

29 FEBRUARY 2024

THE INFORMATION CONTAINED WITHIN THIS ANNOUNCEMENT IS DEEMED BY THE COMPANY TO CONSTITUTE INSIDE INFORMATION STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO. 596/2014 ("MAR") AND THE RETAINED UK LAW VERSION OF MAR PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019 (SI 2019/310) ("UK MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

Oncimmune Holdings plc

("Oncimmune" or the "Company")

Revenue for FY 2024 for continuing operations expected to grow

New management team and Board continue to execute focused strategy

Final results for the 12-month period to 31 August 2023

Oncimmune Holdings plc (AIM: ONC.L), a leading autoantibody profiling company to the pharmaceutical and biotechnology industry enabling precision medicine, today provides an update on recent trading and the outlook for the current financial year ("FY 2024") and announces its audited results for the 12-month period ended 31 August 2023 ("FY 2023").

Business highlights and outlook

- The new strategy, which was announced on 12 October 2023, continues to be implemented. On 30 November 2023 it was announced that contracts had been signed for four new projects since the beginning of FY 2024, three of which were with existing customers who are major pharmaceutical companies. Since that announcement a further three new contracts have been entered into.
- Revenue in FY 2024 expected to be approximately £3m, compared with FY 2023 revenue from continuing operations of £1.2m, a growth rate of 150%. Coming up to the end of H1 FY 2024, work to achieve approximately 75% of the forecast FY 2024 revenue has been secured, with the majority of samples received or expected imminently allowing lab work to begin and revenue to be recognised in due course.
- Buildout of commercial team is now nearly complete, with three members in the US and one in Europe. One additional hire expected in Europe in FY 2024. As the new commercial team begins to gain traction the full effect on revenue growth is expected towards the end of FY 2024 and beyond.
- The new senior management team, which has been in place for nearly six months, has completed a full review of the Group's operational capability and cost base and expects FY 2024 overheads, including costs associated with senior management, to be lower than those in FY 2023.

- New equity based rewards for the senior management team are being considered, to closely align the interests of senior management with those of the Company's shareholders.

Operational and commercial highlights for FY 2023

- Refocus of business on ImmunoINSIGHTS following sale of Oncimmune Limited (including the EarlyCDT Lung blood test) to Freenome Holdings Inc for a total of £13m.
- Reprofiled debt facility with IPF Management SA, including repaying €7.2m (being €5.6m of principal and €1.6m of interest) and agreeing new payment terms.
- New leadership team, with Martin Gouldstone joining as Chief Executive Officer in August 2023 and a new Finance Director, Martin Hudson, being announced in July 2023 and joining the Company in September 2023.
- Changes to the Board beginning in FY 2023 and completing in FY 2024, with John Goold joining the Board in January 2023, Andrew Unitt, Tim Bunting and Dr Annalisa Jenkins retiring from the Board in September, October and November respectively and Dr Sally Waterman joining the Board in October 2023.

Financial highlights for FY 2023

- Revenue for the period was £2.1m (2022: £3.8m for 15-month period), revenue for continuing operations was £1.2m.
- Gross profit for the period was £1.5m (2022: £1.8m for 15-month period), gross profit from continuing operations was £0.8m.
- Administrative expenses were £6.1m (2022: £8.7m for 15-month period), administrative expenses for continuing operations were £5.0m.
- Profit after tax was £4.1m (2022: loss of £11.4m for 15-month period), largely arising from a gain on disposal of £12.2m. Loss from continuing operations was £6.2m.
- Gross cash balance at the period end of £3.2m (2022: £1.4m) and net debt at the period end of £2.1m (2022: £9.2m), after disposal of Oncimmune Limited and Oncimmune Europe GmbH (the "Disposal") and part repayment of the debt facility with IPF Management SA. £1.3m of the consideration relating to the Disposal remains in escrow and is expected to be released to Oncimmune in May 2024.

The Company's Annual Report and Financial Statements 2023 (the "Annual Report") will be available on the Company's website at www.uncimmune.com later today.

Martin Gouldstone, Oncimmune's Chief Executive Officer, commented:

"Whilst FY 2023 has seen significant changes to the operations and management of Oncimmune, I remain encouraged and optimistic about the business outlook for FY 2024 and beyond. During my first six months as CEO I, together with the rest of the senior management team, have carried out a root and branch review of the operations and financials of the business and have formulated a focused

strategy to see the Group reach revenues in its ImmunoINSIGHTS business not previously achieved. I have been pleased to see some of the strategy beginning to bear fruit and look forward to being able to report on more positive progress in the coming months.

I would like to thank all of Oncimmune's staff, the Board and the company's wider stakeholder group for welcoming me to the company and for their support and positive messages since I joined."

For further information:

contact@oncimmune.com

Singer Capital Markets (Nominated Adviser and Broker)

Philip Davies, Harry Gooden, James Fischer

+44 (0)20 7496 3000

Zeus (Joint Broker)

Dominic King, Victoria Ayton, Dan Bate

+44 (0)20 3829 5000

+44 (0)20 3727 1000

About Oncimmune

Oncimmune is a precision medicine company, specialising in analysing immune interactions through the autoantibody profile. Taking a platform approach to generating insights, Oncimmune is partnering with global pharmaceutical and biotech companies, as well as contract research organisations (CROs) to discover novel biomarkers for the development of more targeted and effective therapies across many immune-mediated diseases. Our mission at Oncimmune is to enable precision medicine. We help our partners to discover novel biomarkers, drug targets and predict treatment efficacy through the application of our platform. We are able to do this by deploying our world class scientific team and our cutting-edge technology platform, built on years of experience in the field. Our aim is to make this an essential tool in drug discovery and development.

Oncimmune is headquartered in the UK, with its discovery and development facility based in Dortmund, Germany and a business development team based in the US and Europe.

For more information, visit www.oncimmune.com

Certain statements in this announcement are forward-looking statements, which include all statements other than statements of historical fact and which are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which may use words such as "aim", "anticipate", "believe", "could", "may", "intend", "estimate", "expect" and words of similar meaning, include all matters that are not historical facts. These forward-looking statements involve risks, assumptions and uncertainties that could cause the actual results of operations, financial condition, liquidity and dividend policy and the development of the industries in which the Company's businesses operate to differ materially from the impression created by the forward-looking statements. These statements are not guarantees of future performance and are

subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given those risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by the Financial Conduct Authority, the London Stock Exchange or applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S REVIEW

We are pleased to report the Group's audited results to 31 August 2023, and provide an update on the further operational and strategic progress made since year end.

Oncimmune is a precision medicine company, specialising in analysing immune interactions through the autoantibody profile. Taking a platform approach to generating insights, Oncimmune is partnering with global pharmaceutical and biotech companies, as well as contract research organisations (CROs) to discover novel biomarkers for the development of more targeted and effective therapies across many immune-mediated diseases.

As a specialist immunology testing business, Oncimmune has a diversified and growing revenue stream from its discovery and development service-based platform, delivering actionable insights into therapies under development to its pharmaceutical and biotech partners.

Oncimmune is headquartered in the UK, with commercial presence in the US and Europe. The ImmunoINSIGHTS platform team is based in Dortmund, Germany.

Business update

FY2023 continued to be a downturn for the biopharma industry, marked by fewer IPOs in the life science industry, particularly in the UK. The rising interest rates in economies around the world, along with persisting geopolitical tensions, have all impacted investor appetite in the sector, and subsequently our customers' access to capital. Additionally, large companies whose valuations rose as a result of the response to the pandemic are now seeing slumping revenues and valuations, which have had a knock-on effect on the wider industry. This downturn has impacted our customers' readiness to use our services.

This period of economic uncertainty and industry-wide cutbacks, has also affected pharma and biotech companies' access to multidisciplinary experience and talent. Consequently, pharma companies have been forced to rely further on the outsourcing market to preserve capital, focus on core competencies, and de-risk their high-value assets. However, this presents a huge opportunity for the ImmunoINSIGHTS platform we have established. Our unique expertise in autoimmune profiling and deep understanding of the immune system will prove our platform's ability to remain robust and resilient, as reflected in our growing pipeline, as well as mounting interest from current clients to explore potential strategic partnerships.

Delivering high quality, differentiated results every time for our ImmunoINSIGHTS customers has allowed us to not only broaden our pipeline of opportunities, but also further deepen our engagement with key customers. This year, we have been focused on signing preferred or master service agreements (MSAs), rather than one-off pilot projects, and we have had the benefit of an increasing proportion of our pipeline made up of repeat customers, accounting for 83% of our current client base. This approach will persist through FY2024, where we will look to not only

maximise the value of those MSAs in place, but also continue to mature relationships of both pilot projects as well as MSAs through to multi contract commercial engagements with top 20 pharma companies.

In FY2023, the team signed 12 new contracts, including extensions. Despite the backdrop of the distraction of the Freenome deal alongside the dearth of capital available for our customers that lead to slower trading in 2023, it should be emphasised that executing on 12 contracts in this current industry is an achievement and a true reflection of the platform's resilience and robustness in delivering quality results and insights.

Strategy update

During Martin's first few weeks of joining the Company, one of his first tasks as new CEO was to complete an initial assessment of Oncimmune's strategic positioning as a team, to relaunch our strategic priorities as well as establish our mission and vision.

Our updated strategy was formally announced post period end on 12 October 2023. We believe that Oncimmune's previous focus on leveraging MSAs with larger pharma companies, whilst successful in securing a number of these agreements, led the Group to be vulnerable to delays in contracting and sample delivery, which impacted on the ability to robustly forecast revenue. The sale of Oncimmune Limited (including the EarlyCDT® blood test business) to Freenome Holdings, Inc has allowed us to refocus our efforts on the ImmunoINSIGHTS platform and scale this business with additional commercial models, encompassing strategic partnerships and value-based pricing. These should help us to deliver a more robust, predictable and sustainable revenue stream from FY2024 onwards.

We will continue to provide ImmunoINSIGHTS service for our customers using a fee for service pricing model, but aim to expand the business model by maximising the value of MSAs already in place and exploring strategic opportunities in new customer verticals, such as translational medicine and clinical CROs.

Our mission at Oncimmune is to enable precision medicine, by using our platform, together with our partners, to discover novel biomarkers and drug targets and to predict the efficacy of treatment. We are able to do this by deploying our world class scientific team and our cutting-edge technology platform, built on years of experience in the field. Our aim is to make this an essential tool in drug discovery and development. Our vision is to become the global experts in technology which enables breakthroughs in precision medicine.

We would like to take this opportunity to extend our sincere gratitude to our dedicated staff, suppliers, and loyal customers for their continued support throughout the recent fiscal period. Their commitment has been instrumental in bolstering our performance amid the year's turbulent financial environment. We also express appreciation to our shareholders for their steadfast support in navigating uncertain market conditions and the Company's transition during this period. Furthermore, we would like to thank Oncimmune's Board and management team, recognising their resourcefulness and resilience throughout the year.

EarlyCDT sale

In May 2023, Oncimmune sold its wholly- owned subsidiaries, Oncimmune Limited (including the CE-marked IVD EarlyCDT Lung blood test, antibody platform and research and development pipeline) and Oncimmune Europe GmbH to Freenome Holdings, Inc. for a total of £13M.

The disposal of this business enabled Oncimmune to refinance its debt with IPF Management SA ("IPF Partners") (the "IPF Facility"), allowing us to refocus the business on ImmunoINSIGHTS, primarily through Oncimmune's subsidiary, Oncimmune Germany GmbH. Separately, Freenome have signed a long-term MSA, under which Freenome will leverage the ImmunoINSIGHTS discovery services for five years, with an initial fixed term of two years, with option to extend for a further three years on the same terms.

Signing the MSA between ImmunoINSIGHTS and Freenome, in addition to the sale, adds Freenome as a new global client alongside eight of the top 15 global pharma companies who utilise the ImmunoINSIGHTS platform. This long-term agreement recognises the inherent value of our platform to generate actionable insights for therapy development as well as diagnostics — further reinforcing our position as a trusted industry leader in enabling precision medicine.

New business model

Since acquiring our immune-profiling business in March 2019, we have built a flexible multiplexing technology platform, capable of processing tens of thousands of samples per year, with a library of more than 9,000 antigens which have been validated for use on the platform (some of which are proprietary to Oncimmune) and a deep understanding of specific disease areas, backed by academic publications and intellectual property. We have worked for eight of the top 15 global pharma companies and have become a qualified supplier with several long-term master services agreements in place, generating repeat business.

During this period, we have successfully delivered 50 commercial projects for 26 customers, eight of which are the largest pharmaceutical companies by revenue. Our track record has allowed us to amass a wealth of data, experimental know-how, and refine statistical workflows across a number of applications – we are now in a position to productise the technology in multiple avenues without requiring significant additional capital investment. As a result, we are now also well-positioned to diversify the Company's business model, expanding from a price-per-sample approach to more strategic partnership models, similar to our long-term relationship with Freenome. This may include co-development projects with upfront project and milestone success fees, with pricing based on the value generated by ImmunoINSIGHTS.

In addition to partnering with biopharma and biotech companies, we intend to accelerate new commercial contracts through strategic partnerships with both translational medicine CROs focused on discovery and pre-clinical projects, and traditional clinical CROs. This should enable us to reach through to a wider customer base beyond our existing commercial infrastructure.

Ultimately, this will allow us to expand our scientific expertise in autoantibody analysis to venture into new areas, such as predicting adverse events in immuno- oncology therapies and developing companion diagnostics. We are also planning to explore new areas in Central Nervous System disorders, longevity and diabetes.

To support the execution of this new commercial strategy, we have augmented and grown our commercial team. Key hires have already been made in Europe and the US, with further expansion planned in the short- and medium-term.

Progress against strategy

After setting out our vision and strategic priorities to the Company, we are pleased to provide the following update on progress against the new strategy during FY2024 so far:

- Seven contracts have been signed for new projects, with additional contracts having been approved by customers and expected to be signed in Q2 FY2024.
- Four of the contracts are with three global pharmaceutical companies who were existing customers, demonstrating Oncimmune's ability to consistently deliver high quality outputs and win repeat business from key accounts. Two of the global pharmaceutical companies have entered into long-term MSAs with us, with the third indicating that it would like to discuss entering into an MSA.
- The fifth contract is with a new customer focused on high throughput drug discovery, reflecting Oncimmune's ability to expand the scientific application of its technology platform in line with its strategy.
- The sixth contract is with a new biotech customer, facilitated through a global CRO. This signals a strong validation of our capacity to effectively leverage CRO collaborations to grow and diversify our customer base.
- Certain of the new contracts signed cover projects in adverse event prognosis and expanding the application of Oncimmune's ImmunoINSIGHTS platform, similarly in line with the strategic objectives previously set out.
- Oncimmune intends to accelerate the generation of new commercial contracts by offering its highly specialised services through CROs, enabling it to reach through to a wider customer base beyond its own direct commercial infrastructure. Discussions have begun with several CROs, including translational medicine (discovery and pre-clinical) and clinical trial focused CROs.

Alistair Macdonald

Chairman

Martin Gouldstone

Director and Chief Executive Officer

FINANCE DIRECTOR'S REVIEW

A summary of the financial highlights of the 12-month period ended 31 August 2023 compared to 15-month period ended 31 August 2022:

- Revenue for the period £2.1M (FY2022: £3.8M). Continuing operations FY2023: £1.2M (FY2022: £2.3M). Discontinued operations FY2023: £0.9M (FY2022: £1.5M).
- Gross profit for the period £1.5M (FY2022: £1.8M). Continuing operations FY2023: £0.8M (FY2022: £1.2M). Discontinued operations FY2023: £0.7M (FY2022: £0.6M).
- Share-based payment (credit)/charge £(1.2)M (FY2022: £1.7M). Continuing operations FY2023: £(1.2)M (FY2022: £1.6M). Discontinued operations FY2023: n/a (FY2022: £0.1M).
- Gain on disposal £12.2M (FY2022: n/a).
- Loss excluding disposal £8.1M (FY2022: n/a).
- Administrative expenses £6.1M (FY2022: £8.7M). Continuing operations FY2023: £5.0M (FY2022: £4.9M). Discontinued operations FY2023: £1.1M, (FY2022: £3.8M).

- Cash balance at period end £3.2M (FY2022: £1.4M).
- Profit for the financial period £4.1M (FY2022: loss of £11.4M). Continuing operations FY2023: loss of £6.2M (FY2022: loss of £6.8M). Discontinued operations FY2023: income profit of £10.3M (FY2022: loss of £4.6M).
- Net debt of £2.1M (2022: net debt £9.2M) including lease liabilities.
- Net debt of £2.0M (2022: net debt £8.6M) excluding lease liabilities.
- Net cash inflow of £1.8M (FY2022: net cash outflow £(7.2)M).

For continuing operations, FY2023 is the 12-month period to 31 August 2023.

For discontinued operations, FY2023 is the period starting 1 September 2022 and ending 19 May 2023.

FY2022 is the 15-month period to 31 August 2022 for both continuing and discontinued operations.

Revenues and commercial progress

Revenue for the year to 31 August 2023, in particular revenue from the ImmunoINSIGHTS™ business, reflects the tight commercial conditions prevailing throughout the global pharma support services sector. ImmunoINSIGHTS continued to service its portfolio of global pharma customers, although it was disappointing that the potential pipeline of commercial contracts failed to materialise into signed projects. In some cases, these project opportunities have been delayed and therefore it is anticipated that they will be contracted in the future. The EarlyCDT® business was sold during the year and therefore revenue for the year reflects the absence of revenue for the period from May to August 2023.

As outlined in the Chairman and Chief Executive Officer's report, the sale of the EarlyCDT business has allowed the Group to focus its entire resources on the ImmunoINSIGHTS business. A rebuilding of the commercial team is underway which is resulting in an encouraging increase in the commercial pipeline.

ImmunoINSIGHTS

During the year the ImmunoINSIGHTS business signed 12 new contracts compared to 18 in the 15-month period to 31 August 2022. Nine of these contracts were for existing customers. The current pipeline of potential new opportunities also reflects the dominance of repeat business from existing customers wanting to utilise the ImmunoINSIGHTS service.

In May 2023 ImmunoINSIGHTS signed a Master Services Agreement ("MSA") with Freenome Holdings, Inc. ("Freenome"), under which Freenome will leverage the ImmunoINSIGHTS discovery services business to further accelerate its pipeline for multiple cancer diagnostics. The MSA contains a guaranteed commitment by Freenome to purchase ImmunoINSIGHTS services worth at least €1.14M per year. The MSA has an overall term of five years, with a fixed initial term of two years and Freenome's option to extend for a further three years on the same terms.

EarlyCDT

In May 2023 the Group sold its EarlyCDT business, including the EarlyCDT Lung product, EarlyCDT platform and autoantibody development business, based in Nottingham, to Freenome for £13.0M (the "Sale"). The Sale was structured as consideration for equity of £1.3M, which is being held in

escrow for 12 months in the event of any claim by Freenome against the customary warranties and indemnity given to Freenome in the sale and purchase agreement, and debt repayment of £11.7M.

Equity fundraise

In December 2022, the Company completed an equity fundraise, raising gross proceeds of £2.1M to provide the Group with additional near-term working capital.

Debt funding

In October 2022, the Group reprofiled its debt banking facility (the "IPF Facility") with IPF Management SA ("IPF Partners"). The new terms provided for the deferral of all principal repayments until June 2024, no further issue of warrants and the continued repayment of interest as from September 2023. An arrangement fee of €1.5M had been agreed, which is payable at final maturity of the debt, with up to 50% (€0.75M) of this fee able to be offset against any warrants already issued to IPF Partners.

In May 2023, the IPF Facility had an outstanding principal balance of €11.6M. As part of the sale of the EarlyCDT business, Oncimmune repaid €7.2M (being €5.6M of principal and €1.6M of interest) of the outstanding IPF Facility. At the same time, Oncimmune entered into a new debt facility (the "New IPF Facility") for the outstanding €6.0M in principal from the previous IPF Facility under which the principal amount is repayable over the next three years. There is a principal repayments holiday for the first 12 months, with interest commencing from September 2023 on the same cash margin rate as in the previous IPF Facility. Repayments under the New IPF Facility have been profiled such that 40% (or €2.4M) of the €6.0M facility will be repaid at the end of the agreement in March 2026. No further warrants were issued to IPF Partners in connection with the New IPF Facility.

The New IPF Facility is secured by fixed and floating charges over the assets of Oncimmune and the shares in Oncimmune Germany GmbH and may be repaid at any time, subject to an early repayment fee. The interest rate is 9% per annum over three-month EURIBOR (subject to a floor of 0%) and is payable quarterly.

Commentary on financial statements

Research and development activities in the year were largely associated with the EarlyCDT business, and as such, will be at lower levels within the ImmunoINSIGHTS business in the forthcoming year.

For the 12 months to 31 August 2023, gross profit was £1.5M.

Administrative expenses for the year were £6.1M (2022: £8.7M). This reduction reflects an overall decrease in costs as well as the removal of costs from the sale of the EarlyCDT business and the costs associated with the restructuring of the board and executive leadership team, announced in June and July 2023.

Cash balance at the end of the year was £3.2M (2022: £1.4M) and net debt was £2.1M including lease liabilities (2022: net debt £9.2M), with net debt of £2.0M excluding lease liabilities (2022: net debt £8.6M).

Having joined Oncimmune in September 2023 at the start of the new financial year, I would like to acknowledge the input provided by Matthew Hall, former CFO, in preparing the Annual Report and Accounts for the year to 31 August 2023.

Martin Hudson

Finance Director

Consolidated statement of comprehensive income
For the year ended 31 August 2023

	Year to 31 August 2023 £'000 Total	15-month period to 31 August 2022 (restated) £'000 Total
Continuing operations		
Revenue	1,152	2,316
Cost of sales	(360)	(1,119)
Gross profit/(loss)	792	1,197
Research and development expenses	(1,255)	(988)
Administrative expenses	(4,961)	(4,866)
Share-based payment credit/(charge)	1,182	(1,636)
Total administrative expenses	(5,034)	(7,490)
Other income	318	6
Operating loss	(3,924)	(6,287)
Finance income	-	8
Finance costs	(2,004)	(299)
Finance costs - net	(2,004)	(201)
Loss before income tax from continuing operations	(5,928)	(6,578)
Income tax charge	(223)	(261)
Loss for the financial year/period from continuing operations	(6,151)	(6,839)
Discontinued operations		
Profit(loss) after tax for the year/period from discontinued operations	10,255	(4,547)
Profit/(loss) for the year/period	4,104	(11,386)
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss, net of tax		
Currency translation differences from continuing operations	(158)	20
Currency translation differences from discontinued operations	-	(150)

Total comprehensive income/(loss) for the year/period attributable to equity holders	3,946	(11,516)
Basic and diluted loss per share (pence) on continuing operations	(8.47)p	(9.91)p
Basic and diluted income/(loss) per share (pence) on discontinued operations	14.13p	(6.58)p
Basic and diluted income/(loss) per share (pence) on continuing & discontinued operations	5.66p	(16.49)p

All activities of the Group in the current and prior periods are classed as continuing. All of the comprehensive income for the period is attributable to the shareholders of Oncimmune Holdings Plc.

The notes contained in the Annual Report form an integral part of these consolidated financial statements.

Consolidated statement of financial position
As at 31 August 2023

	Audited 31 August 2023 £'000	Audited 31 August 2022 £'000
Assets		
Non-current assets		
Goodwill	1,578	1,578
Intangible assets	483	3,017
Property, plant and equipment	471	788
Right-of-use assets	120	552
Deferred tax asset	219	613
	<u>2,871</u>	<u>6,548</u>
Current assets		
Inventories	235	430
Trade and other receivables	1,959	1,340
Contract assets	162	417
Cash and cash equivalents	3,209	1,425
	<u>5,565</u>	<u>3,612</u>
Total assets	<u><u>8,436</u></u>	<u><u>10,160</u></u>
Equity		
Capital and reserves attributable to the equity holders		
Share capital	741	695
Share premium	42,683	40,634
Merger reserve	1,095	31,882
Foreign currency translation reserve	(223)	(42)
Own shares	-	(1,926)
Retained earnings	(43,639)	(75,422)
Total equity	657	(4,179)
Liabilities		
Non-current liabilities		
Deferred tax	104	311
Lease liability	57	295
Borrowings	4,912	3,917
Other liabilities	1,284	2,000
	<u>6,357</u>	<u>6,523</u>
Current liabilities		
Trade and other payables	894	1,176
Contract liabilities	196	180
Other statutory liabilities	-	34
Lease liability	74	321

Borrowings	258	6,105
	1,422	7,816
Total liabilities	7,779	14,339
Total equity and liabilities	8,436	10,160

Martin Gouldstone

Director and Chief Executive Officer

The notes contained in the Annual Report form an integral part of these consolidated financial statements.

The financial statements were approved by the Board on 28 February 2024.

Company registration number: 09818395 (England and Wales)

Consolidated statement of changes in equity

For the year ended 31 August 2023

	Share capital £'000	Share premium £'000	Merger reserve £'000	Foreign currency translation reserve £'000	Own shares £'000	Retained earnings £'000	Total £'000
As at 1 June 2021	691	40,497	31,882	88	(1,926)	(66,005)	5,227
Loss for the period	–	–	–	–	–	(6,839)	(6,839)
Other comprehensive income:							
Currency translation differences	–	–	–	(130)	–	–	(130)
Total comprehensive expense	–	–	–	(130)	–	(6,839)	(6,969)
Discontinued operations	–	–	–	–	–	(4,547)	(4,547)
Transactions with owners:							
Options exercised	4	137	–	–	–	–	141
Warrants issued	–	–	–	–	–	278	278
Share option charge	–	–	–	–	–	1,691	1,691
As at 31 August 2022	695	40,634	31,882	(42)	(1,926)	(75,422)	(4,179)
Loss for the year	–	–	–	–	–	(6,151)	(6,151)
Other comprehensive income:							
Currency translation differences	–	–	–	(158)	–	–	(158)
Total comprehensive income/(expense)	–	–	–	(158)	–	(6,151)	(6,309)
Exchange differences on discontinued operations	–	–	–	(23)	–	–	(23)
Discontinued operations	–	–	–	–	–	10,255	10,255
Transactions with owners:							
Reserves relating to discontinued operations	–	–	(30,787)	–	1,926	28,861	–

Shares issued	46	2,049	—	—	—	—	2,095
Share option credit	—	—	—	—	—	(1,182)	(1,182)
As at 31 August 2023	741	42,683	1,095	(223)	—	(43,639)	657

The notes contained in the Annual Report form an integral part of these consolidated financial statements.

Consolidated statement of cash flows
For the period ended 31 August 2023

	Year to 31 August 2023 £'000	15-month period to 31 August 2022 (restated) £'000
Cash flows from operating activities		
Income/(loss) before income tax from continuing operations	(5,928)	(6,578)
Income/(loss) before income tax from discontinued operations	10,255	(4,981)
Income/(loss) before income tax	4,327	(11,559)
Adjusted by:		
Depreciation and amortisation	981	1,643
Share-based payment (credit)/charge	(1,182)	1,691
Interest receivable	-	(8)
Interest expense	2,954	1,562
Gain on sale of discontinued operations	(12,160)	-
Gain on lease modification	(47)	-
Changes in working capital:		
Decrease/(increase) in inventories	158	(287)
Decrease in trade and other receivables	50	629
(Decrease)/increase in trade and other payables	(231)	363
Cash used in operating activities	(5,150)	(6,692)
Interest paid	(1,635)	(597)
Interest received	-	8
Income tax (paid)/received	(6)	409
Net cash used in operating activities	(6,791)	(6,872)
Cash flows from investing activities		
Purchase of property, plant and equipment	(31)	(306)
Proceeds on sale of property, plant and equipment	39	-
Purchase of intangible assets	-	(625)

Settlement of liabilities assumed by acquirer on disposal	11,700	-
Net cash generated from/(used in) investing activities	(125)	-
Net cash from/(used in) investing activities	11,583	(931)
Cash flows from financing activities		
Net funds raised through share issues	2,095	141
Loan advances	-	2,546
Loan repayments	(4,885)	(1,643)
Principal elements of lease repayments	(225)	(392)
Net cash (used in)/generated from financing activities	(3,015)	652
Net (decrease)/increase in cash and cash equivalents	1,777	(7,151)
Movement in cash attributable to foreign exchange	7	(55)
Cash and cash equivalents at the beginning of the year/period	1,425	8,631
Cash and cash equivalents at the end of the year/period	3,209	1,425

The notes contained in the Annual Report form an integral part of these consolidated financial statements.

1. General information

Oncimmune Holdings Plc (the “Company”) is a limited company incorporated and domiciled in England and Wales. The registered office of the company is 1 Park Row, Leeds, LS1 5AB. The registered company number is 09818395.

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

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

Electronic communications

The Company is not proposing to distribute hard copies of the financial statements for the year to 31 August 2023 unless specifically requested by individual shareholders. An electronic copy of the Annual Report will be available on the Company's website later today.

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

News updates, Regulatory News and Financial statements can be viewed and downloaded from the Company's website, www.uncimmune.com. Copies can also be requested from; The Company Secretary, Oncimmune Holdings plc, 1 Park Row, Leeds, LS1 5AB or by email: contact@uncimmune.com

2. Accounting policies

The principal accounting policies applied in the preparation of the consolidated financial information are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated. The financial statements are for the Group consisting of Oncimmune Holdings Plc and its subsidiaries.

Basis of preparation

The Group has prepared its consolidated financial statements in accordance with UK-adopted international accounting standards.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which are measured at fair value.

The Company was incorporated on 9 October 2015 and was re-registered as a public limited company on 14 December 2015. On 23 November 2015, a Group reorganisation was completed, by means of a share for share exchange, as a result of which the newly incorporated company, Oncimmune Holdings plc, became the parent company of the Group.

The companies involved in the above share for share exchange had not previously been presented in the consolidated financial statements of a single legal entity. However, the underlying business was ultimately controlled and managed by the same parties before and after the share for share exchange,

and that control was not transitory. The transactions outlined above, therefore, met the definition of a common control transaction in accordance with IFRS 3 Business Combinations.

IFRS does not provide any specific guidance on accounting for common control transactions and IFRS 3 excludes common control transactions from its scope; therefore, the Directors had selected an accounting policy in accordance with paragraphs 10-12 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Prior to the disposal of the subsidiaries as discussed in Note 33 in the Annual Report, the consolidated financial statements have been prepared as if Oncimmune Limited and its subsidiaries had been held by Oncimmune Holdings plc from inception, and the results and position of Oncimmune Limited have been reflected in the comparatives.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3 in the Annual Report.

The reporting period for this set of financial statements is the 12-month period to 31 August 2023. Generally pharmaceutical companies' year ends are 31 December, and so they start January with a new budget. An August year end allows the Group to win contracts in the first six months of each calendar year and recognise the majority of the revenue. As the preceding period (the period to 31 August 2022) is three months longer than the current period, the amounts presented in these financial statements are not directly comparable.

The consolidated financial statements are presented in Sterling and have been rounded to the nearest thousand (£'000).

Principles of consolidation and equity accounting

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations.

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary, to ensure consistency with the policies adopted by the Group.

Where a Group company has acquired an investment in a subsidiary undertaking and applies merger relief, under section 612 of the Companies Act 2006, the difference between the nominal value and fair value of the shares issued is credited to the merger reserve.

Discontinued operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of comprehensive income.

Additional disclosures are provided in Note 33 in the Annual Report. All other notes to the consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

Going concern

The Group has prepared the 2023 financial statements on a going concern basis. In preparing the accounts on a going concern basis, the Directors have considered a forecast for the period to 31 March 2025, which includes the impact of the Group's debt obligations, which are described below (base case scenario). The base case scenario assumes cash from contracts with customers for the forecast period being a mix of contracted amounts, contracts currently under negotiation, repeat business from already contracted work and contracts from as yet unidentified opportunities. The base case also assumes that the Group will receive the sum of £1.3M in May 2024, which is currently held in escrow related to the disposal of Oncimmune Limited, as also detailed further below. It is assumed under the base case scenario that budgeted operating costs are sufficient to support the forecast revenue without the need for material additional cost increases.

In respect of the Group's funding position, the Group continues to have a credit facility with IPF Management SA ("IPF Facility" and "IPF Partners" respectively). As at 31 August 2023, the outstanding principal value of the IPF Facility was €6.0M. Interest payments commenced from September 2023 and principal repayments begin in June 2024. Repayments under the IPF Facility have been profiled such that 40% (or €2.4M) of the €6.0M facility will be repaid at the end of the agreement in March 2026. An arrangement fee of €1.5M has been agreed which is payable at final maturity of the debt, with up to 50% (€0.75M) of this fee able to be offset against any warrants exercised by IPF Partners. As is customary with a debt facility such as this, there is a cash covenant requiring the Group to maintain nine months of cash. To monitor compliance with the terms of the IPF Facility, the Directors review monthly management accounts. The base case does not result in breaches of the cash covenant with IPF Partners in the period under consideration.

As part of its disposal of Oncimmune Limited to Freenome Holdings, Inc. in May 2023, the Group agreed that the proceeds of £1.3M be held in escrow for 12 months as security against contractual obligations. Such arrangements are common in disposal transactions of this type. Although the Directors do not anticipate any material claims against the escrow funds and therefore expect the funds to be released to the Group in May 2024, a severe but plausible downside case was also considered. This severe but plausible downside case modelled lower order intake than the base case, and the absence of escrow funds being received. The Directors are satisfied that, in this unlikely scenario, the Group has sufficient headroom and mitigations to continue operating.

Based on the above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.