" relates to internally generated intangible assets that are capitalised in accordance with IAS 38 Intangible Assets (Note 1.12). IAS 38 criteria are reviewed at the end of each accounting period. The Group assessed the cumulative capitalised product development expenditure and determined that some of these costs did not meet the required IAS 38 criteria as it is now considered that the technical feasibility of a product in development is not proven until regulatory clearance is achieved. This approach is consistent with other companies in the sector. A prior year adjustment has been made to restate the previously capitalised costs not meeting IAS 38's recognition criteria on technical feasibility. Restated intangible assets had a carrying value of £4.0 million at 31 December 2019 and £4.1 million at 30 April 2019. Note 21 has further detail.

Property, plant and equipment reduced to £1.2 million (2019: £1.5 million) with the expansion of premises and the addition of some key items of laboratory equipment offset by depreciation charges.

The right-of-use assets represented by our leased office and laboratory premises reduced to £1.2 million (2019: £1.5 million) with the addition of a new lease of £0.3 million offset by depreciation and a transfer to net investment in sublease.

Inventories of £0.7 million (2019: £0.8 million) reflect the inventory required for studies (in-house, KOLs and clinical study sites), in building inventory levels for research use sales prospects where systems are placed out for an initial evaluation period prior to sale and as a Brexit risk mitigation strategy. As the Group relies on a number of single-source key suppliers then higher levels are maintained than would otherwise be the case.

The trade and other receivables balance increased to £1.4 million (2019: £0.6 million). The current year balance includes £0.5 million in respect of a Canadian COVID-19 relief subsidy (Canada Emergency Wage Subsidy) receivable of £0.5 million and an increase in prepayments of £0.2 million reflecting an increase in purchases towards the end of the reporting period associated with the new clinical laboratories.

The tax receivable balance of £2.1 million (2019: £3.4 million) reflects the fact that research and development expenditure is eligible for research and development tax credits.

The trade and other payables balance of £3.3 million (2019: £2.4 million) includes bonus payments of £0.9 million. No bonus payments were awarded for the prior reporting period or payable at 31 December 2019 due to the potential impact and associated uncertainties of the COVID-19 pandemic and the desire of the Company to conserve cash.

Cash and short-term deposits

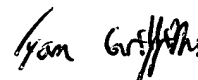
The Group ended the year with a cash and cash equivalents and short-term deposits combined balance of £28.6 million (2019: £18.8 million).

The Company completed a fundraise of £19.6 million (£18.5 million net of expenses) during the year. The Company was pleased with the continued support from our major institutional investors and existing and new investors, particularly in the United States.

Summary

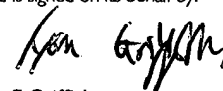
The Group is carefully executing its strategy so that business activities are in line with the available and anticipated cash resources. Good progress has been made against key milestones. The immediate priorities are completing the Additional Information Request analytical studies to support FDA clearance in metastatic breast cancer in the US, progressing our optimised ovarian cancer application with clinical studies to support the US and European launch of our first clinical application in ovarian cancer, building research use sales, undertaking key product development activities and for the first time, the establishment of clinical laboratories as accelerators and demonstrators to deliver pharma services and laboratory developed tests.

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 F Griffiths
Finance Director
29 April 2021

The Strategic Report on pages 02 to 37 was approved by the Board of Directors on 29 April 2021 and is signed on its behalf by:



Ian F Griffiths
Director
29 April 2021

Board of Directors

Experienced team delivering performance



Garth R Selvey Chairman

Appointed
September 2006

Skills and experience

Garth Selvey has a BSc in Physics and Electronic Engineering from the University of Manchester and has spent over 36 years in the computer industry in 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 and became Chairman in September 2007.

Brings to the Board

Extensive experience of the listed sector and leading companies.

Andrew D W Newland 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 over 20 years of medical diagnostics experience and has specialised in the liquid biopsy space for the last 11 years.

He has led the development of technology-based businesses based on strong intellectual property for over 30 years and for the last 20 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 30 years' experience of setting up, leading and building technology-based businesses, over 20 years leading specialist medtech businesses, and over 11 years in the liquid biopsy space.

Ian F Griffiths Finance Director

Appointed
March 2004

Skills and experience

Ian Griffiths is the Finance Director of ANGLE plc. He has specialised in technology commercialisation for over 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 with a special work focus, 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 led the financial aspects of ANGLE plc listing on the Alternative Investment Market.

Brings to the Board

Over 30 years of experience in finance and technology-based businesses, and over 11 years in the liquid biopsy space.



Committees key

- ◆ Chair of Committee
- ◇ Member of the Committee
- A Audit Committee
- R Remuneration Committee
- N Nomination Committee

Brian Howlett

Non-executive Director and
Senior Independent 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 the 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.

Brings to the Board

Extensive commercial operations experience of the medtech sector.

Dr. Jan Groen

Non-executive Director

Appointed

November 2018

Skills and experience

Dr. Jan Groen is currently the Chief Executive Officer of Novigenix SA, an ImmunoTranscriptomics startup developing products for early cancer detection and precision medicine. Jan was previously the Chief Executive Officer of MDxHealth, a Euronext listed genomic diagnostics company that improves the lives of patients by reducing diagnostic ambiguity in urological cancers. MDxHealth's genomic tests are setting new standards in prostate and bladder cancer diagnosis, where they have helped over 100,000 patients avoid unnecessary diagnostic procedures.

Jan's career spans over 25 years in clinical diagnostics and life science global markets. Jan was previously the President and COO of Agendia, responsible for their United States and European diagnostic operations, respectively. Jan is co-founder of ViroClinics and DxOrange and has held numerous management and scientific positions at Focus Diagnostics, a subsidiary of Quest Diagnostics, the Erasmus Medical Center, and Akzo-Nobel. Jan has had board mandates in several diagnostic companies. Currently he serves on the board of SPL Medical in the Netherlands. Jan holds a Ph.D. degree in Medical Microbiology from the Erasmus University Rotterdam, a BSc in Clinical Laboratory Studies and has published more than 125 papers in international scientific journals in the field of clinical diagnostics.

Brings to the Board

Expertise in new product development, including development and successful commercialisation of CE marked and FDA cleared diagnostic products and lab-developed tests in Europe and the USA.

Scientific Advisory Board

Wealth of experience and expertise

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 Hospital Cancer Center in New York. Dr. Danila also serves as an assistant 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 tumors.

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, prostate cancer and wide network of contacts in the field.

Dr. George Hvichia**Skills and experience**

Dr. George Hvichia is the original inventor of the core Parsortix technology and played a lead role in ANGLE's Parsortix patents. Dr. Hvichia is an expert in microfluidic technology related to cell and particle separation and platform integration. Dr. Hvichia was the first person to recognise the combined principle of separation by size and deformability of rare cells in fluids, such as blood, and that microfluidic devices could be used to achieve this, even though manufacturing at the necessary tolerances was not possible at the time. This core technology yields low cost, efficient, single use and scalable micro-devices for use in the fields of Liquid Biopsy and Precision Medicine.

Dr. Hvichia played a lead role in advancing the Parsortix technology by working in the laboratory and introducing multiple solutions and innovations. Dr. Hvichia also focused on collecting and analysing data from the microfluidic cassette, instrument and assay development process, resulting in ANGLE's first peer-reviewed publication in the International Journal of Cancer (IJC) in January 2016. This publication made the prestigious list of 10 most popular cancer publications in recent years, presented at World Cancer Congress 2018 by renowned publisher Wiley and International Journal of Cancer.

Brings to the SAB expertise in – microfluidics and biochips with ongoing thoughts and advice on development of the Parsortix system.

Dr. Joseph Khoury**Skills and experience**

Dr. Joseph Khoury is a recognised expert in diagnostic pathology and has significant experience in the cytological and morphological analysis of cancer cells as well as molecular diagnostics and immunophenotyping. Dr. Khoury is a tenured Professor of Pathology and Laboratory Medicine at The University of Texas MD Anderson Cancer Center in Houston, Texas and is the Executive Director of the MD Anderson Cancer Network for the Division of Pathology and Laboratory Medicine. Dr. Khoury is also the Director of the MD Anderson Clinical Immunohistochemistry Laboratory.

Dr. Khoury is a leader in translational research focused on hematolymphoid neoplasia (a class of tumours that affect the blood, bone marrow, and organs of the immune system). Dr. Khoury has authored over 230 publications, many in prestigious peer-review scientific and medical journals, two textbooks, and several book chapters. He has trained numerous clinical and research fellows. Dr. Khoury is an active member of the College of American Pathologists and has lectured extensively at various institutions and conferences globally.

Brings to the SAB expertise in – diagnostic pathology and cytological and morphological analysis of cancer cells.

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 also Director of Pathology for the Trust and Clinical Director of the North East London Cancer Network until 2018. 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 National Clinical Advisor in Pathology to NHS Improvement and Clinical Advisor to the Transforming Cancer Service Team in London. He chairs the National Pathology Implementation Optimisation Delivery Group.

Prof. Newland was previously chair of the Diagnostic Assessment Programme for the National Institute for Health and Clinical Excellence (NICE) and 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 was a member of the National Chemotherapy Implementation Group until 2018 and a member of the Expert Reference Group on Cancer Care in London, the national Cancer Outcomes Advisory Group and the Human Genome Strategy Group. Prof. Newland is co-chair of the WHO Strategic Advisory Group of Experts for In-Vitro Diagnostic Devices (SAGE-IVD) and recently completed the five year review of the WHO Cancer programme. He is currently a non-executive director of the UK Accreditation Service and chairs their Healthcare Forum.

Brings to the SAB expertise in – haematology, pathology, cancer diagnostics, accreditation and NICE.

Dr. James M. Reuben**Skills and experience**

Dr. Reuben is 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 and non-small cell lung 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, breast cancer and wide network of contacts in the field.

Mr Greg L Shaw

Skills and experience

Mr 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 Associate Professor at University College and Senior Lecturer at Queen Mary College of the University of London.

Mr Shaw 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. Mr Shaw is lead surgeon for the largest robotic surgery team in the UK at UCLH. Mr Shaw is known for his innovative approach and commitment to quality assurance.

Brings to the SAB expertise in – prostate cancer diagnostics and treatment.

Dr. Clive Stanway

Skills and experience

Dr. Clive Stanway is currently an independent drug discovery and development advisor to several companies including acting as a non-executive director for CytoSeek Ltd and Atelrex Ltd. Also, he was recently appointed as a non-executive director of Babraham Bioscience Technologies Ltd. Dr. Stanway was until 2018 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 has been or is now partnered with AstraZeneca, FORMA Therapeutics, BMS, Artios, Ono Pharmaceutical and Merck KGaA.

Brings to the SAB expertise in – cancer drug discovery and development and major pharma networks.

Dr. Harold Swerdlow

Skills and experience

Dr. Harold Swerdlow is currently Senior Director of NGS R&D at DNA Electronics (DNAe) in London. His role there involves managing Next-Generation Sequencing (NGS) technology and product development for an initial sepsis diagnostic offering and a future oncology test. Dr. Swerdlow is a leading expert in NGS and recently served as a consultant for both ONI (Oxford Nanoimaging), a super-resolution microscopy company, and Nuclera, a DNA synthesis start-up after being Head of NGS Technology Development at LGC Genomics. As VP of Sequencing at the New York Genome Center (NYGC) from 2014-2017, Dr. Swerdlow directed the Technology Innovation group and managed the production and clinical laboratory facilities (with about 30 Illumina DNA sequencers). Prior to NYGC, Dr. Swerdlow was Head of Research and Development for the Wellcome Trust Sanger Institute in Cambridge, UK (2008-2014). In that role, Dr. Swerdlow directed the R&D department and helped build the Sanger Institute'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 in 2000 when it had only three employees. From then until 2006, 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, genomics and system integration.

Prof. Ashok Venkitaraman

Skills and experience

Prof. Ashok Venkitaraman is Director, Cancer Science Institute of Singapore, and Distinguished Professor of Medicine at Yong Loo Lin School of Medicine. He has also taken up appointments as Senior Principal Investigator and Senior Adviser at the Agency for Science, Technology and Research (A*STAR).

Prof. Venkitaraman's research has contributed fundamentally to our understanding of how cancer is suppressed by genes that maintain the integrity of DNA in the human genome. His laboratory first discovered that mutations in the breast and ovarian cancer gene, BRCA2, provoke genome instability leading to carcinogenesis. In his current role, Prof. Venkitaraman aims to achieve a deeper understanding of the steps that underlie carcinogenesis to find new strategies to intercept cancer development before the disease reaches an advanced and hard-to-treat stage. To help translate such fundamental insights to clinical practice, Prof. Venkitaraman has worked with colleagues from many different disciplines to develop new approaches for the discovery and early development of next-generation medicines.

In his previous role Prof. Venkitaraman held the Ursula Zoellner Professorship of Cancer Research at the University of Cambridge and was Director of the Medical Research Council's Cancer Cell Unit and Joint Director of the Medical Research Council Hutchison Cancer Research Centre. 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.

Directors' Report

For the year ended 31 December 2020

The Directors present their audited Report and Financial Statements for the year ended 31 December 2020 for ANGLE plc (the "Company") and its subsidiaries (the "Group" or "ANGLE"). ANGLE plc, Company registration number 04985171, is a public limited company limited by shares, incorporated and domiciled in the United Kingdom and quoted on the London Stock Exchange Alternative Investment Market (AIM). ANGLE plc also has a Level 1 American Depositary Receipt (ADR) program that trades on the Over-The-Counter (OTC) market in the United States.

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 Strategic Report (including the Chairman's Statement and the Financial Review) on pages 02 to 37 reports 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 Strategic Report (including the Chairman's Statement and the Financial Review) on pages 02 to 37 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 24 and 25.

Results and dividends

The Consolidated Statement of Comprehensive Income for the year is set out on page 62.

The Group made a loss for the year of £11.6 million (eight months ended 31 December 2019 restated: loss £7.6 million).

The Directors do not recommend the payment of a dividend for the year (eight months ended 31 December 2019: £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 including both third-party research and development costs and own staff costs amounted to £7.8 million (eight months ended 31 December 2019: £6.0 million).

Directors and their interests

The Directors of the Company who were in office during the year and up to the date of approval of the Financial Statements were:

I F Griffiths
J Groen
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' Remuneration Report on pages 54 and 55.

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 Group's Directors' and Officers' liability insurance in respect of proceedings which might be brought by a third-party. The cover was in place for the duration of the reporting period and is in place at the date of approval of these Financial Statements. No cover is provided in respect of any fraudulent or dishonest acts.

Significant shareholdings

The following fund managers and shareholders had an interest in 3% or more of the Company's Ordinary share capital, according to the Argus Vickers Share Register Analysis dated 1 April 2021:

Fund manager/shareholder	Number of shares	Holding
Conifer Management LLC	20,728,174	9.62%
Morgan Stanley Investment Management	14,003,446	6.50%
Dermot Keane	12,777,088	5.93%
FIL Limited*	11,298,000	5.24%
Chelverton Asset Management Limited	8,500,000	3.95%
Andrew D W Newland	7,054,686	3.27%
M E Denning	6,497,658	3.02%

* Fund manager does not hold all of the voting rights as some are retained and voted by the beneficial owner.

Risk management

Details of the Group's financial risk management objectives and policies are disclosed in Note 14 to the 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 26 to 31.

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") in conformity with the requirements of the Companies Act 2006 and have elected to prepare the Company Financial Statements in accordance with IFRS in conformity with the requirements of the Companies Act 2006.

The Group and Company Financial Statements are required by law and IFRS in conformity with the requirements of the Companies Act 2006 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 year.

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 in conformity with the requirements of the Companies Act 2006; 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.

Directors' Report

For the year ended 31 December 2020
continued

Directors' representation

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.

Post reporting date event

As reported in Note 24, the Chairman's Statement and elsewhere, the Group has opened clinical laboratories in the UK and United States initially to support pharma services and then to provide laboratory developed tests once the appropriate accreditations have been received. In addition, the first significant contract with a major pharma company has been announced that could generate up to US\$1.2 million of revenues over the next 18 months and patient enrolment has been completed in the ovarian cancer study.

Going concern

The Directors have considered the uncertainties, risks and potential impact on the business associated with Brexit, COVID-19 impacts and potential FDA delays and are carefully managing the discretionary expenditure in line with available cash resources.

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of approval of these Financial Statements with discretionary expenditure carefully controlled. Based on the level of existing cash and expected R&D tax credits, 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.

Independent auditor

The auditor PricewaterhouseCoopers LLP, Chartered Accountants was appointed by the Board during the year and has indicated its willingness to continue in office.

Annual General Meeting

The Annual General Meeting (AGM) of the Company will be held at 2:00 pm on Wednesday 30 June 2021 at ANGLE plc, 10 Nugent Road, Surrey Research Park, Guildford, Surrey GU2 7AF. In line with the UK Government's COVID-19 requirements to maintain social distancing this will be a closed meeting and shareholders will not be permitted to attend the AGM in person. Shareholders will be able to join the AGM remotely with questions invited to be submitted before the meeting. The Notice of Annual General Meeting is enclosed within this report on pages 97 to 101. The Company will continue to monitor the ongoing situation with regard to COVID-19 and any changes to the format of the AGM, including the ability for shareholders to attend in person, will be notified through a regulatory news service ("RNS").

This report was approved by the Board of Directors on 29 April 2021 and is signed on its behalf by:



Andrew D W Newland

Chief Executive
29 April 2021

Corporate Governance Report

Corporate Governance

The Company's shares trade on the Alternative Investment Market (AIM) of the London Stock Exchange.

The Board is committed to high standards of corporate governance and adheres to the Quoted Companies Alliance (QCA) Corporate Governance Code for small and mid-size quoted companies (the "QCA Code").

The Board has voluntarily applied the QCA Code since 2014, with elements of the UK Corporate Governance Code prior to that. Since 28 September 2018, AIM companies were required to comply or explain against a recognised corporate governance code. The QCA Code was revised in April 2018 ("QCA Code 2018") and sets out 10 broad principles of corporate governance, states what are considered to be appropriate corporate governance arrangements for growing companies and requires companies to provide an explanation about how they are meeting the principles through certain prescribed disclosures.

The Board has considered how each principle is applied and provides below an explanation of the approach taken in relation to each and how they support the Company's medium to long-term success.

In accordance with Section 172 of the Companies Act 2006, the Board recognises the importance of our stakeholders to our business. The Board has thought carefully about how to formalise its consideration of the impact of its decisions on key stakeholders and how it applies the S172 duties under the Companies Act 2006, in particular as it relates to QCA Principles 2 and 3.

Chairman's Statement

As Chairman of the ANGLE plc ("ANGLE") Board, it is my responsibility to ensure that the Board is performing its role effectively and has the capacity, ability, structure and support to enable it to continue to do so.

We believe that a sound and well understood governance structure is essential to maintain the integrity of the Group in all its actions, to enhance performance and to impact positively on our shareholders, staff, customers, suppliers and other stakeholders.

ANGLE applies the QCA Code 2018 as the benchmark for measuring our adherence to good governance principles. These principles provide us with a clear framework for assessing our performance as a Board and as a Company, and the report below shows how we apply the Code's ten guiding principles in practice and also incorporate Section 172 of the Companies Act 2006.

Strategy and business model (QCA Principle 1)

The Group's strategy and business model is explained within the Strategic Report on pages 02 to 37, and is summarised below.

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 the Parsortix system and is the subject of granted patents in multiple jurisdictions. 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.

ANGLE has continued with its sustained focus on its four-pronged strategy for achieving widespread adoption of its Parsortix system in the emerging multi-US\$ billion 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 circulating tumour cells from the blood of patients (initially metastatic breast cancer patients) for subsequent analysis
- 3) Establishing a body of published evidence from leading cancer centres showing the utility 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.

ANGLE has also made excellent progress in establishing accredited clinical laboratories in the US and UK that will have the capability of offering validated clinical tests. These will be used as accelerators and demonstrators in support of the Company's established plan for product sales of Parsortix instruments and cassettes and to provide services to pharmaceutical and biotech customers running drug trials.

ANGLE's ultimate objective is the widespread adoption of the Parsortix system in the diagnosis, treatment and monitoring of cancer patients.

Corporate Governance Report

continued

ANGLE has made a submission to the FDA and is seeking to become the first ever company to receive FDA Class II clearance for a product for harvesting intact circulating tumour cells 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.

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.

Meeting shareholder needs (QCA Principle 2)

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 has an investor relations section providing 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 Relations, Regulatory News 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 joint stockbrokers, 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 (see Principle 10) and to raise any questions regarding the strategy, management, operations and corporate governance of the Group. The Chairmen of the Audit, Remuneration and Nomination Committees are available to answer any questions from shareholders at the AGM.

finnCap and WG Partners act as joint brokers to the Company, to further improve the quality and quantity of investor relations activities.

Along with the usual presentations and webinars the Company held a number of virtual non-deal roadshows in the year and a virtual deal roadshow resulting in a successful fundraise in November 2020.

The Company has recruited a Head of Investor Relations to increase shareholder engagement and IR activities. The ongoing development of a Corporate Responsibility Report on pages 32 to 35 is in response to shareholder requests to better understand how the Group deals with sustainability and environmental, social and governance (ESG) issues.

Manage our responsibilities to wider stakeholders (QCA Principle 3)

The Board recognises its prime responsibility under UK corporate law is to promote the success of the Group for the benefit of its members as a whole. We conduct business in an ethical way and take seriously our responsibilities to our wider stakeholders including employees, clinical study partners, contractors, key opinion leaders, trading partners, research and laboratory customers, suppliers and regulatory authorities. The Corporate Responsibility Report on pages 32 to 35 provides more details and Principle 8 also talks about our values-based corporate culture.

Employees

We recognise that our employees are a core fundamental component to our success. We hold regular all-employee meetings to discuss business progress and provide updates on initiatives. These meetings also include opportunities for staff to present on ongoing projects. One of the goals of these meetings is to ensure that staff feel valued and engaged with the wider Group.

ANGLE provides training and development programmes, inclusive and interactive appraisal systems, merit-based promotions, flexible and family-friendly employee policies and a range of employee and family benefits. Woven throughout all initiatives and programmes is a philosophy which promotes an open culture for discussion and honest feedback. Employees are encouraged to be creative and offer ideas across the Group. Group-wide competitions have been held to encourage creativity and camaraderie.

The Company places importance on the development of internal candidates for management roles and utilises a combination of competency and development plans to progress this. The Company has a Management Charter which formalises the ANGLE culture and clarifies our expectations to and from staff, and puts in place a structure to ensure we achieve it. This has delivered a number of ongoing initiatives across the Group including a refined structured promotions process, a coaching programme to support managers and a New Manager training course. Weekly one-to-one support is being provided to all managers with teams working from home.

Contractors and suppliers

ANGLE operates a high standard of quality management to ensure we comply with the appropriate regulations in the various territories in which we operate. The Group uses external specialists where needed in relation to areas such as the quality systems and health and safety.

The complex nature of our products and product development process means that close working relationships with a number of key suppliers are essential to ensure we receive the highest quality products and services. An ISO 13485:2016 quality system is mandatory for key suppliers. This involves senior staff clearly communicating requirements and working closely with suppliers to develop appropriate products and services. We ensure there are clear processes for change control to avoid issues and clear billing arrangements and we aim to pay suppliers based on the terms agreed. As a result we receive high quality goods delivered on time and to specification. It puts us in a position to negotiate discounts, for example, bulk discounts on cassettes through "frame" orders.

Key opinion leaders, customers and clinical study partners

We work closely with key opinion leaders (KOLs) and customers who have access to patient samples, who provide feedback on their use of the system, including problems encountered, development needs such as new processes and workflows and working with different downstream analysis systems. Our success, competitive advantage and reputation are dependent on understanding these needs and providing solutions. The relationships are managed by key account managers. KOLs, customers and the Group regularly present at scientific conferences. We have a leveraged R&D model driving an increased number of peer-reviewed publications enabled by the Parsortix system in order to be at the forefront of CTC research and clinical adoption. We contract with leading cancer centres to run clinical studies on our behalf as they have access to the necessary patient blood samples and subsequent outcome data.

Eleven peer-reviewed publications were issued in the year by KOLs and customers (eight months ended 31 December 2019: six) taking the total to 37 publications as at 31 December 2020. A further four publications have been issued since the year end. Due to COVID-19, conference attendance has been of a virtual nature.

Regulatory authorities

We operate in a highly regulated area of business. National governments and regulators (Competent Authorities) implement highly structured product certification regimes to national, supra-national and international standards. Such certifications are necessary by law to manufacture and market research and clinical devices.

Notified Bodies are designated by Competent Authorities to perform assessments to agreed standards. ANGLE is subject to those assessments where appropriate to the products manufactured and marketed by the Company.

We employ consultants with high levels of regulatory knowledge, experience and contacts to ensure our working knowledge is comprehensive, up to date and appropriate to our needs. Guidance documents and training are identified to enable us to keep up to date with regulatory developments across different regulatory bodies and different standards domains.

Through engagement, we ensure that we understand the regulatory landscape so that we can identify and comply with all applicable product standards in all relevant territories. We engage with regulatory authorities, through telephone, email and face-to-face meetings, to ensure we obtain their views, understand the regulations and their impact on our work plans and submissions.

During the year, we maintained ISO 13485:2016 accreditation (Europe) and CE marking (IVDD) for the intended use. In addition, ANGLE Biosciences Inc., our Toronto facility, has now (March 2021) secured ISO 13485:2016 certification (assessed by BSI North America) under the Health Canada regulations and will also continue to receive annual compliance assessments by BSI under the terms of its certification. The scope of certification for the site includes the design, development, manufacture, sale, distribution, installation and service of instruments and test methods, consumables and reagents for cellular and molecular diagnostics. The UK and Canadian ISO 13485 certifications are independently maintained and enable the businesses to pursue a wide range of medical device development and manufacturing activities in line with the Company's strategic objectives.

Risk management (QCA Principle 4)

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 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. The Principal Risks and Uncertainties are reported on pages 26 to 31.

The Board monitors the key areas such as clinical applications, competitive position, financial, intellectual property, manufacturing, market acceptance, operational, regulation and quality assurance, research and development, staff, key suppliers and key partners. An ongoing assessment is made of their potential impact and mitigation strategies and actions. New potentially material risks which arise between reviews are added to the risk register, discussed at Board level as they arise and followed up by the Board as appropriate.

The Audit Committee has adopted formal terms of reference (see Principle 9) 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 (Note 1.22 Critical accounting estimates and judgements), review and update of the risk register, risk identification and assessment and risk management and mitigation activities and going concern assumptions.

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.

In response to the restatements in the current year Financial Statements, the Board has put in place a quarterly review process for early identification of new accounting issues arising from the introduction of new areas of business and/or the adoption of new or amended accounting standards. The process will ensure the impacts are assessed, advice or training is obtained if required and policies (new or revised) are agreed and documented on a timely basis.

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.

Corporate Governance Report

continued

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 (see Principle 1) and the interests of shareholders (see Principles 2 and 10). There is a schedule of matters specifically reserved for decision by the Board (see Principle 9). 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 (see Principles 5 and 9). Internal financial risks are controlled through authorisation procedures/levels and segregation of accounting duties. During the year "Delegation of Authority" processes were reviewed and updated and introduced with the new budget in the new year.

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

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. The Group conducts its operations within the ISO 13485:2016 quality management system and continues to invest in its systems and people in light of Group strategy and risk assessment to ensure the appropriate operational controls and measures are in place and working effectively. The quality system is subject to annual Notified Body audit (BSI). The Group uses external specialist resources (regulatory, design, manufacturing etc) as required. Day-to-day responsibility for the implementation of effective internal control and risk monitoring rests with senior management.

Metrics and quality objectives continue to be actively implemented and monitored as part of a continual improvement programme. A number of incremental improvements have been made in the year driven by planned internal quality system auditing and risk assessment and other larger improvements have been identified and are being progressed. Improvements have included 1) extensive cyber security training to support home/remote working in line with COVID-19 restrictions; 2) implementation of COVID-19 secure working practices; 3) continued improvements in segregation of duties; 4) improvements to systems for supplier and equipment control within the quality system; 5) rollout of electronic forms, document signatures and signing authorities; 6) improvements to purchasing procedures and inbound/outbound goods inspections; and 7) continued to develop a new project dashboard reporting system across the Group.

Maintain a well-functioning Board (QCA Principle 5)

The Board of Directors is led by the Chairman, has overall responsibility for strategy (see Principle 1) 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 (see Principles 2 and 10).

Composition

The Board comprises the Chairman, two Non-executive and two Executive Directors. The QCA Code recommends there are at least two non-executive directors.

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 also acts as the Company Secretary as the size and nature of the business activities do 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 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/CEO roles, listed companies, investor relations, fundraising, medical diagnostics, technology development, product development and commercialisation, operating clinical laboratories and lab-developed tests, CE Mark and FDA cleared product approvals and reimbursement. Individual Directors possess a wide variety of skills and experience and biographical details of the Directors are set out on pages 38 and 39.

There are currently no female or ethnic minority directors. The Board is confident both that the opportunities in the Company are not excluded or limited by any diversity issues (including gender) and that the Board nevertheless contains the necessary mix of experience, skills and other personal qualities and capabilities necessary to deliver its strategy. This area will continue to be monitored.

Independence

The Chairman and Non-executive Directors 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 43) or represent a major shareholder; they receive no remuneration from the Company other than directors' fees and occasional consultancy fees (see page 54), 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 Directors are of sufficient calibre to bring the strength of independence to the Board. The Board has nominated Brian Howlett as Senior Independent Director. Issues can also be raised directly through the normal channels of the Chairman, Chief Executive and Finance Director and where necessary the Non-executive Directors can be approached directly.

The Chairman joined the Board in September 2006 and became Chairman in September 2007. The Chairman was independent at the time of his appointment and under the previous QCA code he counted as an independent director. The Board considers that the Chairman's long standing knowledge and detailed experience of the business are extremely valuable and that the length of tenure does not affect his independence of judgement.

Committees of the Board

The Board maintains Audit, Remuneration and Nomination Committees. All Committees operate with written terms of reference (see Principle 9).

Ensure Directors have necessary, up-to-date skills (QCA Principle 6)

Individual Directors possess a wide variety of skills and experience.

Detailed biographical information on the individual Directors are set out on pages 38 and 39.

The key skills they bring to the Board are:

- Garth Selvey, Chairman – extensive experience of the listed sector and leading companies.
- Andrew Newland, Chief Executive – over 30 years of experience in setting up, leading and building technology-based businesses, over 20 years leading specialist medtech businesses, and over 11 years in the liquid biopsy space.
- Ian Griffiths, Finance Director – over 30 years of experience in finance and technology-based businesses, and over 11 years in the liquid biopsy space.
- Jan Groen, Non-executive Director – expertise in new product development, including development and successful commercialisation of CE marked and FDA cleared diagnostic products and lab-developed tests in Europe and the USA.
- Brian Howlett, Non-executive Director – extensive commercial operations experience of the medtech sector.

The Non-executive Directors also serve on other boards in the medical diagnostics sector which gives a broad range of skills, capabilities and experience. All Directors are able to take training and/or independent professional advice in the furtherance of their duties if necessary. Directors keep their skill set up to date through attending industry events, seminars and research. The Executive Directors will typically undertake specific training during the year. All Directors also have access to the Company's Nominated Advisor, legal advisors, financial advisors and other independent professional advisors as required. Professional advisers provide briefings and update notes on necessary legislation from time to time.

No individual Director or Committee of the Board received any external advice in relation to their Board duties in the year.

There is an induction process for new directors including briefing by the Nominated Advisor and the Company.

Evaluate Board performance (QCA Principle 7)

The Company supports the concept of an effective Board leading and controlling the Company. The Chairman discusses and deals with any concerns with an individual Director, or the Board as a whole, on Board performance as they arise. Additionally, the Board undertakes a periodic formal evaluation of its performance, its Directors and its Committees, the last one recently undertaken in 2021. 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.

The evaluation criteria take into account the Financial Reporting Council's guidance on board effectiveness. The criteria against which board, committee and individual effectiveness is considered comprise the board structure (composition, constitution, diversity and succession planning – see Principle 5), the dynamics and functioning of the board (annual board meeting schedule, quality of information, interactions and communications with the executive directors and senior management team, cohesiveness and the quality of participation in board meetings), the board's role in strategy and the financial reporting process. Evaluation procedures are evolving to ensure they are relevant to the Group's stage of development and board dynamics. Due to the experience and size of the Board and the size of the Company, the Board does not consider it necessary to have evaluations facilitated by an external consultant but will keep this under review.

Corporate Governance Report

continued

Promote a values-based corporate culture (QCA Principle 8)

The Board places emphasis on its values-based corporate culture and ethical behaviour which are crucial to the Group's reputation in the highly regulated field in which it operates. The Corporate Responsibility Report on pages 32 to 35 provides more details and Principle 3 also talks about our responsibilities to wider stakeholders. The Group's success depends on maintaining a supportive, innovative and can-do culture when working with suppliers and customers.

The Group manages a highly regarded quality management system which has a very strong influence on culture. The Group's competency framework sets values-based expectations at all levels in terms of the way we communicate and behave towards each other and external stakeholders. Our competency framework links to our performance management system and, in turn, to our rewards strategy.

The Group operates a flat structure with all staff having the ability to discuss matters with Directors and senior managers. The management teams meet regularly to promote communications and teamwork. The majority of projects take a team based approach. Staff regularly work at different offices in normal times, although the pandemic has resulted in virtual teams. Recruitment practices are heavily focused on recruiting people with similarly strong values. We have expanded our HR team to ensure a consistently open and ethical approach to recruitment, management and employee communication throughout our offices.

The Group has established a Management Charter which formalises and clarifies expectations that managers at all levels take responsibility for supporting and promoting an ethical values-based culture. Senior managers are coached in the development and maintenance of an open and ethical culture. This Charter forms the basis of our management development programme and is part of management objectives.

The Group has taken further steps to promote a supportive culture. These include improving healthcare benefits, training Mental Health First Aiders, subscription for employees to Thrive: Mental Wellbeing app and team building events.

The highly skilled and diverse nature of the Group influences culture which, at the most recent review, is characterised by:

- Qualifications, with 87% (December 2019: 87%) of staff having higher education qualifications including Degrees, Masters and Doctorates as well as Chartered Accountants and MBAs, with the majority of staff having multiple qualifications.
- Gender split, with 43%:57% (December 2019: 48%:52%) Male:Female.
- Different nationalities, with 35 (December 2019: 31) different countries represented.

Maintain fit for purpose governance structures (QCA Principle 9)

Roles and responsibilities

Chairman: the Chairman is responsible for the leadership of the Board and ensuring the effective running and management of the Board. He is also responsible for the Board's oversight of the Company's affairs, which includes ensuring that the Directors receive accurate, timely and clear information, ensuring the effective contribution of the Non-executive Directors and implementing effective communication with shareholders.

Chief Executive Officer: the Chief Executive Officer is responsible for the day-to-day management and the executive leadership of the business. His other responsibilities include the progress and development of objectives for the Company, managing the Company's risk exposure, implementing the decisions of the Board and ensuring effective communication with shareholders and regulatory bodies.

Non-executive Directors' independence

The Board considers the Non-executive Directors to be sufficiently independent to provide appropriate oversight and scrutiny (see Principle 5).

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, as amended from time to time. 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 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. The Non-executive Director Dr. Jan Groen has a letter of appointment dated and effective from 1 November 2018. 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.

Re-election and election of Directors

In accordance with the Company's Articles of Association, Directors are subject to re-election every three years, and newly appointed Directors are subject to election at the first Annual General Meeting (AGM) after their appointment.

All Directors were re-elected by the shareholders at the AGM held on 30 October 2019 and accordingly no Directors are seeking re-election at this AGM.

Committees of the Board

The Board maintains Audit, Remuneration and Nomination Committees. All Committees operate with written terms of reference, the details of which can be found on the website. 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.

Audit Committee

The members of the Committee are the Non-executive Director Brian Howlett (Chairman of the Audit Committee), the Chairman Garth Selvey and the Non-executive Director Jan Groen. 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. Risks have been described in more detail in QCA Principle 4. Note 1.22 describes the Critical accounting estimates and judgements. The Committee 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. Following a tender process, PricewaterhouseCoopers LLP were appointed as auditors of the Company. 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 auditors' 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. A new ethical standard for auditors came into force with effect from 15 March 2020 which restricts the non-audit services that auditors can provide.

Remuneration Committee

The members of the Committee are the Chairman Garth Selvey (Chairman of the Remuneration Committee) and the Non-executive Directors Brian Howlett and Jan Groen. 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.

The Company is not required by either the AIM Listing Rules or the Companies Act to produce a remuneration report but provides the information in the Annual Report and Financial Statements as recommended by the QCA because of its commitment to maintaining high standards of corporate governance. The Company's Remuneration Policy is the responsibility of the Remuneration Committee. The Remuneration Policy, in so far as it relates to the Directors, is subject to an advisory vote by Shareholders every three years and was last approved at the 2018 Annual General Meeting (AGM). The Remuneration Policy as set out on page 53 is therefore due for re-approval as an advisory vote at the 2021 AGM. The Directors' Annual Remuneration Report is subject to an advisory vote by Shareholders at each AGM.

The Remuneration Report on pages 53 to 55 provides details of the Remuneration Policy and the Directors' Annual Remuneration.

Nomination Committee

The members of the Committee are the Chairman Garth Selvey (Chairman of the Nomination Committee) and the Non-executive Directors Brian Howlett and Jan Groen. 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.

Information

Management supplies 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;
- management accounts, cash flow forecasts, annual budgets and amendments; and
- senior executive remuneration and appointments.

Share dealing code

The Company has adopted and operates a share dealing code governing the share dealings of the Directors and applicable employees to ensure compliance with the AIM Rules.

Corporate Governance Report

continued

Commitment

Directors are required to allocate sufficient time to the Company to discharge their responsibilities effectively. The Chairman is required to commit approximately 3-5 days per month. Non-executive Directors are required to commit approximately 2-4 days per month. Executive Directors work full-time.

Directors' attendance

The Board has at least eight main Board meetings per year with additional special meetings as required. Due to COVID-19 restrictions meetings have been held primarily by video conference. Certain Directors may be appointed as a Committee of the Board of Directors. Directors' attendance at Board and Committee meetings during the year ended 31 December 2020 is set out below:

	Garth Selvey	Brian Howlett	Jan Groen	Andrew Newland	Ian Griffiths
Board	14/14	14/14	14/14	14/14	13/14
Committee of the Board*	N/A	N/A	N/A	3/3	3/3
Audit	5/5	5/5	5/5	N/A	N/A
Remuneration	2/2	2/2	2/2	N/A	N/A
Nomination	0/0	0/0	0/0	N/A	N/A

* the Board appointed Andrew Newland and Ian Griffiths as a Committee of the Board of Directors in relation to the fundraise and employee option exercises during the year.

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

In addition, the Board has other non-board meetings to discuss strategy and key business areas with the senior management team.

Communicate governance and performance with shareholders (QCA Principle 10)

The Board communicates regularly with shareholders providing updates on Group performance to shareholders via interim and annual financial reports, trading updates, investor presentations and a regular news flow of significant developments for the Group (see Principle 2). The website includes historical financial reports and governance related material.

The members and role of the Remuneration Committee are described in QCA Principle 9. The Remuneration Report on pages 53 to 55 describes the Remuneration Policy for the Group as well as detailing the Directors' remuneration for the year. Discussions are held with significant shareholders ahead of any significant changes in Remuneration Policy and Shareholders are able to make an advisory vote annually on the Directors' Remuneration Report and every three years on the Remuneration Policy.

The Annual General Meeting (AGM) presents an opportunity for shareholders to vote on the various resolutions proposed.

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 as recommended by the QCA 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 and for new senior recruits based on executive search specialist advice. 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 Remuneration Policy was approved as an advisory vote by Shareholders at the 2018 Annual General Meeting (AGM) and remains effective for three years. The Remuneration Policy is due for re-approval as an advisory vote at the 2021 AGM.

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, income replacement and pension benefits are also provided to employees once they have met eligibility criteria. Executive Directors and senior management are eligible for employer pension contributions on the same basis as eligible staff in the relevant jurisdiction. 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 an Enterprise Management Incentive (EMI) Scheme and Unapproved Share Option Schemes as a means of encouraging ownership and aligning the interests of staff and external shareholders. Reflecting the need to attract, incentivise, reward and retain 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 has a Long-Term Incentive Plan (LTIP) as a means of further encouraging ownership and aligning the interests of senior management and 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 at the time of award and also in the subsequent Annual Report and Financial Statements. LTIP Options 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 vest only to the extent that the performance conditions and targets have been met at the end of the relevant performance period and will be capable of sale once 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 above.

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.

Remuneration Report

continued

Directors' Remuneration Report

Directors' interests – shares

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

	Number of Ordinary shares of £0.10 each	
	31 December 2020	31 December 2019
I F Griffiths	703,832	673,832
J Groen	–	–
B Howlett	10,000	10,000
A D W Newland	7,054,686	7,054,686
G R Selvey	50,000	20,000

Directors' emoluments

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

	Salary/Fees £'000	Benefits £'000	Pension £'000	Bonus £'000	Year ended 31 December 2020 Total £'000	8 months ended 31 December 2019 Total £'000
Chairman						
G R Selvey	25	–	–	–	25	17
Executive						
I F Griffiths	117	2	40	92	251	106
A D W Newland	240	8	–	144	392	164
Non-executive						
J Groen	25	–	–	–	25	17
B Howlett	25	–	–	–	25	17
Total	432	10	40	236	718	321

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 60% performance bonus, major factors of which were: submission to FDA for clearance of the Parsortix system, keeping the Group working effectively through the COVID-19 pandemic and a successful fundraise.

Performance bonuses were not awarded in the prior financial period under the terms of the Annual Bonus Plan due to the potential impact and associated uncertainties of the COVID-19 pandemic and the desire of the Company to conserve cash, notwithstanding the fact that the Executives were deemed to have met the performance criteria in relation to a proportion of the performance bonus.

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

Directors' interests – options

The Directors' interests in LTIP Options and Share options over the Ordinary shares of the Company were as stated below.

LTIP Options

A Long-Term Incentive Plan (LTIP) was established in 2018. The intention of the LTIP is to reward tangible increases in shareholder value. Subject to the rules of the LTIP, awards will vest only to the extent that the performance conditions have been met at the end of the performance period and the underlying shares may only be traded once the holding period is completed.

Award #1 – 20 December 2018

The Remuneration Committee approved a grant of nil-cost options to Executive Directors on 20 December 2018 over a maximum of 6,000,000 ordinary shares of £0.10. The LTIP Options have performance conditions as set out below, a performance period of three years and an additional holding period of two years.

The performance conditions for the LTIP Options relate to the compound annual growth rate (CAGR) of the share price over the three-year performance period. The mid-market share price on 20 December 2018 was £0.385 per Ordinary share. As different levels of performance are achieved the number of shares that vest increases up to a maximum, as set out below:

Share price CAGR	Multiple of share price (at 3 years)	Proportion vesting	Andrew Newland Number	Ian Griffiths Number	Total Number
< 40%	< 2.7	0%	0	0	0
> 40%	> 2.7	20%	720,000	480,000	1,200,000
> 55%	> 3.7	50%	1,800,000	1,200,000	3,000,000
> 75%	> 5.4	100%	3,600,000	2,400,000	6,000,000

Award #2 – 25 September 2020

The Remuneration Committee approved a grant of nil-cost options to Executive Directors on 25 September 2020 over a maximum of 3,000,000 Ordinary shares of £0.10. The LTIP Options have performance conditions as set out below, a performance period of three years and an additional holding period of two years.

The performance conditions for the LTIP Options relate to i) the Company achieving FDA clearance for its Parsortix system and ii) the compound annual growth rate (CAGR) of the share price over the three-year performance period. The mid-market share price on 25 September 2020 was £0.53 per Ordinary share. As different levels of performance are achieved the number of shares that vest increases up to a maximum, as set out below:

Share price CAGR	Multiple of share price (at 3 years)	Proportion vesting	Andrew Newland Number	Ian Griffiths Number	Total Number
< 20%	< 1.7	0%	0	0	0
> 20%	> 1.7	20%	360,000	240,000	600,000
> 35%	> 2.5	50%	900,000	600,000	1,500,000
> 50%	> 3.4	100%	1,800,000	1,200,000	3,000,000

Share options

Name	Date of grant	At 1 January 2020	Granted	Lapsed	Cancelled	Exercised	At 31 December 2020	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% at some point 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 (this condition has not yet been met) 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 (this condition has not yet been met) and b) a time/event condition with options vesting after five years or on the sale of the Parsortix business, whichever is earliest (this condition has been met).
- (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% at some point from the market price on 25 November 2016 (this condition has not yet been met), and b) a service condition with options vesting over a three-year period (this condition has been met).

No share options were issued to Directors in the current year or prior period. No Directors' share options were forfeited, lapsed, cancelled or exercised in the current year or prior period.

Note 19 provides additional information on share options and LTIP Options.

Shareholder return

The market price of the Company's shares on 31 December 2020 was £0.478 and the range of market price during the year from 1 January until 31 December 2020 was between £0.398 (low) and £0.755 (high).

This report was approved by the Board of Directors on 29 April 2021 and is signed on its behalf by:

Garth Selvey

Remuneration Committee Chairman

29 April 2021

Independent Auditors' Report

To the Members of ANGLE plc

Report on the audit of the Financial Statements

Opinion

In our opinion, ANGLE plc's Group Financial Statements and Company Financial Statements (the "Financial Statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2020 and of the Group's and Company's loss and the Group's and Company's cash flows for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Consolidated and Company Statements of Financial Position, Consolidated and Company Statements of Cash Flows, Consolidated and Company Statements of Changes in Equity as at 31 December 2020; Consolidated Statement of Comprehensive Income for the year then ended; and the notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Context

This is the first year of PricewaterhouseCoopers LLP being the auditors of the ANGLE Group and our risk assessment has been driven by our discussions with management and those charged with governance as well as our understanding of the industry and environment ANGLE operates in. We did not plan to nor test any controls in our audit. Due to the existing restrictions as a result of the COVID-19 pandemic, our audit has been performed virtually and we have performed additional audit procedures to ensure we could rely on the audit evidence obtained.

Overview

Audit scope

- The ANGLE Group's finance function is in the UK. The Group's head office is located in the UK where our work over the Group consolidation was performed.
- In total, locations where we performed audit work accounted for 95% of the Group loss before tax

Key audit matters

- Going concern (Group and Parent)
- Treatment of expenditure on FDA approval and the next generation Parsortix instrument (Group)
- Impairment assessment of goodwill (Group)
- Impairment assessment of intangibles subject to amortisation (Group)
- Expected credit loss on amounts due from Group undertakings (Parent)
- Valuation of share-based payments (Group and Parent)
- COVID-19 (Group and Parent)

Materiality

- Overall Group materiality: £693,000 based on 5% of loss before tax.
- Overall Company materiality: £745,000 based on 1% of Total assets.
- Performance materiality: £520,000 (Group) and £558,750 (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the Financial Statements.

Capability of the audit in detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined in the Auditors' responsibilities for the audit of the Financial Statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the Financial Statements. We also considered those laws and regulations that have a direct impact on the preparation of the Financial Statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the Financial Statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and misappropriation of cash. We have also identified a risk of misappropriation of intellectual property (IP) and lack of governance over publications and regulatory announcements. Audit procedures performed by the engagement team included:

- Discussions with the Directors, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud.
- Performing detailed testing over compliance with tax legislation including evaluating the Group's transfer pricing arrangements and auditing R&D tax credits.
- Evaluation of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries, in particular any journal entries that credit cash or credit revenues where the offsetting entry was to an unexpected account based on the normal flow of transactions for these financial statement line items.
- Understanding and obtaining evidence for the measures the Directors have taken to protect IP.
- Testing the governance process around publications and review and approval of any regulatory announcements that may have a significant impact on the share price and thus the Directors compensation for example via the LTIP.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the Financial Statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Going concern (Group and Parent) For the year ended 31 December 2020, the Group used net cash in operating activities of £7.8m and the Company used net cash in operations of £nil. Cash and cash equivalents and short-term deposits at 31 December 2020 were £28.6m for the Group and £26.6m for the Company. The Board considered the application of the going concern basis in the preparation of the Financial Statements and in doing so have prepared forecasts and plans, including modelling a severe but plausible downside scenario under which cash may need to be conserved due to a significant delay in generating material revenues. After considering these forecasts and plans and the cash and cash equivalents and short-term deposits held at 31 December 2020, the Directors concluded that the Group and Company have sufficient funding for the foreseeable future and at least one year from the date of approval of the Financial Statements and have therefore continued to adopt the going concern basis in preparing the Financial Statements.	For our audit response and conclusions in respect of going concern, see the 'Conclusions relating to going concern' section below.

Independent Auditors' Report

To the Members of ANGLE plc
continued

Key audit matter	How our audit addressed the key audit matter
Treatment of expenditure on FDA approval and the next generation Parsortix instrument (Group) IAS 38 requires development costs to be capitalised where they meet the recognition criteria. There is often a significant degree of judgement when early stage, loss making companies without regulatory clearance capitalise development costs given the regulatory uncertainty surrounding approval of products and demonstrating technical feasibility as required by the standard. In the current year, the Directors have concluded that the technical feasibility hurdle is not met until regulatory clearance is achieved and that the costs associated with obtaining FDA clearance and developing the next generation Parsortix instrument should be expensed. The Directors have therefore determined that a prior period restatement is required to product development within Note 11 (intangible assets). The restatement as recognised in accordance with IAS 8 has been detailed within Note 21 (restatement and reclassification).	We have reviewed the requirements of IAS 38 against the costs previously capitalised by the Directors as development expenditure. In particular, we have focused on the extent to which FDA clearance is a binary outcome as well as whether the decision to invest in the next generation Parsortix instrument was directly linked to an expectation of receiving FDA clearance and significantly growing sales. From the procedures performed, we concluded that the Directors' decision to expense costs attributable to obtaining FDA clearance and developing the next generation Parsortix instrument is appropriate and that a prior year restatement as detailed within Note 21 should be recognised. We have audited the disclosures in Note 21 and are satisfied they are appropriate.
Impairment assessment of goodwill (Group) Under IAS 36, the Directors are required to perform an impairment review for goodwill at each reporting date. Goodwill in the Group Financial Statements totals £2.2m and arose from an acquisition of assets. The Directors have assessed the recoverability of goodwill by comparing the book value of the single cash generating unit (CGU) in the ANGLE Group to the market capitalisation as a proxy for fair value less costs to sell. On the basis of this assessment, no impairment is recognised by the Directors as market capitalisation as at 31 December 2020 totals £102.9m which significantly exceeds the carrying value of the Group measured by net assets of £34.3m.	We have assessed the Directors' judgement that there is a single CGU against the information reported to the Board. We have considered the appropriateness of using market cap as a proxy for fair value. We have considered the potential size of any "costs to sell" that should be taken into account when determining the recoverable amount of the CGU based on fair value less costs to sell as well as any "control premium" that another party may pay that should be reflected in fair value over and above the market capitalisation. We have considered post year-end changes in the market capitalisation and the extent to which such movements should be reflected in the year-end valuation. From the procedures performed, we found that the Directors' assessment is supportable and that the disclosures within the Financial Statements are appropriate.
Impairment assessment of intangibles subject to amortisation (Group) Under IAS 36, for intangible assets subject to amortisation, the Directors are required to identify whether there are any indications of impairment that would require a formal impairment review. The Directors have not identified any impairment indicators for these intangible assets aside from a small impairment for unused IP. The majority of the intangible assets relate to patents which the business requires to commercialise its Parsortix system as well as intangible assets recognised from the acquisition of Axela Inc. (principally the HyCEAD technology) which is used for downstream molecular analysis.	We audited a breakdown of intangible assets subject to amortisation to identify the territories to which various patents belong as well as understanding the assets that make up the acquired intangible assets from the acquisition of Axela's assets in November 2017 to ensure these were still in use and expected to provide economic benefits. We considered whether there are any further impairment indicators as set out in IAS 36. From the procedures performed, we are satisfied that the intangible assets subject to amortisation continue to be used by the business and there are no additional impairment indicators.
Expected credit loss on amounts due from Group undertakings (Parent) Companies adopting IFRS in their stand-alone financial statements are required to calculate expected credit losses on all financial assets, including intercompany loans within the scope of IFRS 9. The Directors have calculated an expected credit loss on the amounts due from Group undertakings by assigning probabilities of recovery to various scenarios including default, a partial success of the business and full recovery of the amount due to determine the expected credit loss.	We obtained the Directors' calculation, checked for mathematical accuracy and assessed the probabilities assigned to each scenario by comparing it to available third-party data and challenging the Directors. From the procedures performed, we found that the Directors' expected credit loss provision is supportable and that the disclosures within the Company Financial Statements are appropriate.

Key audit matter	How our audit addressed the key audit matter
Valuation of share-based payments (Group and Parent) The accounting treatment for share options can be complex and involves judgement. The Company has granted 5.195m share options under the enterprise management incentive (EMI) share option scheme and unapproved share option scheme as well as 3m new share options under the Long-term incentive plan (LTIP) in the year. The Directors have had to form a judgement to determine the appropriate valuation model to use for each share option scheme as well as estimate future volatilities as well as the likelihood of performance conditions being met.	We obtained the Directors' calculations of the fair value of share options granted during the year. We assessed the valuation models used for each type of share option for appropriateness and engaged our specialist valuations team to assist in performing this work. We re-performed calculations to independently calculate the fair value of the share options in question. We assessed key inputs into the valuation models to ensure they were appropriate. From the procedures performed, we are satisfied that the Directors' valuation of share options granted during the year is materially correct.
COVID-19 (Group and Parent) The Directors are required to consider the impact of the ongoing COVID-19 pandemic on the Financial Statements, including in their forecasts where those are used to justify recoverable amounts, wider impairment considerations as well as the use of the going concern assumption. The Directors have considered the main risks to be delays in the approval of products, ability to conduct clinical trials and the disruption of product supply, promotion, distribution and sales. In order to mitigate these risks, management keeps in close contact with customers and regulators, maintains sufficient levels of inventory and has put in place appropriate business continuity and disaster recovery plans as needed.	Held discussions with the Directors to understand, in qualitative and quantitative terms, the impact of COVID-19 on business operations. Evaluated the Directors' sensitivities/modelling and challenged the key assumptions contained within cash flow forecasts. Read the Directors' disclosures in the Financial Statements. From the procedures performed, we found that the Directors' COVID-19 impact assessment is supportable and that the disclosures within the Financial Statements are appropriate.
How we tailored the audit scope We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the Financial Statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate. In establishing the overall approach to the Group audit, we assessed the audit significance of each entity in the Group by reference to both its financial significance and other indicators of audit risk, such as the complexity of operations and the degree of estimation and judgement in the financial results. Following this assessment, we determined that we needed to focus our audit work on ANGLE Europe Limited and ANGLE Biosciences Inc. Through discussions with the Group finance team, we obtained an understanding of the operational activities of these entities, and appropriately determined the audit risks for each entity based on the size of individual financial statement line items and the judgements/estimates made by the Directors. This, together with additional procedures performed at the Group level over the consolidation process, gave us the evidence we needed for our opinion on the Financial Statements as a whole. The financially significant components for the audit were ANGLE Europe Limited and ANGLE Biosciences Inc. as these were the only two components that contributed more than 15% to the loss before tax. We also performed audit work on ANGLE plc for cash and cash equivalents and total equity and for ANGLE North America Inc. we audited payroll costs in order to ensure we had sufficient coverage over these Financial Statement line items from a Group perspective. All work was done by the group audit team and no component auditors were involved in the audit.	

Independent Auditors' Report

To the Members of ANGLE plc
continued

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual Financial Statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the Financial Statements as a whole.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

	Financial Statements – Group	Financial Statements – Company
Overall materiality	£693,000.	£745,000.
How we determined it	5% of loss before tax	1% of Total assets
Rationale for benchmark applied	Whilst the Group has generated revenue in the year ended 31 December 2020 it is still loss making for the year. Given this and based on the benchmarks used in the Annual Report, we believe that loss before tax is the primary measure used by the shareholders in assessing the financial performance of the Group, and is a generally accepted auditing benchmark.	The entity fulfils the role of the holding company within the Group. The entity's main function in the Group has historically been the raising of funds through equity issues to fund the Group's development activities and manage the Group's cash reserves. As such, we believe that total assets is the most appropriate measure to assess the financial position of the Company, and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was £290,000 to £520,600.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £520,000 for the Group Financial Statements and £558,750 for the Company Financial Statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £34,650 (Group audit) and £37,250 (Company audit) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- Testing the mathematical integrity of the cash flow forecasts and reconciling these to Board approved budgets.
- Assessing the completeness and accuracy of costs included within the cash flow forecasts based on historical expenditure and committed future costs.
- Assessing the reasonableness of assumptions within the models around sales growth, based on our understanding of the business and by comparing against historical results.
- Evaluating the severe but plausible downside scenario under which regulatory clearance of the Parsortix system is significantly delayed and ANGLE may need to conserve cash. We evaluated the levers available to the Directors in order to conserve costs, considering the timing of when such decisions would have to be made in order to have the desired effect on the cash run rate of the business.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the Financial Statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2020 is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the Financial Statements and the audit

Responsibilities of the Directors for the Financial Statements

As explained more fully in the Directors' responsibilities, the Directors are responsible for the preparation of the Financial Statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

David Farmer (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading

29 April 2021

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2020

		Year ended 31 December 2020	8 months ended 31 December 2019 (Restated*)
	Note	£'000	£'000
Revenue	2	762	581
Cost of sales	3	(165)	(142)
Gross profit		597	439
Other operating income		79	61
Operating costs	3	(14,407)	(9,512)
Operating profit/(loss)		(13,731)	(9,012)
Finance income	7	78	40
Finance costs	7	(92)	(66)
Profit/(loss) before tax		(13,745)	(9,038)
Tax (charge)/credit	8	2,139	1,482
Profit/(loss) for the period		(11,606)	(7,556)
Other comprehensive income/(loss)			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations		562	241
Other comprehensive income/(loss)		562	241
Total comprehensive income/(loss) for the period		(11,044)	(7,315)
Earnings/(loss) per share attributable to owners of the parent	9		
Basic and Diluted (pence per share)		(6.52)	(4.62)

* The impact of the restatement is described in Note 21.

All activity arose from continuing operations.

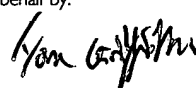
Consolidated Statement of Financial Position

As at 31 December 2020

		31 December 2020	31 December 2019	30 April 2019
	Note	£'000	(Restated*) £'000	(Restated*) £'000
Assets				
Non-current assets				
Intangible assets	11	3,710	3,974	4,149
Property, plant and equipment	12	1,176	1,508	1,347
Right-of-use assets	13	1,233	1,514	–
Total non-current assets		6,119	6,996	5,496
Current assets				
Inventories	15	742	788	988
Trade and other receivables	16	1,443	627	942
Taxation		2,127	3,398	1,900
Short-term deposits		16,538	15,009	–
Cash and cash equivalents		12,080	3,757	11,010
Total current assets		32,930	23,579	14,840
Total assets		39,049	30,575	20,336
Non-current liabilities				
Lease liabilities	13	(928)	(1,201)	–
Total non-current liabilities		(928)	(1,201)	–
Current liabilities				
Lease liabilities	13	(434)	(352)	–
Trade and other payables	17	(3,343)	(2,425)	(3,684)
Total current liabilities		(3,777)	(2,777)	(3,684)
Total liabilities		(4,705)	(3,978)	(3,684)
Net assets		34,344	26,597	16,652
Equity				
Share capital	18	21,540	17,277	14,349
Share premium		81,532	67,272	53,273
Share-based payments reserve		1,745	1,518	1,266
Other reserve		2,553	2,553	2,553
Translation reserve		(3,785)	(4,347)	(4,588)
Accumulated losses		(69,139)	(57,574)	(50,099)
ESOT shares	20	(102)	(102)	(102)
Total equity		34,344	26,597	16,652

* The impact of the restatement is described in Note 21.

The Consolidated Financial Statements on pages 62 to 90 were approved by the Board of Directors and authorised for issue on 29 April 2021 and signed on its behalf by:



Ian F Griffiths
Director



Andrew D W Newland
Director

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

	Year ended 31 December 2020	8 months ended 31 December 2019 (Restated*)
	£'000	£'000
Operating activities		
Profit/(loss) before tax	(13,745)	(9,038)
Adjustments for:		
Depreciation of property, plant and equipment	661	432
Depreciation and impairment of right-of-use assets	421	219
(Profit)/loss on disposal of property, plant and equipment	2	13
Amortisation and impairment of intangible assets	337	240
Share-based payments	268	333
Exchange differences	565	235
Net finance (income)/costs	14	26
Operating cash flows before movements in working capital	(11,477)	(7,540)
(Increase)/decrease in inventories	14	90
(Increase)/decrease in trade and other receivables	(658)	314
Increase/(decrease) in trade and other payables	872	(1,171)
Operating cash flows	(11,249)	(8,307)
Research and development tax credits received	3,410	–
Overseas tax payments	(9)	(59)
Net cash from/(used in) operating activities	(7,848)	(8,366)
Investing activities		
Purchase of property, plant and equipment	(412)	(529)
Purchase of intangible assets	(94)	(66)
Transfer to short-term deposits	(1,530)	(15,009)
Interest received	70	40
Net cash from/(used in) investing activities	(1,966)	(15,564)
Financing activities		
Net proceeds from issue of share capital	18,650	16,921
Interest paid	–	(2)
Principal elements of lease payments	(463)	(231)
Interest elements of lease payments	(44)	(13)
Net cash from/(used in) financing activities	18,143	16,675
Net increase/(decrease) in cash and cash equivalents	8,329	(7,255)
Cash and cash equivalents at start of period	3,757	11,010
Effect of exchange rate fluctuations	(6)	2
Cash and cash equivalents at end of period	12,080	3,757
Cash at bank – immediate access	4,074	1,556
Cash at bank – restricted access (35 day notice)	8,006	2,201
Cash and cash equivalents at end of period	12,080	3,757
Cash and cash equivalents at end of period	12,080	3,757
Short-term deposits	16,538	15,009
Cash and cash equivalents and short-term deposits	28,618	18,766

* The impact of the restatement is described in Note 21.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2020

	Equity attributable to owners of the parent							
	Share capital	Share premium	Share-based payments reserve	Other reserve	Translation reserve (Restated*)	Accumulated losses (Restated*)	ESOT shares	Total equity (Restated*)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 May 2019 as originally reported	14,349	53,273	1,266	2,553	106	(52,109)	(102)	19,336
Restatement – IAS 38 adjustment					(9)	(2,675)		(2,684)
Restatement – retranslation of Group balances					(4,685)	4,685		–
At 1 May 2019 restated	14,349	53,273	1,266	2,553	(4,588)	(50,099)	(102)	16,652
For the 8 months to 31 December 2019								
Consolidated profit/(loss) as originally reported						(6,248)		(6,248)
Restatement – IAS 38 adjustment						(1,046)		(1,046)
Restatement – retranslation of Group balances						(262)		(262)
Other comprehensive income/(loss):								
Exchange differences on translating foreign operations as originally reported					(24)			(24)
Restatement – IAS 38 adjustment					3			3
Restatement – retranslation of Group balances					262			262
Total comprehensive income/(loss) restated					241	(7,556)		(7,315)
Issue of shares (net of costs)	2,928	13,999						16,927
Share-based payments			333					333
Released on forfeiture			(78)			78		–
Released on exercise			(3)			3		–
At 31 December 2019 restated	17,277	67,272	1,518	2,553	(4,347)	(57,574)	(102)	26,597
At 31 December 2019 as originally reported	17,277	67,272	1,518	2,553	82	(58,276)	(102)	30,324
Restatement – IAS 38 adjustment					(6)	(3,721)		(3,727)
Restatement – retranslation of Group balances					(4,423)	4,423		–
At 31 December 2019 restated	17,277	67,272	1,518	2,553	(4,347)	(57,574)	(102)	26,597
For the year to 31 December 2020								
Consolidated profit/(loss)						(11,606)		(11,606)
Other comprehensive income/(loss):								
Exchange differences on translating foreign operations					562			562
Total comprehensive income/(loss)					562	(11,606)		(11,044)
Issue of shares (net of costs)	4,263	14,260						18,523
Share-based payments			268					268
Released on forfeiture			(37)			37		–
Released on exercise			(4)			4		–
At 31 December 2020	21,540	81,532	1,745	2,553	(3,785)	(69,139)	(102)	34,344

* The impact of the restatement is described in Note 21.

Share premium

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

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 employee 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). Transfers are made from this reserve to accumulated losses as the related share options are exercised, forfeited, lapse or expire.

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 accumulated losses.

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.

Accumulated losses

Represents cumulative profit and loss net of distribution to owners.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2020

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 conformity with the requirements of the Companies Act 2006 for the year ended 31 December 2020 (including comparatives for the eight months ended 31 December 2019). 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 91 to 96.

Accounting standards adopted in the year

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

Amendments to IFRS 3	Definition of a Business
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform
Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Various	Annual Improvements of IFRS standards 2015-2017 Cycle (IFRS 3, IFRS 11, IAS 12, IAS 23)

The Consolidated Financial Statements have been prepared in accordance with these changes where relevant. Their adoption has not had a material impact on the Consolidated Financial Statements. Apart from these changes, the accounting policies set out in the Notes have been applied consistently to both reporting periods presented in these Consolidated Financial Statements.

Accounting standards issued but not yet effective

The following pronouncements which have been issued by the IASB are effective for annual periods beginning on or after 1 January 2021. The Directors have not yet assessed the impact of the adoption of these Standards and Interpretations for future periods.

Amendments to IFRS 16	Leases – COVID-19 related rent concessions
Amendments to IFRS 17 and IFRS 4	Insurance contracts – deferral of IFRS 9
Amendments to IAS 1	Presentation of financial statements on classification of liabilities
Various narrow-scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16	

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.

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 02 to 37. The principal risks and uncertainties are stated on pages 26 to 31. In addition Note 14 to the Financial Statements includes details of the Group's exposure to capital risk, liquidity risk, credit risk, interest rate risk and foreign currency risk. The Chairman's Statement provides information on the impact of COVID-19 on the business.

The Directors have considered the uncertainties, risks and potential impact on the business associated with Brexit, COVID-19 impacts and potential FDA delays and are carefully managing the discretionary expenditure in line with available cash resources.

The Directors have prepared and reviewed the financial projections for the 12 month period from the date of approval of these Financial Statements with discretionary expenditure carefully controlled. Based on the level of existing cash and expected R&D tax credits, 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 Accounting policies continued

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.

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.

Where contracts contain multiple deliverables, and the volume of each deliverable can be determined with reasonable certainty, then the transaction price, assessed against a standard price list, will be allocated to each performance obligation based on the expected cost of each item.

Sale of products

Revenue from the sale of products is recognised when control over the products has 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 over the period during 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.

Contract liabilities

Advance payments received from customers are credited to contract liabilities 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.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies *continued*

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 contract assets and grant income received in advance of expenditure is held on the statement of financial position as contract liabilities.

Grant income receivable or received in respect of capital expenditure is recognised as contract liabilities 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 employees, 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 employees under unapproved share-based payment compensation schemes, including the Long-Term Incentive Plan, 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 the UK and Canada 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.

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 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 Accounting policies continued

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, when originally assessed, 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 when originally assessed, 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, licensed 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.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

1.12 Intangible assets continued

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 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 fair value less costs to sell 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

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

1.14 Leases

At the inception of a contract the Group assesses whether the contract is, or contains, a lease. A lease is defined as a contract that conveys the right to use an underlying asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The lease liability represents the Group's obligation to make lease payments and the right-of-use asset representing the right to use the underlying asset.

In respect of short-term leases and leases of low-value assets, the Group has elected to recognise the payments as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). The right-of-use asset is measured at cost, which is made up of the initial lease liability, any direct costs incurred, and lease payments made at or before the commencement date net of any lease incentives received.

The Group depreciates right-of-use assets on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets over the term of the lease.

The right-of-use assets are also subject to impairment and are adjusted for any re-measurement of lease liabilities.

1 Accounting policies continued

1.14 Leases continued

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments, unpaid at the date, to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets and lease liabilities are separately identified as line items on the statement of financial position.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e. leases that have a 12 month or less lease term from date of commencement and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to leases of office and laboratory equipment that are considered low value. Lease payments relating to short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Net investment in sublease

The Group classifies a sublease as a finance lease or an operating lease by reference to the head lease. Net investment in a sublease is created initially by derecognising the right-of-use asset and recognising a receivable equal to the amount of lease payments receivable discounted by the interest rate implicit in the lease.

1.15 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 for a customer evaluation and it is expected that the instrument will be sold at the end of the loan period, the instruments are included within inventories.

1.16 Inventories

Inventories comprises finished goods (instruments, cassettes and production parts) that are available for sale and use internally or with partners, raw materials and work in progress. Inventories are initially recognised at cost and subsequently held at the lower of cost and net realisable value. 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.

1.17 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 year 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.

Notes to the Consolidated Financial Statements

continued

1 Accounting policies continued

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 cash equivalents 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.

Short-term deposits

Short-term deposits in the statement of financial position comprise deposits with an original maturity of greater than three months and less than 12 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 recognised at amortised cost. Receivables may be impaired by means of a provision, to take into account any difficulties in recovering the outstanding amounts. Provisions for impairment are determined by comparing the carrying value and the likely realisable value, which is defined as the present value of the estimated recoverable amounts.

For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the ageing of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

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 reporting period.

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 it 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.

1 Accounting policies continued**1.22 Critical accounting estimates and judgements** continued**Valuation and amortisation of internally generated intangible assets (Notes 1.12, 11 and 21)**

IAS 38 Intangible Assets contains specific criteria that if met mean development expenditure must be capitalised as an internally generated intangible asset. 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.

IAS 38 criteria are reviewed at the end of each accounting period. The Group assessed the cumulative capitalised product development expenditure and determined that some of these costs did not meet the required IAS 38 criteria as it is now considered that the technical feasibility of a product in development is not proven until regulatory clearance is achieved. This approach is consistent with other companies in the sector. A prior year adjustment has been made to restate the previously capitalised costs not meeting IAS 38's recognition criteria on technical feasibility. Restated intangible assets had a carrying value of £4.0 million at 31 December 2019 and £4.1 million at 30 April 2019. Note 21 has further detail.

Share-based payments (Notes 1.10 and 19)

In calculating the fair value of equity-settled share-based payments the Group uses options pricing models. 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 key input parameters are expected volatility, expected life of the options and the number of options expected to vest.

Leases – extension and/or termination options (Notes 1.1, 1.14 and 13)

The Group has three lease contracts that include extension and/or termination options. The Directors exercise significant judgement in determining whether these extension and/or termination options are reasonably certain to be exercised, and agreed that it was reasonable to assume that these lease contracts would be extended beyond the termination option/notice period due to significant fit-out and renovations to create specialist laboratories and the prohibitive cost of finding equivalent alternative accommodation. The impact of including the extension and/or termination options is to increase both the carrying value of the right-of-use assets and the non-current lease liability at the reporting date by £0.8 million (2019: £0.9 million).

Notes to the Consolidated Financial Statements

continued

2 Operating segment and revenue analysis

Operating segment

The Group's principal trading activity is undertaken in relation to the commercialisation of its Parsortix cell separation system and its HyCEAD multiplex analysis system. There are separate work streams on the Parsortix and HyCEAD systems however the HyCEAD system is used as the downstream analysis tool primarily in combination with Parsortix in the ovarian cancer clinical application. There is significant overlap of work between the teams involved in R&D and commercial activities and as a result the Directors believe that these activities are best shown as one operating segment. All significant decisions are made by the Board of Directors with implementation of those decisions on a Group-wide basis. The Group manages all overseas R&D and commercial activities from the UK.

Segmental analysis is not considered necessary for one operating segment, as the segment information is substantially in the form of and on the same basis as the Group's IFRS information.

Revenue analysis

The Group revenues are to the research use market and involve a mix of customers located in various territories. These are early-stage revenues with a modest customer base.

Significant customers

The Group had no significant customer who contributed 10% or more of Group revenues in the year (eight months ended 31 December 2019: one customer contributing more than 10% of revenues).

Analysis of revenue from contracts with customers

The Group derives revenues from the sale of products and services in the following geographical regions:

	Year ended 31 December 2020			8 months ended 31 December 2019		
	Product- related £'000	Service- related £'000	Total £'000	Product- related £'000	Service- related £'000	Total £'000
UK	30	6	36	73	5	78
Europe	490	80	570	215	62	277
North America – RoW	121	35	156	180	46	226
Total	641	121	762	468	113	581

All of the revenues are recognised in line with the Group's accounting policy (Note 1.7) and have been generated from contracts with customers.

Assets and liabilities related to contracts with customers

Services in-progress but not yet invoiced result in a contract asset and services paid for in advance but not yet delivered result in a contract liability and are recognised in line with the Group's accounting policy (Note 1.7). At the point where completed work is invoiced the contract asset is derecognised and a corresponding receivable is recognised.

Contract assets at the reporting date of £nil (2019: £3,000) were subsequently invoiced.

Sales of instruments include a service-based warranty which is renewable annually. Revenue associated with the unexpired warranty period and service is deferred at the reporting date.

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Contract liabilities		
At start of period	54	47
Recognised in period, relating to amounts invoiced in prior periods	(42)	(39)
Deferred at period end relating to amounts invoiced in the current period	48	46
At period end	60	54

The Group has applied the practical expedient to disclosure of performance obligations at the reporting date because all contracts with customers have an original expected duration of one year or less.

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.

3 Costs

	Year ended 31 December 2020	8 months ended 31 December 2019 (Restated*)
	£'000	£'000
Employment costs (Note 5)	6,369	3,537
Depreciation of property, plant and equipment (Note 12)	661	432
Depreciation and impairment of right-of-use assets (Note 13)	421	219
Profit/(loss) on disposal of property, plant and equipment	2	13
Amortisation of intangible assets (Note 11)	282	240
Impairment of intangible assets (Note 11)	55	–
Operating lease costs – low value and short-term (Note 13)	56	27
Auditors' remuneration (see below)	220	93
Third-party research, development and clinical study costs	3,302	2,760
Patent and legal costs	152	74
Inventories used in research and development	357	445
Listed company costs	460	281
Foreign exchange	596	298
Other operating costs	1,474	1,093
Total operating costs	14,407	9,512
Cost of sales		
Inventories	136	106
Other	29	36
Total cost of sales	165	142
Total costs	14,572	9,654

* The prior period research and development costs (employee and third-party) have been adjusted for a change in accounting treatment following a review of the application of IAS 38. The prior period foreign exchange costs have been adjusted for the retranslation of US Group loans at the prevailing balance sheet rate. The impact of these restatements is described in Note 21.

Third-party research and development costs include the cost of clinical studies (patient enrolment, core lab work etc), key opinion leader research agreements, instrument design, scientific advisory board fees and laboratory supplies.

	Year ended 31 December 2020	8 months ended 31 December 2019
	£'000	£'000
Auditors' remuneration		
Audit services		
Statutory audit of parent and consolidated financial statements	210	65
Statutory audit of subsidiaries	10	10
Non-audit services		
Tax compliance services	–	18
Total	220	93

The Group changed auditors from RSM UK Audit LLP to PricewaterhouseCoopers LLP for the year ended 31 December 2020.

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 financial statements".

Notes to the Consolidated Financial Statements

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4 Directors' emoluments

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Aggregate emoluments for qualifying services	678	311
Employer pension contributions (Note 6)	40	10
Subtotal per Directors' Remuneration Report (page 54)	718	321
Employer's National Insurance contributions	84	36
Total	802	357

LTIP Options were issued to Directors in the current year (prior period – nil). No Directors LTIP Options were forfeited, lapsed, cancelled or exercised in the year or prior period. No share options were issued to Directors in the current year or prior period. No Directors share options were forfeited, lapsed, cancelled or exercised in the year or prior period.

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

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Emoluments for qualifying services	392	164
Employer's National Insurance contributions	52	21
Total	444	185

Disclosures relating to individual Directors' emoluments are given in the Directors' Remuneration Report on pages 54 and 55.

5 Employment

Employment costs

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

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 (Restated*) £'000
Wages and salaries	5,293	2,830
Social security costs	643	309
Other pension costs (Note 6)	165	65
	6,101	3,204
Share-based payment charge (Note 19)	268	333
Total staff costs in operating costs (Note 3)	6,369	3,537

* The prior period research and development employee costs have been adjusted for a change in accounting treatment following a review of the application of IAS 38. As a result, previously capitalised employee costs of £0.2m have been expensed. Details of the impact of the restatement are described in Note 21.

The key management personnel are the Directors and their remuneration is disclosed in Note 4 and within the Directors' Remuneration Report on pages 54 and 55.

Number of employees

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

	Year ended 31 December 2020 Number	8 months ended 31 December 2019 Number
Research and development, engineering, manufacturing, quality control and regulatory	75	67
Commercial and administrative	27	20
Total	102	87

6 Pension costs

The Group incurred UK pension contribution charges for the year of £131,638 (eight months ended 31 December 2019: £44,832) for payment directly to personal pension plan schemes and £33,731 to the ANGLE auto-enrolment pension scheme (eight months ended 31 December 2019: £19,686).

Contributions to personal pension plan schemes for the year of £21,086 (31 December 2019: £17,518) and to the ANGLE auto-enrolment pension scheme of £6,319 (31 December 2019: £5,858) were payable at the reporting date and are included in trade and other payables (Note 17).

One Director has received contributions under a defined contribution pension scheme (eight months ended 31 December 2019: one) – see Directors' Remuneration Report on page 54.

7 Finance income and costs

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Finance income		
Interest on cash and cash equivalents and short-term deposits	71	40
Other interest	7	–
Total	78	40
Finance costs		
Lease liability finance charges (Note 13)	(92)	(64)
Other interest charges	–	(2)
Total	(92)	(66)

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.

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Current tax:		
Research and development tax credit receivable for the current period	(2,126)	(1,553)
Prior year adjustment in respect of research and development tax credit	(13)	71
Deferred tax:		
Origination and reversal of timing differences	–	–
Tax charge/(credit)	(2,139)	(1,482)

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 (Restated*) £'000
Profit/(loss) before tax	(13,745)	(9,038)
Corporation tax:		
Tax on profit/(loss) at 19.0% (8 months ended 31 December 2019: 19.0%)	(2,612)	(1,717)
Factors affecting charge:		
Disallowable expenses	33	–
Excess of depreciation (over)/under capital allowances	32	(40)
Enhanced research and development relief	(941)	(625)
Share-based payments	51	63
Unutilised losses carried forward	1,367	749
Other tax adjustments	(56)	17
Prior year adjustment	(13)	71
Tax charge/(credit)	(2,139)	(1,482)

* The restatement (detailed in Note 21) has no impact on the tax charge/(credit) for the prior period.

The Group has accumulated losses available to carry forward against future trading profits of £51.4 million (31 December 2019 restated: £41.8 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 weighted average rate of 20.6% (31 December 2019: 18.9%) is £7.5 million (31 December 2019 restated: £7.9 million). Following the announcement in Budget 2020, on 11 March 2020, Finance Act 2020 maintains the main rate of Corporation Tax for the financial years 2020 and 2021 at 19% rather than reducing it to 17% from 1 April 2020 as had been previously enacted. This was substantively enacted on 17 March 2020. An increase in the main rate of Corporation Tax to 25% from 1 April 2023 was also announced and included in Finance Bill 2021.

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 £11.6 million (eight months ended 31 December 2019 restated: £7.6 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 period. Due to the losses in 2020 and 2019, share options are non-dilutive for those periods 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.

	Year ended 31 December 2020	8 months ended 31 December 2019 (Restated*)
	£'000	£'000
Profit/(loss) for the period attributable to owners of the parent	(11,606)	(7,556)
	Number of shares	Number of shares
Weighted average number of Ordinary shares	178,149,352	163,795,270
Weighted average number of ESOT shares	(113,259)	(113,259)
Weighted average number of Ordinary shares – basic	178,036,093	163,682,011
Effect of potential dilutive share options	–	–
Adjusted weighted average number of Ordinary shares – diluted	178,036,093	163,682,011
Earnings/(loss) per share attributable to owners of the parent		
Basic and Diluted (pence per share)	(6.52)	(4.62)

* The impact of the restatement is described in Note 21.

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
ANGLE Europe Limited ⁽¹⁾	Medical diagnostics	Ordinary	100
ANGLE North America Incorporated ⁽²⁾	Medical diagnostics	Common & Preferred	100
ANGLE Technology Limited ⁽¹⁾	Medical diagnostics	Ordinary	100
ANGLE Technology Ventures Limited	Medical diagnostics	Ordinary	100
ANGLE EU BV	Medical diagnostics	Ordinary	100
ANGLE Partnerships Limited ⁽¹⁾	Dormant	Ordinary	100
ANGLE Technology Licensing Limited	Dormant	Ordinary	100
ANGLE Technology LLC	Dormant	Membership units	100
ANGLE Technology Ventures LLC	Dormant	Membership units	100

(1) Subsidiary held directly

(2) Direct holding in subsidiary of 9.47%

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 Limited and ANGLE Technology Ventures Limited.

ANGLE Biosciences Incorporated is incorporated and 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 Technology Ventures Limited, ANGLE Partnerships Limited and ANGLE Technology Licensing Limited are incorporated and registered in the United Kingdom. Their registered address is 10 Nugent Road, Surrey Research Park, Guildford, Surrey, GU2 7AF, UK.

ANGLE EU BV is incorporated in The Netherlands. Its registered address is Joop Geesinkweg 701, Rembrandt Kantoor, 1114 AB, Amsterdam-Duivendrecht, The Netherlands.

ANGLE North America Incorporated, ANGLE Technology LLC and ANGLE Technology Ventures LLC are registered in the United States. ANGLE North America Incorporated's registered address is 5100 Campus Drive, Suite 120, Plymouth Meeting, PA 19462, USA. ANGLE Technology LLC and ANGLE Technology Ventures LLC registered address is Rees Broome, PC, 1900 Gallows Road STE 700, Tysons Corner, VA 22182, USA.

11 Intangible assets

	Goodwill	Acquired intangible assets	Intellectual property	Product development (Restated*)	Total (Restated*)
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 May 2019 as originally reported	2,207	1,214	916	4,019	8,356
Restatement	–	–	–	(2,684)	(2,684)
At 1 May 2019 restated	2,207	1,214	916	1,335	5,672
Additions	–	–	57	6	63
Exchange movements	–	2	(3)	(19)	(20)
At 31 December 2019 restated	2,207	1,216	970	1,322	5,715
At 31 December 2019 as originally reported	2,207	1,216	970	5,049	9,442
Restatement	–	–	–	(3,727)	(3,727)
At 31 December 2019 restated	2,207	1,216	970	1,322	5,715
Additions	–	–	77	–	77
Exchange movements	–	(1)	(7)	(42)	(50)
At 31 December 2020	2,207	1,215	1,040	1,280	5,742
Accumulated amortisation and impairment					
At 1 May 2019	–	230	276	1,017	1,523
Charge for the period	–	96	25	119	240
Exchange movements	–	1	(2)	(21)	(22)
At 31 December 2019	–	327	299	1,115	1,741
Charge for the year	–	140	58	84	282
Impairment	–	–	55	–	55
Exchange movements	–	(1)	(5)	(40)	(46)
At 31 December 2020	–	466	407	1,159	2,032
Net book value					
At 31 December 2020	2,207	749	633	121	3,710
At 31 December 2019 restated	2,207	889	671	207	3,974
At 1 May 2019 restated	2,207	984	640	318	4,149

* A prior period adjustment has been made in relation to the capitalisation of research and development product development costs as intangible assets where the expenditure in relation to these costs was previously capitalised under IAS 38. See Note 21 for further detail.

The goodwill arose on the acquisition of the assets of Axela Inc. on 1 November 2017. It 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 the Parsortix system and HyCEAD technologies enabling sample-to-answer tests, capturing more of the value chain and competitive differentiation.

Goodwill is deemed to have an indefinite useful life, is carried initially 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 by reference to the fair value less costs to sell of the single CGU, which comprises the combined Group. The fair value of the Group can be estimated by reference to the market capitalisation of ANGLE plc, which at 31 December 2020 stood at £102.9 million, and which after taking into account any possible costs of disposal exceeds the carrying amount of the CGU by a considerable margin.

"Acquired intangible assets" also relates to the acquisition of the assets of Axela Inc. 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 economic life. Acquired IP includes a carrying value of £0.8 million (2019: £0.9 million) in relation to Technology IP and has a remaining amortisation period of six years and ten months (2019: seven years and ten months).

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). A negligible amount relating to Computer software has been combined in the total. 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.

IAS 38 criteria are reviewed at the end of each accounting period. The Group assessed the cumulative capitalised product development expenditure and determined that some of these costs did not meet the required IAS 38 criteria as it is now considered that the technical feasibility of a product in development is not proven until regulatory clearance is achieved. This approach is consistent with other companies in the sector. A prior year adjustment has been made to restate the previously capitalised costs not meeting IAS 38's recognition criteria on technical feasibility. Restated intangible assets had a carrying value of £4.0 million at 31 December 2019 and £4.1 million at 30 April 2019. Note 21 provides information on the impact of the adjustment on the Financial Statements.

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. No indications of impairment have been identified.

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 2019	319	92	2,251	154	2,816
Additions	1	20	451	3	475
Disposals	–	–	(13)	–	(13)
Transfers (to)/from inventories	–	–	66	–	66
Exchange movements	–	–	5	(1)	4
At 31 December 2019	320	112	2,760	156	3,348
Additions	171	37	74	27	309
Disposals	–	(12)	(124)	–	(136)
Transfers (to)/from inventories	–	–	(56)	–	(56)
Exchange movements	(1)	(1)	(15)	(3)	(20)
At 31 December 2020	490	136	2,639	180	3,445
Accumulated depreciation					
At 1 May 2019	101	44	1,231	93	1,469
Charge for the period	42	22	350	18	432
Transfers (to)/from inventories	–	–	(54)	–	(54)
Exchange movements	–	–	(6)	(1)	(7)
At 31 December 2019	143	66	1,521	110	1,840
Charge for the year	131	33	466	31	661
Disposals	–	(12)	(122)	–	(134)
Transfers (to)/from inventories	–	–	(83)	–	(83)
Exchange movements	–	(1)	(11)	(3)	(15)
At 31 December 2020	274	86	1,771	138	2,269
Net book value					
At 31 December 2020	216	50	868	42	1,176
At 31 December 2019	177	46	1,239	46	1,508

12 Property, plant and equipment continued

Laboratory equipment includes a carrying value of £0.2 million (31 December 2019: £0.3 million) in relation to Parsortix instruments being used in-house and on long-term loan to key opinion leaders, including instruments for the FDA and ovarian cancer 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.

Capital commitments at 31 December 2020 amounted to £0.5 million (2019: £nil).

Depreciation charges are charged to operating costs in the consolidated statement of comprehensive income.

13 Leases

The Group has lease contracts for office accommodation and specialist laboratories. These lease contracts generally have lease terms between 3 and 10 years, with earlier break clauses in some cases. The Group's obligations under its leases are secured by the lessor's title.

The carrying amounts of right-of-use assets recognised and the movements during the year are shown below:

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Right-of-use assets		
Laboratory and office premises		
At start of period	1,514	1,718
Additions	281	–
Transfer to net investment in sublease (Note 16)	(136)	–
Depreciation	(385)	(219)
Impairment	(36)	–
Exchange movements	(5)	15
At period end	1,233	1,514

The carrying amounts of lease liabilities and the movements during the period are shown below:

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Lease liabilities		
At start of period	1,553	1,718
Additions	281	–
Payments	(556)	(244)
Accretion of interest (Note 7)	92	64
Exchange movements	(8)	15
At period end	1,362	1,553
	2020 £'000	2019 £'000
Non-current lease liability	928	1,201
Current lease liability	434	352
	1,362	1,553

The Group had total cash outflows for leases of £0.5 million for the year (eight months ended 31 December 2019: £0.2 million).

The Group has three lease contracts that include extension and/or termination options. The Directors exercise significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 1.22) and agreed that it was reasonable to assume that these lease contracts would be extended beyond the termination option/notice period due to significant fit-out and renovations to create specialist laboratories and the prohibitive cost of finding equivalent alternative accommodation.

The Group also holds certain leases with lease terms of 12 months or less and leases of low value office equipment. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Payments made under such leases are expensed on a straight-line basis and the expense recorded in the year relating to such leases was £56,025 (eight months ended 31 December 2019: £27,351).

Maturity analysis of the undiscounted lease payments:

	Within 1 year £'000	1 to 2 years £'000	2 to 5 years £'000	More than 5 years £'000
31 December 2020	434	387	495	134
31 December 2019	375	432	742	274

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14 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 short-term bank 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 short-term bank deposits and trade and other receivables (Note 16). 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 17), 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 change.

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.

Capital risk management

The capital structure of the Group comprises cash and cash equivalents, short-term deposits and 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.

As part of achieving these objectives, the Group identifies the principal financial risk exposures to be foreign currency risk, credit risk and liquidity risk. The Group's approach to these risks is outlined below.

In order to maintain or adjust the capital structure the Group may issue new shares.

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

	2020	2019 (Restated*)
	£'000	£'000
Total equity attributable to owners of the parent	34,344	26,597
Total assets	39,049	30,575
Equity ratio	88.0%	87.0%

* The restatement is described in Note 21, and resulted in adjusting the equity ratio as previously reported at 88.4% at 31 December 2019.

14 Financial risk management continued

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.

The Company 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.

Credit risk

The Group's credit risk is attributable to its cash and cash equivalents, short-term deposits and trade receivables.

The Group's risk on cash and cash equivalents and short-term deposits is limited as funds are held in banks with credit ratings of A-1 and above (S&P). The maximum exposure to cash and cash equivalents and short-term deposits is £28.6 million (2019: £18.8 million).

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. The customer base is primarily academic institutions and large pharmaceutical businesses. The exposure is managed centrally, and Group policy is to use judgement and past experience to assess the credit quality of each customer and where appropriate seek full or part-payment in advance.

The Group has applied the IFRS 9 simplified approach to measuring expected credit losses, and the expected credit loss rates are based on historical experience that the risk of loss is low. On this basis any credit loss provision would be negligible, and no provision has been made.

The maximum exposure to trade and other receivables is £0.3 million (2019: £0.2 million).

Interest rate risk

There is currently no interest rate risk on financial assets and liabilities.

Cash at bank of £12.1 million earns interest at fixed rates of between 0.03% and 0.75% (2019: £3.8 million, between 0.01% and 0.75%). Short-term deposits of £16.5 million earned interest at fixed rates of 0.85% to 31 May 2020 reduced to 0.15% thereafter (2019: £15.0 million at 0.85%).

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

All amounts, excluding lease liabilities, have maturity dates of less than 12 months (2019: £nil was greater than 12 months). Contractual maturities in respect of lease obligations are disclosed in Note 13 on page 81.

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 Consolidated Financial Statements will be affected by movements in the USD: Sterling and CAD: Sterling exchange rates.

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. The Group monitors its currency exposures on an ongoing basis and is building US and European sales which provide a natural hedge for USD and Euro expenditure. Excess exposure, if any, may be managed for all significant foreign currencies using forward currency contracts or currency swaps.

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14 Financial risk management continued

Sensitivity analysis

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

	Year ended 31 December 2020 USD £'000	Year ended 31 December 2020 CAD £'000	8 months ended 31 December 2019 USD (Restated*) £'000	8 months ended 31 December 2019 CAD £'000
Profit/(loss) – 5% strengthening	(133)	(134)	(113)	(86)
Profit/(loss) – 5% weakening	143	148	124	95

* The impact of the restatement in the Financial Statements is described in Note 21.

Hedging

The Group did not hedge its financial transactions in the year ended 31 December 2020 or in the eight months ended 31 December 2019.

Currency profile

The Group's financial assets and financial liabilities which are stated at amortised cost have the following currency profile:

	2020					2019 (Restated*)				
	Sterling £'000	USD £'000	Euro £'000	CAD £'000	Total £'000	Sterling £'000	USD £'000	Euro £'000	CAD £'000	Total £'000
Financial assets:										
Trade and other receivables	148	10	143	4	305	–	40	188	–	228
Short-term deposits	16,538	–	–	–	16,538	15,009	–	–	–	15,009
Cash and cash equivalents	10,948	793	247	92	12,080	3,279	192	110	176	3,757
Total	27,634	803	390	96	28,923	18,288	232	298	176	18,994
Financial liabilities:										
Lease liabilities – non-current	673	83	–	172	928	692	122	–	387	1,201
Lease liabilities – current	199	43	–	192	434	139	44	–	169	352
Trade and other payables	1,842	431	30	312	2,615	836	801	188	117	1,942
Total	2,714	557	30	676	3,977	1,667	967	188	673	3,495

* The Group had classified short-term deposits within cash and cash equivalents in the Financial Statements at 31 December 2019. These deposits require a notice period of 95 days in order to access the funds and therefore do not strictly comply to the "readily convertible" requirements of IAS 7. We have therefore reclassified these balances as short-term deposits. The impact of the restatement is described in Note 21.

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.

15 Inventories

	2020 £'000	2019 £'000
Raw materials and work in progress	36	–
Finished goods	706	788
Total	742	788

16 Trade and other receivables

	2020 £'000	2019 £'000
Amounts receivable within one year		
Trade receivables	187	139
Other receivables	594	167
Net investment in sublease	85	–
Prepayments and contract assets	577	321
Total	1,443	627

Other receivables comprises recoverable taxes (VAT and HST) and a Canadian COVID-19 relief subsidy (Canada Emergency Wage Subsidy). Contract assets include amounts for services in progress but not yet invoiced (Note 2).

All trade and other receivable accounts are short-term. The Directors consider the carrying amount of trade and other receivables to approximate their fair value and that all the above financial assets are of good credit quality and no changes have been experienced since initial recognition. Receivables are unsecured and interest free, unless past their due date when interest may be charged.

The Group has applied the IFRS 9 simplified approach to measuring expected credit losses, and the expected credit loss rates are based on historical experience that the risk of loss is low. On this basis any credit loss provision would be negligible, and no provision has been made.

	2020 £'000	2019 £'000
Age profile of trade receivables:		
Not past due	179	114
0 – 30 days past due	3	24
30 – 60 days past due	2	1
> 60 days past due	3	–
Total	187	139

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.

The Group entered into a sublease arrangement in respect of half of a right-of-use asset leased in January 2020. The sublease is for the remaining life of the lease which expires in April 2022.

	Year ended 31 December 2020 £'000
Net investment in sublease	
Transfer from right-of-use assets (Note 14)	136
Rental income received and receivable	(58)
Accretion of interest	7
At year end	85

17 Trade and other payables

	2020 £'000	2019 £'000
Amounts payable within one year		
Trade payables	1,088	914
Other taxes and social security costs	395	294
Other payables	27	23
Accruals and contract liabilities	1,833	1,194
Total	3,343	2,425

Accruals include amounts for professional fees, vacation, salary and bonuses (Note 23). Contract liabilities include amounts for pre-billed revenues (Note 2).

All trade and other payables are short-term. The Directors consider that the carrying value of trade and other payables are a reasonable approximation of fair value. The contractual maturity of all the amounts above are within one year of the reporting date.

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18 Share capital

The share capital of the Company is shown below:

	2020 £'000	2019 £'000
Allotted, called up and fully paid		
215,405,178 (31 December 2019: 172,771,483) Ordinary shares of £0.10 each	21,540	17,277

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

The Company issued 42,608,695 new Ordinary shares with a nominal value of £0.10 at an issue price of £0.46 per share in a subscription of shares realising gross proceeds of £19.6 million. Associated costs of £1.1 million were incurred. Shares were admitted to trading on AIM in November 2020.

The Company issued 25,000 new Ordinary shares with a nominal value of £0.10 at an exercise price of £0.645 per share as a result of the exercise of share options by an employee. Shares were admitted to trading on AIM in February 2020.

19 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 in relation to ANGLE plc shares are detailed below.

The share-based payment charge for the Company Employee Share Option Schemes and Long-Term Incentive Plan (LTIP) was £268,417 (eight months ended 31 December 2019: £332,817).

Company – Share Option Schemes

The Company operates Share Option Schemes as a means of encouraging ownership and aligning interests of staff and external shareholders. The Company also operates an LTIP for Executive Directors. 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 and staff.

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, except for "Bonus Options" and "LTIP Options". 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. LTIP Options also have an additional holding period of up to two years such that the minimum performance and holding period is five years.

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 for the United Kingdom, Canada and the United States. 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:

	Year ended 31 December		8 months ended 31 December	
	2020 Number of share Options #	2020 Weighted average exercise price (£)	2019 Number of share options #	2019 Weighted average exercise price (£)
Outstanding at beginning of period	12,895,806	0.5517	13,795,806	0.5432
During the period:				
Granted	5,195,000	0.5357	–	–
Exercised	(25,000)	0.6450	(16,667)	0.3850
Forfeited/lapsed	(221,666)	0.5705	(883,333)	0.4221
Outstanding at period end	17,844,140	0.5467	12,895,806	0.5517
Capable of being exercised at period end	5,600,808	0.4562	4,715,805	0.4640

The options outstanding at 31 December 2020 had a weighted average remaining contractual life of six years and three months (2019: five years and ten months).

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

19 Share-based payments continued

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 31 December 2020:

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)	1,189,353
18 November 2011	0.7550	0.7550	40.00%	0.62%	2.5	Nil	(2)	1,197,315
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)	490,000
18 July 2014	0.7500	0.7500	40.00%	1.40%	3.0	Nil	(4)	20,000
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)	20,000
31 March 2015	0.8625	0.7850	40.00%	0.67%	3.0	Nil	(4)	360,000
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)	1,000,000
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
20 August 2018	0.4900	0.4900	40.00%	0.77%	3.0	Nil	(4)	100,000
20 December 2018	0.3850	0.3850	40.00%	0.75%	3.0	Nil	(4)	1,258,334
20 December 2018	0.3850	0.3850	40.00%	0.75%	3.0	Nil	(9)	2,000,000
21 May 2020	0.6150	0.6150	61.40%	(0.04)%	3.0	Nil	(4)	350,000
25 September 2020	0.5300	0.5300	57.60%	(0.12)%	3.0	Nil	(4)	3,345,000
25 September 2020	0.5300	0.5300	57.60%	(0.12)%	3.0	Nil	(10)	1,500,000
Total								17,844,140

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% at some point 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 (this condition has not yet been met) 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 (performance conditions have been met in relation to 100,000 of 200,000 share options) and b) a service condition with options vesting over a three-year period (this condition has been met).
- (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 (this condition has not yet been met) and b) a time/event condition with options vesting after five years or on the sale of the Parsortix business, whichever is earliest (this condition has been met).
- (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% at some point from the market price on 25 November 2016 (this condition has not yet been met), and b) a service condition with options vesting over a three-year period (this condition has been met).
- (8) Vesting is subject to a) a performance condition that the Company's share price has risen by at least 100% at some point from the market price on 1 November 2017, 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.
- (9) Vesting is subject to a performance condition that the Company's share price has risen to at least £1.056 on 21 December 2021.
- (10) Vesting is subject to a performance condition that the Company's share price has risen to at least £0.916 on 25 September 2023.

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. 25,000 options were exercised in the year (period ended 31 December 2019: 16,667).

Notes to the Consolidated Financial Statements

continued

19 Share-based payments continued

Long-Term Incentive Plan

The Company has a Long-Term Incentive Plan (LTIP) for Executive Directors. Disclosures for an award made during the year are set out in the Directors' Remuneration Report on pages 54 and 55.

The Company uses a Monte Carlo simulation option pricing model as the basis to determine the fair value of the Company's LTIP Options.

The following assumptions are used in the model to determine the fair value of LTIP Options at the respective date of grant that are still outstanding at 31 December 2020:

Date of grant	Exercise price (£)	Share price at date of grant (£)	Expected volatility	Risk free interest rate	Expected life of option (years)	Expected dividends	Barrier (Performance condition) (£)	Outstanding LTIP Options
20 December 2018	0.0000	0.3850	45.04%	0.88%	5.0	Nil	1.056	1,200,000
20 December 2018	0.0000	0.3850	45.04%	0.88%	5.0	Nil	1.434	1,800,000
20 December 2018	0.0000	0.3850	45.04%	0.88%	5.0	Nil	2.063	3,000,000
25 September 2020	0.0000	0.5300	53.46%	(0.09)%	5.0	Nil	0.916	600,000
25 September 2020	0.0000	0.5300	53.46%	(0.09)%	5.0	Nil	1.304	900,000
25 September 2020	0.0000	0.5300	53.46%	(0.09)%	5.0	Nil	1.789	1,500,000
Total								9,000,000

20 ESOT shares

	2020 £'000	2019 £'000
At period end	102	102

Employee Share Ownership Trust (ESOT) shares are ANGLE plc shares held by the ANGLE Employee Trust. At 31 December 2020 the Trust held 113,259 shares (31 December 2019: 113,259 shares). The market value of these shares at 31 December 2020 was £54,081 (31 December 2019: £71,013). Shares purchased by the ANGLE ESOT are used to assist in meeting the obligations under employee remuneration schemes.

21 Restatement and reclassification

The Group has restated its Financial Statements as detailed below. These restatement amendments have no cash impact.

IAS 38 Capitalisation of product development expenditure

The Group has restated its Financial Statements at 31 December 2019 and 30 April 2019 following a detailed review of its policy for the capitalisation of product development costs. "Product development" relates to internally generated intangible assets that are capitalised in accordance with IAS 38 Intangible Assets (Note 1.12). IAS 38 criteria are reviewed at the end of each accounting period. The Group assessed the cumulative capitalised product development expenditure and determined that some of these costs did not meet the required IAS 38 criteria as it is now considered that the technical feasibility of a product in development is not proven until regulatory clearance is achieved. This approach is consistent with other companies in the sector. A prior year adjustment has been made to restate the previously capitalised costs not meeting IAS 38's recognition criteria on technical feasibility. Restated intangible assets had a carrying value of £4.0 million at 31 December 2019 and £4.1 million at 30 April 2019.

Retranslation of Group loans

The Group has restated its Financial Statements at 31 December 2019 and 30 April 2019 not to treat historic Group loans with US subsidiaries as part of the Group's net investment in those foreign operations. As a result, exchange differences previously recognised in other comprehensive income on consolidation have been reclassified to the income statement. The restatement resulted in a reserve movement, decreasing accumulated losses and increasing translation reserve in the Consolidated Statement of Financial Position by £4.4 million at 31 December 2019 and by £4.7 million at 30 April 2019.

IAS 7 Reclassification of short-term deposits

The Group had classified short-term deposits within cash and cash equivalents in the Financial Statements at 31 December 2019. These deposits require a notice period of 95 days in order to access and therefore do not strictly comply to the "readily convertible" requirements of IAS 7. We have therefore reclassified these as short-term deposits which are shown as a separate line item in the Consolidated Statement of Financial Position.

The restatement movements are shown below:

21 Restatement and reclassification continued
Consolidated Statement of Comprehensive Income (extract)

	8 months ended 31 December 2019 as originally reported £'000	Restatement IAS 38 £'000	Restatement translation of Group balances £'000	8 months ended 31 December 2019 Restated £'000
Operating costs	(8,204)	(1,046)	(262)	(9,512)
Profit/(loss) before tax	(7,730)	(1,046)	(262)	(9,038)
Other comprehensive income/(loss)	(24)	3	262	241
Total comprehensive income/(loss)	(6,272)	(1,043)	–	(7,315)
Earnings/(loss) per share				
Basic and diluted (pence per share)	(3.82)	(0.64)	(0.16)	(4.62)

Consolidated Statement of Financial Position (extract)

	Year ended 30 April 2019 as originally reported £'000	Restatement IAS 38 £'000	Restatement translation of Group balances £'000	Year ended 30 April 2019 Restated £'000
Intangible assets	6,833	(2,684)	–	4,149
Translation reserves	106	(9)	(4,685)	(4,588)
Accumulated losses	(52,109)	(2,675)	4,685	(50,099)

	8 months ended 31 December 2019 as originally reported £'000	Restatement IAS 38 £'000	Restatement translation of Group balances £'000	Reclassification £'000	8 months ended 31 December 2019 Restated £'000
Intangible assets	7,701	(3,727)	–	–	3,974
Short-term deposits	–	–	–	15,009	15,009
Cash and cash equivalents	18,766	–	–	(15,009)	3,757
Translation reserves	82	(6)	(4,423)	–	(4,347)
Accumulated losses	(58,276)	(3,721)	4,423	–	(57,574)

Consolidated Statement of Cash Flows (extract)

	8 months ended 31 December 2019 as originally reported £'000	Restatement IAS 38 £'000	Restatement translation of Group balances £'000	Reclassification £'000	8 months ended 31 December 2019 Restated £'000
Operating cash flows before movements					
in working capital	(6,494)	(1,046)	–	–	(7,540)
Operating cash flows	(6,942)	(1,365)	–	–	(8,307)
Purchase of intangible assets	(1,431)	1,365	–	–	(66)
Transfer to short-term deposits	–	–	–	(15,009)	(15,009)
Net increase/(decrease) in cash and cash equivalents	7,754	–	–	(15,009)	(7,255)

Notes to the Consolidated Financial Statements

continued

22 Guarantees and other financial commitments

The Group 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 and the new clinical laboratories. In aggregate these gave rise to financial commitments at 31 December 2020 of up to £2.2 million over one year (2019: £1.0 million).

In addition, the Group signed a new ten year lease for a clinical laboratory in Pennsylvania, USA in December 2020, for occupation in March 2021. Lease payments of US\$0.3 million are payable within one year; US\$0.9 million are payable in two to five years.

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

Nat West Bank (the Group's UK commercial bankers) have placed a charge over a short-term deposit account of £700,000 as security for a Bacstel-IP facility used in the normal course of business.

23 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' Remuneration Report on pages 54 and 55 and below, none of the Directors had any interest at any time during the year ended 31 December 2020 in the share capital of the Company or its subsidiaries.

At the reporting date, £144,282 of remuneration (2019: £nil) was due to Andrew Newland and £91,816 of remuneration (2019: £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 in the year to Brian Howlett under this contract (eight months ended 31 December 2019: £nil).

SoBold Limited provides digital marketing services and website management to ANGLE with fees in the year of £37,700 (eight months ended 31 December 2019: £25,450) and a balance of £6,220 (2019: £7,440) due at the reporting date. Andrew Newland's son is the managing director and a main shareholder of SoBold Limited. The relationship is managed by Business Development Director, Michael O'Brien.

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.

24 Post reporting date event

As reported in the Chairman's Statement and elsewhere, the Group has opened clinical laboratories in the UK and United States initially to support pharma services and then to provide lab developed tests once the appropriate accreditations have been received. In addition the first significant contract with a major pharma company has been announced that could generate up to US\$1.2 million of revenues over the next 18 months and patient enrolment has been completed in the ovarian cancer study.

Company Statement of Financial Position

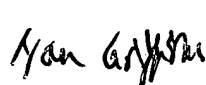
As at 31 December 2020

		31 December 2020	31 December 2019 (Restated*)
	Note	£'000	£'000
Assets			
Non-current assets			
Investment in subsidiaries	C3	5,212	4,476
Other receivables	C4	42,689	34,554
Total non-current assets		47,901	39,030
Current assets			
Other receivables	C4	35	6
Short-term deposits		15,822	15,009
Cash and cash equivalents		10,760	2,686
Total current assets		26,617	17,701
Total assets		74,518	56,731
Current liabilities			
Trade and other payables	C5	(155)	–
Total current liabilities		(155)	–
Total liabilities		(155)	–
Net assets		74,363	56,731
Equity			
Share capital	C6	21,540	17,277
Share premium		81,532	67,272
Share-based payments reserve		1,722	1,495
Accumulated losses		(30,431)	(29,313)
Equity attributable to owners		74,363	56,731

* The impact of the restatement is described on the Company Statement of Cash Flows on page 92.

The Company's loss and total comprehensive loss for the year to 31 December 2020 were £1.2 million (eight months ended 31 December 2019: £6.7 million).

The Financial Statements on pages 91 to 96 were approved by the Board of Directors and authorised for issue on 29 April 2021 and signed on its behalf by:



Ian F Griffiths
Director



Andrew D W Newland
Director

Registered No. 04985171

Company Statement of Cash Flows

For the year ended 31 December 2020

	Year ended 31 December 2020	8 months ended 31 December 2019 (Restated*)
	£'000	£'000
Operating activities		
Profit/(loss) before tax	(1,159)	(6,745)
Adjustments for:		
Impairment of loans	1,159	6,745
Net cash from/(used in) operations	–	–
Investing activities		
Loans to subsidiaries	(9,762)	(8,664)
Transfer to short-term deposits	(814)	(15,009)
Net cash from/(used in) investing activities	(10,576)	(23,673)
Financing activities		
Net proceeds from issue of share capital	18,650	16,921
Net cash from/(used in) financing activities	18,650	16,921
Net increase/(decrease) in cash and cash equivalents	8,074	(6,752)
Cash and cash equivalents at start of period	2,686	9,438
Cash and cash equivalents at end of period	10,760	2,686
Cash at bank – immediate access	2,754	485
Cash at bank – restricted access (35 day notice)	8,006	2,201
Cash and cash equivalents at end of period	10,760	2,686
Cash and cash equivalents at end of period	10,760	2,686
Short-term deposits	15,822	15,009
Cash and cash equivalents and short-term deposits	26,582	17,695

* The Company had classified short-term deposits within cash and cash equivalents in the Financial Statements at 31 December 2019. These deposits require a notice period of 95 days in order to access and therefore do not strictly comply to the "readily convertible" requirements of IAS 7. We have therefore reclassified these as short-term deposits which is shown as a separate line item in the Company Statement of Financial Position.

Company Statement of Changes in Equity

For the year ended 31 December 2020

	Equity attributable to owners				
	Share capital £'000	Share premium £'000	Share-based payments reserve £'000	Accumulated losses £'000	Total equity £'000
At 1 May 2019	14,349	53,273	1,243	(22,649)	46,216
For the 8 months to 31 December 2019					
Profit/(loss) for the period				(6,745)	(6,745)
Issue of shares (net of costs)	2,928	13,999			16,927
Share-based payments			333		333
Released on forfeiture			(78)	78	—
Released on exercise			(3)	3	—
At 31 December 2019	17,277	67,272	1,495	(29,313)	56,731
For the year to 31 December 2020					
Profit/(loss) for the year				(1,159)	(1,159)
Issue of shares (net of costs)	4,263	14,260			18,523
Share-based payments			268		268
Released on forfeiture			(37)	37	—
Released on exercise			(4)	4	—
At 31 December 2020	21,540	81,532	1,722	(30,431)	74,363

Notes to the Company Financial Statements

For the year ended 31 December 2020

C1 Accounting policies

C1.1 Basis of preparation

The Parent Company Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) conformity with the requirements of the Companies Act 2006 for the year ended 31 December 2020. 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 66 to 73.

C1.2 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.

C1.3 Judgements and key sources of estimation uncertainty

Accounting for intercompany loans

In accordance with IFRS 9, the Company is required to make an assessment of expected credit losses. Having considered the quantum and probability of credit losses expected to arise across a number of scenarios, an additional adjustment for expected credit loss of £1.3 million (eight months ended 31 December 2019: £6.7 million) was recognised in the year.

The calculation of the allowance for lifetime expected credit losses requires a significant degree of estimation and judgement, in particular in determining the probability weighted likely outcome for each scenario considered to determine the expected credit loss in each scenario. Should the outcomes vary, this could have a significant impact on the carrying value of the intercompany loans in following periods.

C1.4 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. An impairment loss is recognised in the profit and loss in the statement of comprehensive income.

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 loss for the year was £1.2 million (eight months ended 31 December 2019: £6.7 million).

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 Directors' Remuneration Report on pages 54 and 55.

Administrative expenses, including auditors' remuneration, are borne by other Group companies and are not recharged to the Company.

C3 Investment in subsidiaries

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Cost		
At start of period	4,476	4,143
Share-based payments charge	268	333
Additions	468	–
At period end	5,212	4,476

Details of the Company's subsidiary undertakings at 31 December 2020 are shown in Note 10 to the Consolidated Financial Statements along with other interests held indirectly through subsidiary undertakings.

Additions in the year represent a direct holding of 9.47% in ANGLE North America Inc. (a 100% owned Group company). This was incorrectly represented as a holding by ANGLE Technology LLC since its acquisition in October 2018. Whilst the Group has a contractual right to transfer the holding between Group companies this transfer had not been affected. The adjustment identified in the current year has not been treated as a prior period adjustment on the basis of materiality.

C4 Other receivables

	Year ended 31 December 2020 £'000	8 months ended 31 December 2019 £'000
Non-current assets		
Amounts due from Group undertakings		
Cost		
At start of period	65,973	57,309
Additions/(repayments)	9,294	8,664
At period end	75,267	65,973
Provision		
At start of period	31,419	24,674
Impairment charge	1,159	6,745
At period end	32,578	31,419
Net book value		
At period end	42,689	34,554
At start of period	34,554	32,635

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. Amounts due from Group undertakings are due on demand but are not expected to be recovered within 12 months.

	31 December 2020 £'000	31 December 2019 £'000
Current assets		
Other receivables	35	6

Other receivables comprises recoverable taxes (VAT) at 31 December 2020.

C5 Trade and other payables

	31 December 2020 £'000	31 December 2019 £'000
Amounts payable within one year		
Trade payables	151	–
Accruals	4	–
Total	155	–

Trade and other payables relate to professional fees associated with the fundraise.

Notes to the Company Financial Statements

continued

C6 Share capital

The share capital of the Company is shown below:

	31 December 2020 £'000	31 December 2019 £'000
Allotted, called up and fully paid		
215,405,178 (31 December 2019: 172,771,483) Ordinary shares of £0.10 each	21,540	17,277

Details of the Company's share capital and changes in its issued share capital can be found in Note 18 to the Consolidated Financial Statements on page 86.

Details of the Company's share options schemes can be found in Note 19 to the Consolidated Financial Statements on pages 86 to 88.

C7 Guarantees and other financial commitments

In December 2020 the Company entered into a guaranty agreement in favour of the landlord, who absorbed significant bespoke fit-out costs, for the clinical laboratory in Plymouth Meeting, Pennsylvania, USA in respect of obligations under the lease, initially for \$800,000 and then reducing by \$80,000 per annum.

The Company provides financial support to its subsidiaries. Details of the Group's financial commitments are given in Note 22 to the Consolidated Financial Statements on page 90.

C8 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 23 to the Consolidated Financial Statements on page 90.

C9 Post reporting date event

Details are given in Note 24 to the Consolidated Financial Statements on page 90.

Notice of Annual General Meeting

Directors:

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

Registered Office

10 Nugent Road
Surrey Research Park
Guildford
GU2 7AF

4 June 2021

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 30 June 2021 at which the following resolutions will be proposed:

1. **Resolution 1** to receive the Annual Report and Financial Statements of the Company for the year ended 31 December 2020.
2. **Resolution 2** to approve the Remuneration Policy (insofar as it relates to the Directors), as set out on page 53 of the Annual Report.
Note: this is an advisory vote only.
3. **Resolution 3** to approve the Directors' Remuneration Report for the year ended 31 December 2020 set out on pages 54 and 55 of the Annual Report.
Note: this is an advisory vote only.
4. **Resolution 4** to allow the Remuneration Committee discretion to extend the performance period for existing LTIP awards.
Note: this is an advisory vote only.
5. **Resolution 5** to allow the Remuneration Committee discretion to extend the date of expiry of share options due to expire in 2021.
Note: this is an advisory vote only.
6. **Resolution 6** to re-appoint the auditors of the Company, PricewaterhouseCoopers LLP, and authorise the Directors to determine their level of remuneration.
7. **Resolution 7** to grant the Directors authority to allot unissued shares in the capital of the Company up to an aggregate nominal amount of £7,195,595.
Note: the Directors wish to renew their authorisations with respect to the allotment of new shares.
8. **Resolution 8** 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.
9. **Resolution 9** to grant the Directors authority to purchase issued shares in the capital of the Company up to an aggregate nominal amount of £2,158,679.
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.

The authorities requested in items 7, 8 and 9 will expire at the 2022 Annual General Meeting or, if earlier, 30 June 2022.

Coronavirus (COVID-19)

Due to the unprecedented situation with COVID-19 and in line with the UK Government's current measures to maintain social distancing, the Board has taken the decision to hold this year's Meeting as a "closed meeting" with the Chief Executive and Finance Director attending in person and the rest of the Board attending remotely. Shareholders will not be permitted to attend the Meeting in person. It will not be possible for Shareholders to vote during the Meeting and Shareholders are therefore strongly encouraged to submit their Proxy Votes online via www.signalshares.com or CREST where applicable. The Meeting will be streamed online and Shareholders will be able to watch the AGM remotely via an electronic platform, details of which are provided in the Notice. The Company will continue to monitor the ongoing situation with regard to COVID-19 and any changes to the format of the Meeting, including the ability for Shareholders to attend in person, will be notified through a regulatory new service ("RNS").

Business update presentation

The Board remains keen to encourage engagement with Shareholders. The Company will provide a business update presentation after the formalities of the AGM are concluded. Shareholders are invited to submit questions in advance of the AGM, which the Board will aim to answer during the business update presentation. While it may not be possible to answer individual questions, questions will be grouped into key themes and we will endeavour to answer these during the presentation or as part of concluding matters. Questions should be submitted to investor@angleplc.com before 5:00pm on Tuesday 29 June 2021.

Details of how to join the Meeting and the business update presentation via an electronic platform are provided on page 101.

Action to be taken

Shareholders should register their Proxy Vote either online at www.signalshares.com or through CREST as outlined in the Notes to the Notice of Annual General Meeting as soon as possible, but in any event no later than 48 hours before the time fixed for the Meeting. 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.

Notice of Annual General Meeting

continued

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

(Company number 04985171)

NOTICE IS HEREBY GIVEN that the eighteenth **ANNUAL GENERAL MEETING** of ANGLE plc ("**the Company**") will be held at 2:00 pm on Wednesday 30 June 2021 at ANGLE plc, 10 Nugent Road, 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 7 will be proposed as ordinary resolutions and resolutions numbered 8 and 9 will be proposed as special resolutions. Please refer to the notes to this Notice for details of how to watch the meeting online.

Ordinary Business

1. **TO** receive the Accounts of the Company for the year ended 31 December 2020, and the reports of the Directors and auditors thereon.
2. **TO** approve the Directors' Remuneration Policy (in so far as it relates to the Directors) as set out on page 53 of the Annual Report for the year ended 31 December 2020. Note: this is an advisory vote only.
3. **TO** approve the Directors' Remuneration Report as set out on pages 54 and 55 of the Annual Report for the year ended 31 December 2020. Note: this is an advisory vote only.
4. **TO** allow the Remuneration Committee discretion, until the earlier of the completion of the next Annual General Meeting of the Company or 30 June 2022, to extend the performance period for existing LTIP awards. Note: this is an advisory vote only.
5. **TO** allow the Remuneration Committee discretion, until the earlier of the completion of the next Annual General Meeting of the Company or 30 June 2022, to extend the date of expiry of share options due to expire in 2021. Note: this is an advisory vote only.
6. **TO** re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid and to authorise the Directors to determine their remuneration.

Special Business

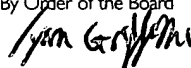
7. **THAT**, for the purposes of section 551 of the Companies Act 2006 ("**the Act**"), the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company, or grant rights to subscribe for or convert any security into shares in the Company, up to an aggregate nominal amount of £7,195,595 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 30 June 2022 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.
8. **THAT**, subject to and conditional upon the passing of Resolution 7, 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 7 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 £2,158,679,

and the power hereby conferred shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on 30 June 2022 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.

9. **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 £0.10 each in the capital of the Company provided that:
- the maximum number of Ordinary shares that may be purchased is 21,586,785 (representing approximately 10% of the Company's issued share capital at the date of this notice);
 - the minimum price (exclusive of expenses) which may be paid for each Ordinary share is £0.10;
 - 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 30 June 2022 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.

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

By Order of the Board

Ian F Griffiths
Company Secretary

Dated 4 June 2021

Notes:

- Under the Articles of Association of the Company, a member of the Company entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to vote instead of him. For the reasons given in the Chairman's letter that accompanies this Notice, under the current UK Government measures in relation to the Coronavirus (COVID-19) pandemic, Shareholders and proxies will not be allowed to attend the Annual General Meeting and Shareholders are not able to appoint a proxy other than the Chairman of the Meeting. The Company will continue to monitor the ongoing situation with regard to COVID-19 and any changes to the format of the Meeting, including the ability for Shareholders to attend in person, will be notified through a regulatory new service ("RNS").
- To be valid, an appointment of proxy must be registered with or 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:
 - by logging on to www.signalshares.com and following the instructions;
 - you may request a hard copy Form of Proxy directly from the registrars, Link Group, on Tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link Group are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. 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 Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If a hard copy Form of Proxy is used to appoint more than one proxy, the Form of Proxy should be photocopied and completed for each proxy holder and the proxy holder's name should be written on the Form of Proxy together with the number of shares in relation to which the proxy is authorised to act. The box on the Form of Proxy must also be ticked to indicate that the proxy instruction is one of multiple instructions being given; or
 - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in Note 5 of this document.
- While appointment of a proxy electronically or completing and returning a Form of Proxy would generally not stop you from attending the Annual General Meeting and voting in person should you so wish, under the current UK Government measures in relation to the Coronavirus (COVID-19) pandemic, Shareholders will not be allowed to attend the Annual General Meeting, vote in person or appoint a proxy other than the Chairman of the Meeting. The Company will continue to monitor the ongoing situation with regard to COVID-19 and any changes to the format of the Meeting, including the ability for Shareholders to attend in person, will be notified through a regulatory new service ("RNS").
- Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that, to be entitled to 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 28 June 2021. Changes to entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to vote at the Meeting.
- 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 Vote 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

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 year ended 31 December 2020.

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 relates to the Directors is approved and remains unchanged, it will be valid for up to three financial years without new Shareholder approval on an advisory vote being requested. The Remuneration Policy was approved by Shareholders at the 2018 Annual General Meeting and is therefore due for re-approval as an advisory vote. If the Company wishes to change the policy in any material way, it intends to put the revised policy to a Shareholder advisory vote before it is able to implement that revised policy.

Resolution 3: Directors' Remuneration Report

This resolution seeks approval of the Directors' Remuneration Report for the year ended 31 December 2020. The full text of the Directors' Remuneration Report is contained on pages 54 and 55 of the Company's Annual Report.

This is an advisory vote and no entitlement to remuneration for the year ended 31 December 2020 is conditional on the resolution being passed.

Resolution 4: Performance period for existing LTIP awards

The unprecedented COVID-19 pandemic has disrupted the Company's operations delaying certain near term key milestones. The Remuneration Committee believes that, whilst the absolute share price performance target for the LTIP and the requirement for a five year performance and holding period should remain unchanged, the Remuneration Committee should have the discretion, until the earlier of the completion of the next Annual General Meeting of the Company or 30 June 2022, to extend the performance period for existing LTIP awards. This change is needed to allow flexibility to maintain the alignment of executive incentive with Shareholder interests for events beyond the control of the executive as a consequence of the COVID-19 pandemic.

As an AIM-quoted company the Company is not required to seek Shareholder approval for discretion in relation to a possible extension of the performance period for the LTIP awards, nor for any consequential amendments to the terms of the LTIP awards or to the Company's Remuneration Policy. However, the Company has tabled a resolution in respect of such proposals in the interests of transparency and which is submitted to a vote of Shareholders on an advisory basis.

Resolution 5: Date of expiry of certain share options

The unprecedented COVID-19 pandemic has disrupted the Company's operations delaying certain near term key milestones. The Remuneration Committee believes that the Remuneration Committee should have the discretion, until the earlier of the completion of the next Annual General Meeting of the Company or 30 June 2022, to extend the expiry date of the Company's share option schemes with performance conditions that were due to expire in 2021, with all performance conditions unchanged. This change is needed to allow flexibility to maintain the alignment of executive and staff incentive with Shareholder interests as a consequence of the COVID-19 pandemic.

As an AIM-quoted company the Company is not required to seek Shareholder approval for discretion in relation to a possible extension of the expiry date for the options, nor for the consequential amendments to the terms of the share options or to the Company's Remuneration Policy. However, the Company has tabled a resolution in respect of such proposals in the interests of transparency and which is submitted to a vote of Shareholders on an advisory basis.

Resolution 6: 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 7: 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 30 June 2022 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 7 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 £7,195,595 representing approximately one-third of the Company's nominal value of the issued share capital at the date of this notice.

Resolution 8: 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 8 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 £2,158,679, representing approximately 10% of the Company's nominal value of the issued share capital at the date of this notice. This is proposed as a special resolution.

Resolution 9: Authority for market purchase

Resolution 9 will permit the Company to purchase up to 21,586,785 Ordinary shares of £0.10 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 30 June 2022 or at the conclusion of the next Annual General Meeting of the Company (whichever first occurs). This is proposed as a special resolution.

General Information for Shareholders

In respect of the Annual General Meeting

Time of the Meeting

The AGM will start promptly at 2:00 pm on Wednesday 30 June 2021.

The venue

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

Attendance

Due to the unprecedented situation with COVID-19 and in line with current Government's measures to maintain social distancing, the AGM will be held as a "closed meeting" and Shareholders will not be permitted to join the AGM in person. Shareholders attempting to attend the AGM will be refused admission. The Company will continue to monitor the ongoing situation with regard to COVID-19 and any changes to the format of the Meeting, including the ability for Shareholders to attend in person, will be notified through a regulatory news service ("RNS").

Shareholders are asked to exercise their votes by submitting their proxy as set out in the Notice of AGM above. All Shareholders are strongly recommended to vote electronically at www.signalshares.com as your vote will automatically be counted.

Viewing the Meeting

Shareholders can join and view the AGM remotely and the Company will provide a business update presentation after the formalities of the AGM are concluded.

A live webcast of the AGM may be accessed via <https://www.investormeetcompany.com/angle-plc/register-investor>. Details of how to attend can also be accessed via ANGLE's Investor Centre page, <https://angleplc.com/investor-relations>. Please register in advance and log on to the webcast approximately 5 minutes before 2:00pm on Wednesday 30 June 2021.

As explained previously, the Company will continue to monitor the ongoing situation with regard to COVID-19 and any changes to the format of the Meeting, including the ability for Shareholders to attend in person, will be notified through a regulatory news service ("RNS").

The Board remains keen to encourage engagement with our Shareholders. Shareholders are invited to submit questions in advance of the AGM, which the Board will aim to answer during the business update presentation. While it may not be possible to answer individual questions, questions will be grouped into key themes and we will endeavour to answer these during the presentation or as part of concluding matters. Questions should be submitted to investor@angleplc.com before 5:00pm on Tuesday 29 June 2021.

Explanation of Frequently Used Terms

Term	Explanation
Analyte	The substance that is of interest in the analysis
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
AR-V7	The androgen receptor (AR) has been proposed as a mechanism of therapeutic resistance to AR signalling (ARS) inhibitors. Androgen receptor variant 7 (AR-V7) participates in regulating prostate cancer cell proliferation and gene expression and is correlated with drug resistance. Patients with low-risk disease should receive taxanes if they are AR-V7+ or ARS inhibitors if they are AR-V7–
AUC-ROC	The area under the curve (AUC) for a receiver operating characteristic (ROC) plot, a plot of 1-specificity on the x-axis vs. the sensitivity on the y-axis at each possible threshold for a test's results, is a measure of a diagnostic test's accuracy. The accuracy of the test depends on how well the test separates the two groups being compared into those with the outcome (sensitivity) and those without the outcome (specificity) in question. An AUC of 1 (100%) represents a perfect test while an AUC of 0.5 (50%) represents a worthless test. The traditional academic classification system for AUC-ROCs is 90% to 100% = excellent; 80% to 90% = good; 70% to 80% = fair; 60% to 70% = poor; 50% to 60% = fail. Source: University of Cambridge MRC Unit www.imaging.mrc-cbu.cam.ac.uk/statswiki/FAQ/roc
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
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
Circulating tumor cell	Cancer cell that is circulating in the patient's blood
CTC	Circulating tumor cell
CTC labelling	CTCs are often labelled with three markers and are formally identified as CTCs if they are CK+, CD45-, DAPI+
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
Clinical application	Use in treating patients
Clinical samples	Patient samples usually blood
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
Clinical use	Use in treating patients

Term	Explanation
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 abbreviated as CRO
ctDNA or cfDNA	Abbreviation for circulating tumour DNA also known as cell-free DNA
Cultured cells	Cultured cells grown in the laboratory from human-derived cells used for experimental work
Cytokeratin	Cytokeratins are a family of intracytoplasmic cytoskeleton proteins with members showing tissue specific expression
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
Cytopathological	A branch of pathology that studies and diagnoses diseases at the cellular level, generally used on samples of free cells or tissue fragments
DAPI	A nuclear stain that is often used to identify the nucleus in a cell
DEPArrayTM	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) is 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 Class II Device	Medical devices with an intended use that is considered medium or moderate risk. For non-exempt devices the FDA require a pre-market clearance or approval to be issued before a company can legally market their device. The company will be required to have general medical device quality system controls in place as well as device specific special controls (which may include device labelling and design control processes and documentation)
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
FDA De Novo	The De Novo process provides a pathway to classify novel medical devices for which general controls alone, or general and special controls, provide reasonable assurance of safety and effectiveness for the intended use, but for which there is no legally marketed predicate device (therefore the FDA 510(k) route does not apply). Devices that are classified into class I or class II through a De Novo classification request may be marketed and used as predicates for future premarket (510(k)) submissions
Flow-Thru Chip®	A disposable consumable containing a highly uniform porous substrate on which up to 576 individual zones are printed with reagents that specifically bind to molecules of interest in the sample. Sample flowing through the 10 micron pores is forced into contact with the coated surface, providing very rapid and efficient capture of any targets present in solution that each assay is designed to measure

Explanation of Frequently Used Terms

continued

Term	Explanation
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
Gynaecological 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
Histopathology	The study of diseased cells and tissues using a microscope
HNV	Healthy normal volunteer
HT29	Cultured colorectal cancer cell line
HyCEAD™	Hybrid Capture, Enrichment, Amplification and Detection A sample preparation method for capturing targeted nucleic acid sequences (RNA or DNA) directly from biological samples without the need for extraction, introducing universal priming sequences into copies of those specific sequence regions, and permitting amplification of all targets simultaneously in a single PCR reaction for direct detection on Ziplax
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 centres 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

Term	Explanation
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 protrusions 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
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
Parsortix® system	The name of the core technologies developed and used by ANGLE to capture and harvest CTCs comprising the automated instrument to run blood samples through the microfluidic cassette and all the associated operating procedures and protocols
Pathologist	A doctor who has special training in identifying diseases by studying cells and tissues under a microscope
PathVysion	The name of the Abbott Molecular test kit. The PathVysion HER-2 DNA Probe Kit II (PathVysion Kit II) is designed to detect amplification of the HER-2/neu gene via FISH in formalin-fixed, paraffin-embedded human breast and gastric cancer tissue specimens. The PathVysion HER-2 DNA Probe Kit II is one of the first examples of what is recognized as genomic disease management, or personalized medicine. This means that the test helps enable the accurate assessment of a patient's HER-2 status at the DNA level with a high degree of accuracy and helps guide doctors to make the most appropriate therapy decisions based on the patient's own genetic profile
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
PD-L1	Programmed death ligand 1 (PD-L1) is the principal ligand of programmed death 1 (PD-1), a coinhibitory receptor that can be constitutively expressed or induced in myeloid, lymphoid, normal epithelial cells and in cancer
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

Explanation of Frequently Used Terms

continued

Term	Explanation
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
Q-Submission	The FDA's Pre-Submission Program which allows medical device and IVD manufacturers to discuss specific aspects of the regulatory process and requirements with FDA experts
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)
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

Term	Explanation
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 enrol 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) <i>The heterogeneity of cancer cells introduces significant challenges in designing effective treatment strategies</i>
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
Ziplex®	An automated hybridization array platform that combines chemiluminescence and Flow-Thru Chips for the detection of minute amounts of up to 500 nucleic acid or protein targets simultaneously

Primary source: www.cancer.gov/publications/dictionaries/cancer-terms

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