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Oxford Biomedica PLC  
27 August 2015

**OXFORD BIOMEDICA PLC**  
**INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015**

**Oxford, UK - 27 August 2015:** Oxford BioMedica plc (LSE: OXB), ("OXB" or "the Group") a leading gene and cell therapy group, today announces interim results for the six months ended 30 June 2015.

**HIGHLIGHTS**

**STRATEGY:**

- **Good progress continued in executing the Group's strategy of being a world-leading independent gene and cell therapy business:**
  - Innovative portfolio of gene and cell therapy product candidates
  - Partner of choice for lentiviral vector process development, manufacture and IP
  - Revenue from manufacturing and process development helping to offset cash burn

**OPERATIONAL:**

- **Developments made across wholly-owned lentiviral vector pipeline:**
  - Encouraging results from RetinoStat<sup>®</sup> Phase I study in wet AMD
  - Promising three year follow-up data from ProSavin<sup>®</sup> Phase I/II study. Phase I/II clinical trial utilising OXB-102, a more potent version, on schedule to begin in 2016
  - EncorStat<sup>®</sup> being prepared for Phase I/II study at Moorfields Eye Hospital, London
  - Exciting CAR-T 5T4 research programme, combining LentiVector<sup>®</sup> and 5T4 technology, progressing well
- **Novartis contract delivery on track:**
  - Multiple CTL019 lentiviral vector batches manufactured for Novartis during first half of the year
  - Novartis-led global CTL019 trial ongoing, using OXB-manufactured vector
  - Process development activities well underway and on target
- **Manufacturing capacity expansion:**
  - Harrow House first phase expansion due to complete by end of the year
  - New Yarnton facility on track and nearing completion
  - Windrush Court North Wing refurbishment is on track with new laboratory construction programme in progress
- **Bolstered Board:**
  - Daniel Soland appointed Non-Executive Director of the Board

**FINANCIAL:**

- Revenue of £4.4 million (H1 2014: £4.7 million) due in large part to Novartis contract
- Other operating income of £1.4 million (H1 2014: £0.4 million)
- Research & Development costs of £9.2 million (H1 2014: £6.9 million)
- Net loss of £6.1 million (H1 2014: £4.8 million)
- Capital expenditure £4.6 million (H1 2014: £0.1 million)
- Cash of £15.1 million (31 December 2014: £14.2 million)
- \$50 million (£32.6 million) loan facility secured to finance capacity expansion, pipeline advancements and product acquisitions

**John Dawson, Chief Executive Officer of Oxford BioMedica, said:** "I am very pleased by the progress we have made over the past six months. We have seen encouraging data from both the RetinoStat<sup>®</sup> Phase I study and the long-term follow-up of ProSavin<sup>®</sup> patients which give us further confidence that our lentiviral vector platform can deliver meaningful and sustained long-term benefit to patients. We have also made a good start in delivering the Novartis contract and the Group's sector-leading expertise in integrated gene and cell therapy is clearly in demand. We are well placed to benefit from additional manufacturing contracts and from the opportunities our business model now presents us."

**-Ends-**

An analyst briefing will be held at 09:30am BST on Thursday, 27 August 2015 at the offices of Consilium Strategic Communications, 41 Lothbury, London, EC2V 8AE. There will be a simultaneous live conference call and the presentation will be available on the Group's website at [www.oxfordbiomedica.co.uk](http://www.oxfordbiomedica.co.uk).

Please visit the website approximately five minutes before the conference call, at 09:25 am BST, to download the presentation slides. Conference call details:

**Participant dial-in:** +44 (0) 1452 555566  
**Conference ID:** 17279692

An audio replay file will be made available by the end of the day via the Group's website on the "Media/Download centre/Webcasts and audio" section. Alternatively, you may listen to the replay by dialling the following number:

**Dial-in for replay (available until 24-09-2015):** +44 (0)1452550000  
**Conference ID:** 17279692

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**Disclaimer**

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**Notes to editors****About Oxford BioMedica**

Oxford BioMedica plc (LSE: OXB) is a leading gene and cell therapy group with an unrivalled portfolio of gene therapy products in development and a platform of exclusive and pioneering technologies with which it designs, develops and manufactures unique gene-based medicines for some of world's largest pharmaceutical companies. Leveraging its proprietary lentiviral vector IP and gene delivery system technology platform and unique tumour antigen (5T4), Oxford BioMedica is advancing its proprietary pipeline of gene therapy products addressing diseases for which there are currently no treatments or that are inadequately treated today, including ocular, oncology and central nervous system disorders. OXB Solutions, the Group's industry-leading manufacturing and development business, provides services to collaborators and partners working in gene and cell therapy, including Novartis and Immune Design. In addition, the Group has licenced products and IP to Sanofi, Pfizer, MolMed, Sigma-Aldrich, Biogen, Emergent BioSolutions and ImaginAb. Further information is available at [www.oxfordbiomedica.co.uk](http://www.oxfordbiomedica.co.uk) and [www.oxbsolutions.co.uk](http://www.oxbsolutions.co.uk).

**Overview**

**During the first six months of 2015 Oxford BioMedica continued to make good progress in executing the Group's strategy of building a world-leading independent gene and cell therapy business with high value innovation. The Group has unsurpassed expertise in lentiviral vectors and, as well as advancing its wholly-owned pipeline, has become the partner of choice for process development, manufacture and IP.**

**Oxford BioMedica's innovative proprietary pipeline has progressed well during the period with encouraging data generated from RetinoStat<sup>®</sup> and ProSavin<sup>®</sup> clinical studies and the progression of pre-clinical candidates EncorStat<sup>®</sup> and OXB-102 towards the start of Phase I/II clinical studies in 2016.**

**Lentiviral vectors have several advantages over other vector delivery systems and Oxford BioMedica's dominant position in this arena spans both *in vivo* and *ex vivo* therapies including its own high value portfolio and those of other world-class pharmaceutical companies.**

**The Group's existing manufacturing facility (Harrow House) has, for the first time, operated at full capacity over a six month period with the revenue generated helping to offset cash burn. The Group has started a programme of capacity expansion which, in addition to allowing the Group to meet its commitments to Novartis and internal Oxford BioMedica needs, will also enable the Group to offer services and expertise to new collaborators and partners.**

**Operational review****PRODUCT DEVELOPMENT**

**Proprietary pipeline of wholly-owned clinical and near-clinical stage programmes.**

**RetinoStat<sup>®</sup>**

The results of the RetinoStat<sup>®</sup> Phase I study, a product candidate which uses the Group's lentiviral vector technology, were announced in May 2015. The study, which was conducted with patients suffering from severe late-stage wet age-related macular degeneration (Wet AMD), met the primary endpoints of safety and tolerability. Patients also showed signs of clinical benefit with visual acuity stabilisation and a reduction in vascular leakage consistent with the mechanism of action of endostatin and angiostatin. The data from the Phase I study will be published in a peer-reviewed journal and the Group is currently evaluating the optimal development pathway for this candidate.

**EncorStat<sup>®</sup>**

The Group is working towards the start of a Phase I/II study for EncorStat<sup>®</sup> for the prevention of corneal graft rejection. The clinical Phase I/II study, partially funded by a £1.8 million Innovate UK grant, will be conducted at Moorfields Eye Hospital and is expected to start in the second half of 2016.

**OXB-102 / ProSavin<sup>®</sup>**

In May 2015, Professor Stéphane Palfi MD, PhD presented at the American Association of Neurological Surgeons (AANS) conference the results of the long term (three year) follow up of the fifteen Parkinson's disease patients in the Phase I/II study of ProSavin<sup>®</sup>. A significant improvement in mean unified Parkinson's disease rating scale (UPDRS) part III motor scores in the off medication compared to baseline in all patients had been observed at six and twelve months. The follow up to date has shown that this improvement has been sustained in the majority of patients for up to three years in this progressively degenerative disease.

The data supports the continued development of OXB-102, an enhanced construct of ProSavin<sup>®</sup>, which pre-clinical studies have shown to be five to ten times more potent than ProSavin<sup>®</sup>. Clinical trial material has been manufactured and the clinical Phase I/II study is planned to start in 2016, partially funded by a £2.2 million grant from Innovate UK.

## **Trovax<sup>®</sup>**

One Phase I/II and two Phase II investigator-sponsored studies to assess the safety and immunological activity of Trovax<sup>®</sup> in patients with inoperable metastatic colorectal cancer, mesothelioma and ovarian cancer, are ongoing with a biomarker being used to select patients. Encouraging interim data from the colorectal cancer study was presented at The Cancer Vaccine Institute's Second International Symposium on Immunotherapy in May 2015. This study and the mesothelioma study are both expected to report towards the end of 2015 and in 2016. In addition, a Phase I study investigating Trovax<sup>®</sup> in early-stage prostate cancer patients has recently opened (sponsored by the University of Oxford and funded from the European Union Seventh Framework Programme (FP7/2007-2013) under grant agreement no 602705).

## **Research/pre-clinical stage programmes**

### **Glaucoma-GT**

The glaucoma pre-clinical development with the Mayo Clinic to demonstrate proof of concept by lowering of intraocular pressure is likely to complete in 2016.

### **MoNuDin<sup>®</sup>**

MoNuDin<sup>®</sup> continues to progress well in pre-clinical development with results expected by the end of 2016.

### **CAR-T 5T4**

The Group is researching a potential product which combines both its lentiviral vector and 5T4 technology platforms. The product is based on a gene modified autologous T cell which is engineered using a lentiviral vector to express an antibody against 5T4. The T-cell would then be infused into the patient where it would recognise the 5T4 tumour antigen and trigger the normal T cell killing mechanisms which destroy the cancer cell. This new product concept is currently in research and is expected to complete this stage during 2016.

## **Partnered programmes**

### **SAR 422459 and SAR 421869**

Sanofi licensed SAR 422459 and SAR 421869 from Oxford BioMedica in 2014 for the treatment of orphan ophthalmology diseases Stargardt disease and Usher syndrome respectively. Sanofi is now fully responsible for the development of these products and has taken over management of the current Phase I/II clinical trials. The Group is eligible to receive development and commercialisation milestone payments and royalties on any future sales.

### **Anti-5T4 antibody licence**

Due to a reassessment of its portfolio prioritisation Pfizer has recently terminated recruitment to their Phase I study (PF-06263507) incorporating an anti-5T4 antibody licensed from Oxford BioMedica. This decision is not related to data emerging from the current study nor to any safety concerns and the existing 5T4 license agreement with Pfizer remains unaffected.

## **PROCESS DEVELOPMENT AND MANUFACTURING**

Throughout the first six months of 2015 Oxford BioMedica's existing manufacturing facility operated at full capacity, apart from brief periods for routine and planned maintenance and cleaning. The Group has manufactured a batch of OXB-102, for the Phase I/II Parkinson's disease study planned to start in 2016, and also several batches of CTL019 for Novartis. CTL019 is Novartis's investigational chimeric antigen receptor (CAR) T cell therapy for the treatment of paediatric and adult patients with relapsed/refractory acute lymphoblastic leukaemia.

### **Capacity expansion**

To be able to meet its obligations under the Novartis contract, the Group is in the process of expanding its existing Harrow House manufacturing facility as well as opening a new manufacturing facility in Yarnton, also in Oxford, UK. These developments will ultimately increase the physical space for manufacturing by around five-fold. Work has also started on expanding and upgrading the laboratories at Windrush Court so that the Group can complete its move out of the Medawar Centre by March 2016. The total spend on these expansion plans is expected to be in the region of £20 million with the project scheduled to complete in 2016. The new facility at Yarnton is expected to be the first of these to come on line, probably in the fourth quarter of 2015.

The Group has also been hiring new employees to meet the demands of the Novartis contract. The total number of employees at 30 June 2015 was 192, up from 134 at the end of 2014 and 107 at 30 June 2014. The bulk of the new employees are either directly or indirectly involved with the production and quality control processes, although there have also been increases in headcount working on process and other technical development projects.

The Group is actively seeking further revenue-generating opportunities from licensing its technology and signing further process development and manufacturing contracts with third parties. As more gene and cell therapy products progress into clinical development, there is increasing interest from other companies for Oxford BioMedica's process development and manufacturing capabilities.

## **LOAN FACILITY**

In May 2015 the Group announced that it had secured a \$50 million (£32.6 million) loan facility from Oberland Capital Healthcare (Oberland). The funds are being used to invest in the Group's capacity expansion programme. To date \$25 million (£16.3 million) of the loan has been drawn down, with the remaining funds available in minimum tranches of \$5 million at the Group's option prior to 31 December 2016. The UK Government's Advanced Manufacturing Supply Chain Initiative (AMSCI) £5.3 million loan facility is now terminated and the £3 million drawn down has been repaid.

## **BOARD UPDATE**

On 7 May 2015, Daniel Soland was appointed as a Non-Executive Director of the Group. Mr Soland has an outstanding track-record of leadership and innovation and a strong knowledge of the US environment. His extensive experience of clinical development, launching of new drugs and manufacturing is highly relevant as Oxford BioMedica continues the expansion of its already successful OXB Solutions business. Mr. Soland worked at ViroPharma from 2006 to 2014. He was Senior Vice President and Chief Operating Officer when it was acquired by Shire in 2014. During his time at ViroPharma, Mr. Soland managed the commercial, manufacturing and quality organisations, helped build the

company's commercial infrastructure in the United States, Europe, and Canada and led the launch of Cinryze<sup>®</sup>, one of the most successful ultra-orphan drugs in the United States. Previously, he was President at Chiron Vaccines growing the business to more than \$1 billion in sales, and President and Chief Executive Officer of Epignesis Pharmaceuticals. He currently serves on the board of directors of Tarsa Therapeutics, DBV Technologies SA., and ACADIA Pharmaceuticals.

## Financial Review

The first six months of 2015 have been notable for a substantial step up in the Group's activities on several fronts and the impact of these can be clearly seen in the financial statements. Income from manufacturing and process development activities for Novartis increased compared with the comparable period in 2014 although costs have also risen as the Group has invested in both staff and facilities to service the increased demand.

The number of employees has increased from 134 at 31 December 2014 (107 at June 2014) to 192 at 30 June 2015. The majority of the new employees have been recruited to support the expanding production and process development activities, although there has also been some increase in supporting staff.

Having secured the Novartis contract in October 2014 Oxford BioMedica acquired Windrush Court, Oxford, as our new office and laboratory complex, which requires a complete refurbishment and re-fit of the laboratories. The Group expects to vacate its long-standing facility at the Medawar Centre at the end of the first quarter of 2016, at which point duplication in facility costs will cease.

As well as investing in the Windrush Court laboratories, the Group is also incurring substantial capital expenditure on expanding its manufacturing facilities at Harrow House, and bringing on line a new facility at Yarnton. The Group expects to incur expenditure in the region of £20 million during 2015 and 2016 on these projects although the later stages of the phased Harrow House expansion project have yet to be put out to tender and so resultant costs are not certain.

In May 2015 the Group announced a \$50 million loan facility provided by Oberland of which \$25 million has already been drawn down. Part of the proceeds were used to repay the loan facility provided under the UK Government's Advanced Manufacturing Supply Chain Initiative (AMSCI).

The net loss for the six months ended 30 June 2015 was £6.1 million (H1 2014: £4.8 million), with a cash outflow from operating activities and capital expenditure of £13.9 million (H1 2014: £5.0 million). At 30 June 2015, the Group had cash, cash equivalents and financial assets available for sale totalling £15.1 million.

### Income statement

Total income - i.e. the aggregate of Revenue and Other Operating Income - was £5.8 million in H1 2015 compared with £5.1 million in H1 2014, an increase of 14%. Note that process development income in 2015 arising from the October 2014 Novartis collaboration is included in Other Operating Income whereas process development income in 2014, which arose under the May 2013 contract, is included in Revenue. This difference in accounting treatment is due to the differing nature of the two contracts with process development income under the 2014 contract essentially being the reimbursement of R&D costs incurred in developing IP which Oxford BioMedica will own.

Over 85 per cent of the Revenue of £4.4 million in the first half of 2015 was derived from the Novartis manufacturing contract announced in October 2014, with the balance arising from ongoing work for Sanofi and small, long-standing intellectual property licence agreements. In the comparable period in 2014 Novartis manufacturing and process development activities represented approximately three-quarters of the £4.7 million revenues, with revenues from Sanofi adding around one-fifth.

It is worth noting that the Harrow House "GMP1" manufacturing facility has operated at full capacity for the whole period, except for a shut-down period for routine maintenance and cleaning at the start of the year. Manufacturing revenues from Novartis were nearly 50% higher in the first six months of 2015 than in the same period of 2014 despite the Group also manufacturing a batch of OXB-102 for the Phase I clinical trial during the six-month period.

Other Operating Income in 2015 of £1.4 million includes income from both Novartis process development work and grants receivable whereas in 2014 (£0.4 million) only grants were included, with process development included in Revenue. Process development in 2015 was about 30 per cent lower than in 2014 whereas grants receivable are more than 80 per cent higher in 2015 than in 2014. The increase in grants receivable was caused by the step up in activities related to EncorStat<sup>®</sup> and OXB-102, which both receive grants from Innovate UK, and also the process development activities covered by the grant from the AMSCI. Grants from these bodies typically cover 60 per cent of the actual costs incurred.

The increase in cost of sales to £2.4 million from £1.9 million in 2014 is due entirely to the increased manufacturing activity. Cost of sales includes the costs of raw materials, the direct and indirect labour associated with manufacture, quality control, analytical testing, facility costs and overheads.

R&D costs rose from £6.9 million in the first half of 2014 to £9.2 million in the first half of 2015, an increase of £2.3 million. Of the £9.2 million, there are £1.7 million production-related costs (2014: £1.1 million) which are not charged as cost of sales, although approximately £0.4 million of this cost has been incurred by the need to recruit and train production-related staff for the new Yarnton facility which should start production in the fourth quarter of 2015. Product and technical development activities, including laboratory support and facility costs, amount to £5.2 million (2014: £3.8 million) of which around £2.0 million is covered by revenues from third parties and grants. The support and facility costs are somewhat duplicated in 2015 due to the acquisition of Windrush Court whilst still retaining the Medawar Centre facility on the Oxford Science Park which the Group plans to vacate next year when the significant laboratory upgrade at Windrush Court is complete. The remaining £2.3 million (2014: £2.6 million) within R&D includes management costs relating to R&D and business development activities and also costs incurred in managing the Group's intellectual property estate.

Administrative expenses were £2.5 million (H1 2014: £1.8 million). Approximately half of these costs are payroll-related costs which have risen by around £0.4 million due to the need to increase support and management functions to support the business's expansion. The rest of the costs include items such as insurance, IT, and the costs of being a publicly listed company.

Finance costs of £348,000 in the first half of 2015 comprise the interest costs of the AMSCI loan facility from January until it was repaid at the end of April and the Oberland loan facility for the period since the start of May. The £212,000 in 2014 arose on the £5 million loan facility provided by Vulpes Life Sciences Fund during the first half of 2014, and which was fully repaid in June 2014.

The net tax credit of £2.5 million (H1 2014: £0.8 million) represents amounts recoverable under current legislation for UK R&D tax credits. The significant increase in 2015 is caused by increases in the tax credit rates during 2014 and includes an upside arising from a successful claim for 2014 which exceeded the estimate included in the 2014 full year financial statements.

The resulting net loss for the period of £6.1million was £1.3 million higher than the £4.8 million net loss in the first half of 2014.

## Balance sheet

Non-current assets increased from £11.1 million at the start of the year to £15.1 million at 30 June 2015 driven by the capacity expansion programme. Additions to Property, Plant and Equipment in the six months amounted to £4.6 million, with £3.9 million being spent on construction-related work and £0.6 million on new manufacturing and laboratory equipment. During this period the Group has completed the refurbishment of the warehouse facility at Windrush Court which will now be used as our primary ambient materials warehouse and substantial progress has also been made in building the new clean room facilities at Yarnton (near Oxford). The Group expects the construction contractors to hand over the Yarnton facility during the third quarter and that the facility should become operational in the fourth quarter. Work to expand the existing manufacturing facility, Harrow House, is underway but the need to progress carefully so as to avoid disrupting the ongoing production in the "GMP1" suite means that this development will last into the second half of next year. The building of the new laboratory complex in Windrush Court is now underway following an extensive design phase to ensure the laboratories will meet the Group's longer term capacity needs for laboratory space and capabilities.

Current assets have increased from £22.8 million at 31 December 2014 to £26.4 million at 30 June 2015. The cash balance is £0.9 million greater and the remaining £2.7 million increase arises from higher inventory and R&D tax credit balances, although trade and other receivables are slightly lower than at the 2014 year end.

Current liabilities at 30 June 2015 at £8.5 million are £0.7 million lower than at 31 December 2014, although this is somewhat distorted by the re-allocation of the £0.5 million dilapidation provision in respect of the Medawar centre lease from non-current to current liabilities. This is because the lease expires in March 2016. Excluding this provision, current liabilities are £1.3 million lower than at the year end, mainly due to lower trade and other payables.

Non-current liabilities have increased from £1.5 million at 31 December 2014 to £15.7 million at 30 June 2015. The £1.0 million loan at 31 December 2014 was the AMSCI loan facility which has since been fully repaid as it was re-financed by the Oberland facility, announced in May 2015, of which the Group has drawn down \$25 million (£16.3 million). As described above, the dilapidation provision has been re-allocated from non-current liabilities at the end of 2014 to current liabilities at 30 June 2015.

## Cash resources

Cash, cash equivalents and available for sale investments increased from £14.2 million at 31 December 2014 to £15.1 million at 30 June 2015.

Cash used in operations in the period after interest paid was £9.2 million (H1 2014: £5.0 million) although it should be noted that the 2014 cash flow benefitted from the receipt of the £1.6 million R&D tax credit in respect of 2013. The claim in respect of 2014 had not been settled by 30 June 2015 but was received in August 2015.

Cash outflows from investing activities were £4.6 million in the first half of 2015 (2014: £3.0 million) entirely due to the capital expenditure programme.

Cash flows from financing activities were predominantly due to the drawdown of \$25 million under the Oberland loan facility announced in May 2015. The loan facility provided by the UK Government's Advanced Manufacturing Supply Chain Initiative was fully repaid following the drawdown of the Oberland loan. The £87,000 proceeds from the issue of share capital arose from the exercise of share options by employees.

The net impact on cash of the operating, investing and financing activities was an increase in cash balances of £1.3 million.

## Financial outlook

The Group has started the second half of 2015 with £15.1 million cash and a further \$25 million which can be drawn down from the Oberland loan facility. The Group will continue to utilise cash in operating activities although, during the fourth quarter of 2015, it is expected that the Yarnton manufacturing facility will come on line and double manufacturing capacity. This will lead to an increase in revenues without a commensurate increase in costs as the employees required for productions at Yarnton have already been recruited and are being trained. The Group also anticipates that a portion of the process development milestones which may be earned under the Novartis contract could be recognised in the second half of 2015. Capital expenditure will increase in the second half of 2015 as the Group completes the Yarnton facility and continues with the current Harrow House expansion phase. Most of the work on the Windrush Court laboratories is also expected to be carried out during the next six months.

## Principal risks and uncertainties

The principal risks and uncertainties facing the Group are those set out in the 2014 Annual Report & Accounts which is available on the Group's website at [www.oxfordbiomedica.co.uk](http://www.oxfordbiomedica.co.uk). The principal risks and uncertainties remain the same for the second six months of the year.

## Going concern

Having reassessed the principal risks and uncertainties in the business, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the interim financial information.

## Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2015

		Six months ended 30 June 2015	Six months ended 30 June 2014
	Notes	£'000	£'000
Revenue		4,382	4,727
Cost of sales		(2,385)	(1,861)
<b>Gross profit</b>		<b>1,997</b>	2,866
Research & Development costs		(9,201)	(6,857)
Administrative expenses		(2,507)	(1,823)
Other operating income		1,439	396
<b>Operating loss</b>		<b>(8,272)</b>	(5,418)
Finance income		20	6
Finance costs		(348)	(212)
<b>Loss before tax</b>		<b>(8,600)</b>	(5,624)
Taxation		2,475	823
<b>Loss for the period</b>		<b>(6,125)</b>	(4,801)

Total recognised comprehensive expense for the period attributable to owners of the parent

(6,125)

(4,801)

Basic loss and diluted loss per ordinary share

(0.24p)

(0.32p)

The notes on pages 13 to 17 form part of this financial information.

## Consolidated Balance Sheet

as at 30 June 2015

	Notes	30 June 2015 £'000	31 December 2014 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets		1,924	2,106
Property, plant and equipment	6	13,138	8,944
		<b>15,062</b>	11,050
<b>Current assets</b>			
Inventory	7	2,023	1,407
Trade and other receivables	8	4,749	5,153
Current tax assets		4,480	2,000
Cash and cash equivalents	9	15,116	14,195
		<b>26,368</b>	22,755
<b>Current liabilities</b>			
Trade and other payables	10	5,226	6,304
Deferred income	11	2,719	2,927
Provisions	13	536	-
		<b>8,481</b>	9,231
<b>Net current assets</b>		<b>17,887</b>	13,524
<b>Non-current liabilities</b>			
Loans	12	15,694	1,000
Provisions	13	-	535
		<b>15,694</b>	1,535
<b>Net assets</b>		<b>17,255</b>	23,039
<b>Shareholders' equity</b>			
Share capital	14	25,686	25,659
Share premium	14	141,675	141,615
Merger reserve		2,291	2,291
Treasury reserve		(102)	(226)
Other reserves		(682)	(682)
Accumulated losses		(151,613)	(145,618)
<b>Total equity</b>		<b>17,255</b>	23,039

The notes on pages 13 to 17 form part of this financial information.

## Consolidated Statement of Cash Flows

for the six months ended 30 June 2015

	Notes	Six months ended 30 June 2015 £'000	Six months ended 30 June 2014 £'000
<b>Cash flows from operating activities</b>			
Cash used in operations	15	(8,913)	(6,358)
Tax credit received		-	1,603
Interest paid		(321)	(212)
Overseas tax paid		(5)	-
Net cash used in operating activities		<b>(9,239)</b>	(4,967)
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(4,644)	(50)
Net maturity of available for sale investments		-	(3,000)
Interest received		23	6
Net cash generated by investing activities		<b>(4,621)</b>	(3,044)
<b>Cash flows from financing activities</b>			
Loans received / repaid	12	15,107	1,000
Proceeds from issue of ordinary share capital		87	21,568
Costs of share issues		-	(1,472)
Net cash generated by financing activities		<b>15,194</b>	21,096
<b>Net increase in cash and cash equivalents</b>		<b>1,334</b>	13,085
Cash and cash equivalents at 1 January		14,195	2,169
Effects of exchange rate changes		(413)	-
<b>Cash and cash equivalents at period end</b>	9	<b>15,116</b>	15,254

## Statement of Changes in Equity Attributable to Owners of the Parent for the six months ended 30 June 2015

	Share capital £'000	Share premium £'000	Merger reserve £'000	Treasury reserve £'000	Other reserves £'000	Accumulated Losses £'000	Total £'000
<b>At 1 January 2014</b>	<b>14,162</b>	<b>130,304</b>	<b>14,310</b>	-	<b>(682)</b>	<b>(149,196)</b>	<b>8,898</b>
Six months ended 30 June 2014:							
Exchange adjustments	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	(4,801)	(4,801)
Total comprehensive expense for the period	-	-	-	-	-	(4,801)	(4,801)
Transactions with owners:							
Share options							
Value of employee services	-	-	-	-	-	102	102
Issue of shares excluding options	10,784	10,784	-	-	-	-	21,568
Cost of share issues	-	(1,472)	-	-	-	-	(1,472)
<b>At 30 June 2014</b>	<b>24,946</b>	<b>139,616</b>	<b>14,310</b>	-	<b>(682)</b>	<b>(153,895)</b>	<b>24,295</b>
Six months ended 31 December 2014:							
Exchange adjustments	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	(3,860)	(3,860)
Total comprehensive expense for the period	-	-	-	-	-	(3,860)	(3,860)
Transactions with owners:							
Share options							
Value of employee services	-	-	-	-	-	118	118
Issue of shares excluding options	713	1,987	-	-	-	-	2,700
Costs of share issue	-	12	-	-	-	-	12
Realisation of merger reserve	-	-	(12,019)	-	-	12,019	-
Deferred share award	-	-	-	(226)	-	-	(226)
<b>At 31 December 2014</b>	<b>25,659</b>	<b>141,615</b>	<b>2,291</b>	<b>(226)</b>	<b>(682)</b>	<b>(145,618)</b>	<b>23,039</b>
Six months ended 30 June 2015:							
Exchange adjustments	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	(6,125)	(6,125)
Total comprehensive expense for the period	-	-	-	-	-	(6,125)	(6,125)
Transactions with owners:							
Share options							
Value of employee services	-	-	-	-	-	254	254
Issue of shares excluding options	27	60	-	-	-	-	87
Vesting of deferred share award	-	-	-	124	-	(124)	-
<b>At 30 June 2015</b>	<b>25,686</b>	<b>141,675</b>	<b>2,291</b>	<b>(102)</b>	<b>(682)</b>	<b>(151,613)</b>	<b>17,255</b>

The notes on pages 13 to 17 form part of this financial information.

## Notes to the Financial Information

### 1. General information and basis of preparation

These condensed consolidated interim financial statements for the six months ended 30 June 2015 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 *Interim Financial Reporting* as adopted by the European Union. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2014.

These condensed consolidated interim financial statements do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2014 were approved by the Board of Directors on 12 March 2015 and have been delivered to the Registrar of Companies. The report of the Auditors on the 2014 accounts was unqualified.

These condensed consolidated interim financial statements were approved by the Board of Directors on 26 August 2015. They have not been audited.

The Company is a public limited company incorporated and domiciled in the UK. The Company is listed on the London Stock Exchange.

### 2. Going concern

Having reassessed the principal risks and uncertainties in the business, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the interim financial information.

### 3. Accounting policies

The accounting policies applied in these interim financial statements are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

#### Accounting developments

The Directors have considered all new standards, amendments to standards and interpretations which are mandatory for the first time for the financial year beginning 1 January 2015 and there are none which impact the group in the period.



## Use of estimates and assumptions

In applying the Group's accounting policies, management is required to make judgements and assumptions concerning the future in a number of areas. Actual results may be different from those estimated using these judgements and assumptions.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were in the same areas as those that applied to the consolidated financial statements for the year ended 31 December 2014. Specifically these are revenue recognition, intangible asset impairment, and going concern.

## Seasonality

The Group's operations are not subject to seasonal fluctuations.

## 4. Segmental analysis

The chief operating decision-maker has been identified as the Senior Executive Team (SET), comprising the Executive Directors, Kyriacos Mitrophanous and James Miskin. The SET considers that the business comprises a single activity, which is biotechnology research and development, and the related manufacturing. The SET reviews the Group's financial performance on a whole-company, consolidated basis in order to assess performance and allocate resources. Therefore the segment financial information is the same as that set out in the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of cash flows and the consolidated statement of changes in equity.

## 5. Basic loss and diluted loss per ordinary share

The basic loss per share has been calculated by dividing the loss for the period by the weighted average number of shares of 2,567,485,430 in issue during the six months ended 30 June 2015 (six months ended 30 June 2014: 1,499,563,938).

As the Group is loss-making, there were no potentially-dilutive ordinary shares in either period which would serve to increase the loss per ordinary share. There is therefore no difference between the loss per ordinary share and the diluted loss per ordinary share.

## 6. Property, plant & equipment

	Freehold property £'000	Short leasehold improvements £'000	Office equipment and computers £'000	Manufactu- ring and Laboratory equipment £'000	Assets under construc- tion <sup>1</sup> £'000	Total £'000
<b>Cost</b>						
At 1 January 2015	6,887	2,623	820	5,335	646	16,311
Additions at cost	454	-	198	575	3,417	4,644
At 30 June 2015	7,341	2,623	1,018	5,910	4,063	20,955
<b>Depreciation</b>						
At 1 January 2015	698	2,579	595	3,495	-	7,367
Charge for the period	112	21	58	259	-	450
At 30 June 2015	810	2,600	653	3,754	-	7,817
<b>Net book amount at 30 June 2015</b>	<b>6,531</b>	<b>23</b>	<b>365</b>	<b>2,156</b>	<b>4,063</b>	<b>13,138</b>

<sup>1</sup> Assets under construction represents the capitalisation of ongoing construction works at the Harrow House and Yarrton manufacturing facilities. The opening balance within Assets under construction was included in Freehold property and Short leasehold improvements in the 2014 year-end financial statements

## 7. Inventory

	30 June 2015 £'000	31 December 2014 £'000
Raw materials	1,440	1,214
Work-in-progress	583	193
<b>Inventory</b>	<b>2,023</b>	<b>1,407</b>

Inventories constitute raw materials held for commercial manufacturing purposes, and work-in-progress inventory related to contractual manufacturing obligations.

## 8. Trade and other receivables

	30 June 2015 £'000	31 December 2014 £'000
<b>Amounts falling due within one year</b>		
Trade receivables	2,887	3,621
Accrued income	441	340
Other receivables	25	16
Other tax receivable	629	397
Prepayments	767	779
<b>Total trade and other receivables</b>	<b>4,749</b>	<b>5,153</b>

## 9. Cash and cash equivalents

	30 June 2015 £'000	31 December 2014 £'000
Cash at bank and in hand	15,116	14,195
<b>Total cash and cash equivalents</b>	<b>15,116</b>	<b>14,195</b>

## 10. Trade and other payables - current

	30 June 2015 £'000	31 December 2014 £'000
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Trade payables	2,324	2,787
Other taxation and social security	337	270
Other accruals	2,565	3,247
<b>Total trade and other payables</b>	<b>5,226</b>	<b>6,304</b>

## 11. Deferred income - current

	<b>30 June</b>	31 December
	<b>2015</b>	2014
	<b>£'000</b>	£'000
<b>Total deferred income</b>	<b>2,719</b>	2,927

Deferred income derives from contractual arrangements with customers.

## 12. Loans

During May 2015 an agreement was entered into with Oberland Capital for a \$50 million loan facility of which \$25 million (£16.3m) was drawn down immediately. £213,000 of legal fees incurred in setting up the loan facility have been capitalised in terms of IFRS 9.

As part of the drawdown of the first \$25 million tranche, the £5.3 million loan facility provided by the UK Government's Advanced Manufacturing Supply Chain Initiative was terminated and the outstanding balance of £3 million repaid.

## 13. Provisions

The provision of £536,000 (2014: £535,000) relates to anticipated costs of restoring the leasehold property in Oxford, UK to its original condition in 2016 at the end of the present leases, discounted to the balance sheet date. The provision will be utilised at the end of the leases if they are not renewed.

## 14. Share capital and Share premium

At 31 December 2014 and 30 June 2015 the Company had issued share capital of 2,565,896,766 and 2,568,696,616 ordinary 1p shares respectively.

## 15. Cash flows from operating activities

### Reconciliation of loss before tax to net cash used in operations

	<b>Six months ended 30 June 2015</b>	Six months ended 30 June 2014
	<b>£'000</b>	£'000
<b>Continuing operations</b>		
Loss before tax	(8,600)	(5,624)
Adjustment for:		
Depreciation	450	347
Amortisation of intangible assets	182	198
Finance income	(20)	(6)
Finance expense	348	212
Charge in relation to employee share schemes	254	102
Changes in working capital:		
(Increase) / decrease in inventories	(616)	105
Decrease / (increase) in trade and other receivables	401	(1,551)
(Decrease) / increase in trade and other payables	(1,105)	278
Decrease in deferred income	(208)	(421)
Increase in provisions	1	2
<b>Net cash used in operating activities</b>	<b>(8,913)</b>	<b>(6,358)</b>

## 16. Statement of Directors' responsibilities

The Directors of Oxford BioMedica plc are set out on page 17 of this report.

The condensed consolidated interim financial statements are the responsibility of, and have been prepared by, the Directors. The Directors confirm that they have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34 'Interim financial reporting' as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- An indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related party transactions in the first six months and any material change in related-party transactions described in the last annual report.

By order of the Board

**John Dawson**  
Chief Executive Officer  
26 August 2015

## Shareholder Information

<p><b>Directors</b> Nick Rodgers (Non-executive Chairman)</p> <p>John Dawson (Chief Executive Officer)</p> <p>Tim Watts (Chief Financial Officer and Company Secretary)</p> <p>Peter Nolan (Chief Business Officer)</p> <p>Paul Blake (Chief Development Officer)</p> <p>Andrew Heath (Deputy Chairman and Senior Independent Director)</p> <p>Dan Soland (Non-executive Director)</p> <p>Martin Diggle (Non-executive Director)</p>	<p><b>Financial Adviser</b> WG Partners 85 Gresham Street London EC2V 7NQ</p> <p><b>Registrars</b> Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU</p> <p><b>Financial and Corporate Communications</b> Consilium Strategic Communications 41 Lothbury London EC2R 7HG</p> <p><b>Registered Auditors</b> PricewaterhouseCoopers LLP One Reading Central 23 Forbury Road Reading RG1 3JH</p> <p><b>Solicitors</b> Covington &amp; Burling LLP 265 Strand London WC2R 1BH</p>
<p><b>Registered Office</b></p> <p><b>Oxford BioMedica plc</b> Windrush Court Transport Way Oxford OX4 6LT United Kingdom</p> <p>Tel: +44 (0) 1865 783 000 Fax: +44 (0) 1865 783 001</p> <p><a href="mailto:enquiries@oxfordbiomedica.co.uk">enquiries@oxfordbiomedica.co.uk</a> <a href="http://www.oxfordbiomedica.co.uk">www.oxfordbiomedica.co.uk</a></p>	

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