

Full Year Results June 2020 – Investor Presentation

5 October 2020

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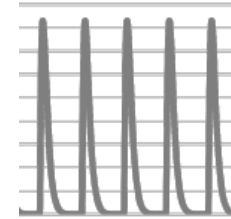


Physiomics is focused on modelling cancer



Knowledge of
cancer

PK/ PD* modelling
using Virtual Tumour™



Ability to access
and curate data

Understanding of AI/
machine learning



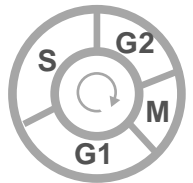


We work with biotech/ pharma and develop personalised oncology tools

Supporting oncology R&D



- Analytical and modelling support for oncology pre-clinical development



- **Virtual Tumour™** in-silico platform predicts tumour regression
- Focus on optimisation of combination regimes including immune-oncology, DNA damage & repair agents, radiation

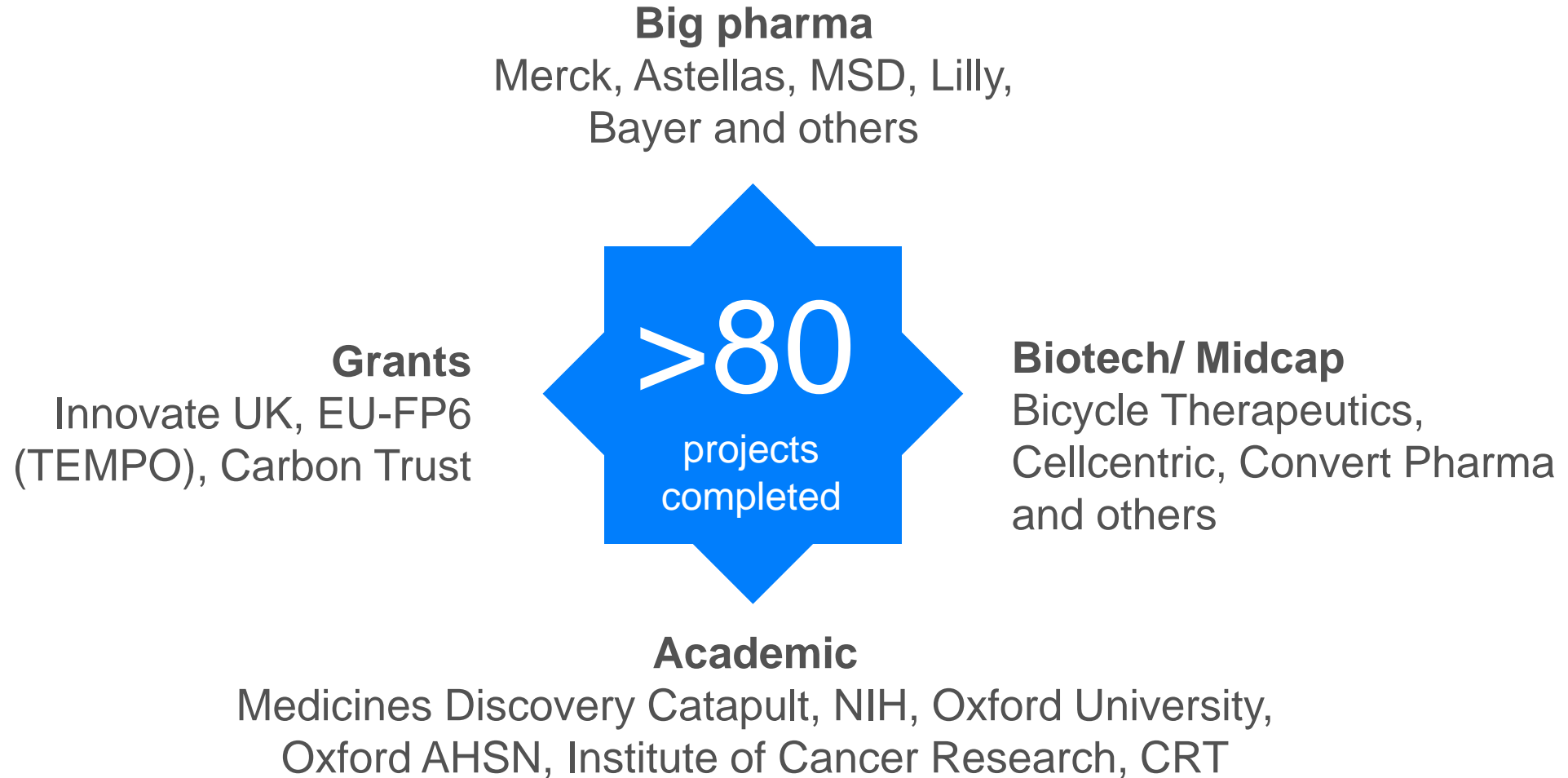
Personalised oncology



- Grant funded by Innovate UK
- Potential to predict toxicity and response to treatment for individuals or groups
- Potential applications in real world or trials
- Feasibility project competed



We've completed over 70 commercial and grant funded projects





How we support development

Recommend **efficacy/ toxicity** trade-offs



Recommend experiments to **confirm and refine hypotheses** if desired



Recommend **combination partner agent** for proprietary in-house asset



Assess efficacy of existing assets in **new indications**



Predict **biologically effective dose in humans** to support clinical translation



Help build **story** for investors/ partners





Selected financial highlights: year ending 30 Jun 2020

- Total income (revenue and grant income) increased 7% to £841,649 (2019: £783,101), the highest in the Company's history
- The operating loss decreased 33% to £134,385 (2019: £201,219)
- The loss after taxation decreased 38% to £64,424 (2019: £104,040)
- Placing and subscription in May 2020 raised £828,750 (gross) through the issue of 23,678,571 new ordinary shares at an issue price of 3.5 pence per share
- At 30 June 2020, the surplus of shareholders' funds was £1,314,981 (30 June 2019: £607,914)
- Cash and cash equivalents at 30 June 2020 of £1,047,860 (30 June 2019: £405,366)

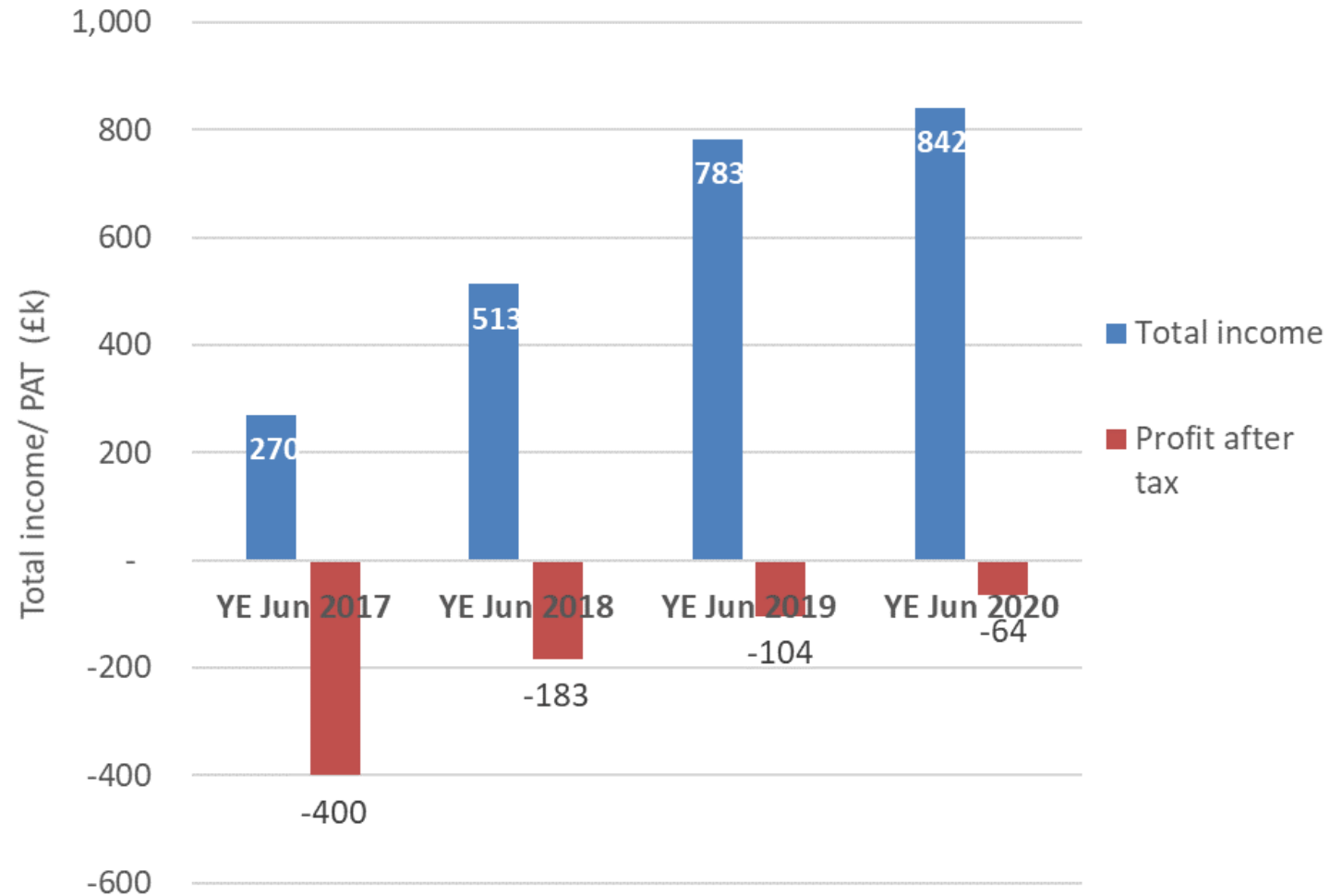


Selected operational highlights: year ending 30 Jun 2020

- Renewal of agreement with Merck KGaA in December 2019
- Repeat contracts with clients CellCentric and Bicycle Therapeutics
- Award of NIHR grant to fund clinical study relating to Physiomics' personalised dosing tool for prostate cancer and ongoing discussion relating to its commercialisation
- Post period end, award of contract by new big-pharma client, Astellas Pharma Inc
- Ongoing discussion with several large contract research organisations relating to potential collaborations
- Strongest ever business development pipeline resulting from higher marketing spend



Continued revenue growth and good cash management





Evolving our consulting business model

- Continue to drive our main commercial business of consulting services which rely substantially on our proprietary Virtual Tumour™ technology
- Explore models complementary to consulting including:
 - The embedding of our technology as part of a broader offering in collaboration with another service provider
 - Licensing of Virtual Tumour™ to a client for its own use rather than by the Company as part of a consulting service
 - The incorporation of success-based milestones in our consulting contracts (historical examples: Sareum Holdings Plc [LSE:SAR] and ValiRx Plc [LSE:VAL])



Expanding into Personalised Oncology

The Drivers



- Significant unmet need for improved efficacy/ reduced toxicity
- Huge cost pressures in health system

The Physiomics Solution



- Tool to optimise dosing of docetaxel in prostate cancer
- Helps balance efficacy and toxicity for individual patients

Funding to date



- Two Innovate UK grants (£68k 2018, £132k 2018)
- One National Institute for Health Research (NIHR) grant (£150k Mar 2020)

Current Status



- Seeking approval for observational clinical study in Portsmouth
- Exploring commercialisation in the US



Strategy: Build on successful full year and accelerate growth

- Form close partnerships with customers, attract repeat business
- Diversify the customer base by working with a variety of commercial and not-for-profit clients
- Broaden our geographical presence in Europe and North America
- Work with a mix of early pre-clinical stage projects and high value clinical development phase of oncology
- Develop new, complementary areas of business such as immune-oncology and personalised medicine that can add long term value to the business.

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Income Statement for the year ended 30 June 2020

		Year ended 30 June 2020	Year ended 30 June 2019
	Notes	£	£
Revenue	3	799,055	718,965
Other operating income	3	42,594	64,136
Total income		841,649	783,101
Net operating expenses		(976,034)	(984,320)
Operating loss	4	(134,385)	(201,219)
Finance Income	7	679	470
Loss before taxation		(133,706)	(200,749)
Income tax income	9	69,282	96,709
Loss for the year attributable to equity shareholders	26	(64,424)	(104,040)
Earnings per share (shown in pence)	10		
Basic		(0.09)p	(0.14)p
Diluted		(0.09)p	(0.14)p



Statement of Financial Position as at 30 June 2020

		2020	2019
	Notes	£	£
Non-current assets -			
Intangible assets	12	3,864	1,373
Property, plant and equipment	13	11,536	18,438
Investments	14	-	-
		15,400	19,811
Current assets			
Trade and other receivables	15	383,238	269,110
Cash and cash equivalents		1,047,860	405,366
		1,431,098	674,476
Total assets		1,446,498	694,287
Current liabilities			
Trade and other payables	19	123,819	85,123
Deferred revenue	20	7,698	1,250
		131,517	86,373
Net current assets		1,299,581	588,103
Net assets		1,314,981	607,914
Equity			
Called up share capital	23	1,275,752	1,181,038
Share premium account	24	5,896,737	5,228,172
Other reserves	25	199,954	191,742
Retained earnings	26	(6,057,462)	(5,993,038)
Total equity		1,314,981	607,914



Cash Flow Statement for the year ended 30 June 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	33		(200,008)	(226,244)	
Tax refunded			83,638	82,472	
Net cash outflow from operating activities			(116,370)	(143,772)	
Investing activities					
Purchase of intangible assets		(2,913)		(1,385)	
Purchase of tangible fixed assets		(2,181)		(21,816)	
Interest received		679		470	
Net cash used in investing activities			(4,415)	(22,731)	
Financing activities					
Proceeds from issue of shares		828,750		-	
Share issue costs		(65,471)		-	
Net cash generated from financing activities			763,279	-	
Net increase in cash and cash equivalents			642,494	(166,503)	
Cash and cash equivalents at beginning of year			405,366	571,869	
Cash and cash equivalents at end of year			1,047,860	405,366	



Board of directors

- Dr Paul Harper (Non-Executive Chairman) has over 35 years' experience in the life sciences industry covering both drug development and medical devices. He was a non-executive director of Reneuron Holdings Plc, an AIM quoted company. Paul has served as Chairman of Oval Medical Technologies and of Sareum Holdings Plc, Chief Executive of Cambridge Antibody Technology Limited, and founded Provensis Limited. He has also served as Corporate Development Director of Unipath Limited, then the medical diagnostics business of Unilever Plc, and as Director of Research and Development for Johnson & Johnson Limited. Formerly head of Antimicrobial Chemotherapy for Glaxo Plc, Paul has a PhD in Molecular Virology and is the author of over 50 publications. Paul's experience in the pharmaceutical R&D process, roles as executive, non-executive and Chairman of both private and public companies and the contacts he has developed over his career remain highly relevant in discharging his role as Chairman of Physiomics.
- Dr Jim Millen (CEO) joined Physiomics in April 2016, bringing over 15 years' experience in pharmaceuticals and biotechnology gained at a number of blue-chip global companies as well as smaller UK-based organisations. At Allergan, Jim was responsible for corporate development in its Europe, Africa and Middle East region where he was pivotal in expanding the Company's geographical footprint before moving to a senior role responsible for commercial strategy and market access. Prior to that, at GSK, Jim held business development roles of increasing responsibility including within the Company's innovative Centre of Excellence for External Drug Discovery. Jim has also supported a number of smaller companies in fund raising and strategic partnering activities. Over the course of his career he has completed an array of deals worth many hundreds of millions of dollars, spanning licencing, acquisition, divestment, development and commercialisation. Jim studied medicine at Queens' College, Cambridge University and qualified as a doctor from the London Medical School. He holds an MBA from INSEAD. Jim's ability to develop and grow businesses and drive towards ambitious goals is of great value in his role as CEO.
- Dr Christophe Chassagnole (COO) has been involved in systems biology and bio-computing projects since the mid-nineties, with experience in both academic and industrial environments. His Doctorate was achieved at the Victor Segalen-Bordeaux II University, and then he held a post doctorate position with IBVT at Stuttgart University. Before joining Physiomics Dr Chassagnole worked in France as a senior researcher for CRITT Bio-Industries (Toulouse) for 3 years. He joined Physiomics in May 2004 as project leader to develop the model portfolio of the Company. He was appointed Chief Operating Officer of Physiomics in May 2007, in this capacity he has initiated and supervised the development of the Virtual Tumour™ technology. Christophe remains the main source of scientific knowledge on the biology of cancer and modelling/simulation as it relates to drug development. Christophe maintains his knowledge through regular literature reviews and is highly valued by clients for this reason. Christophe is also responsible for managing the Company's R&D activities and in particular of our initiative in personalized medicine.