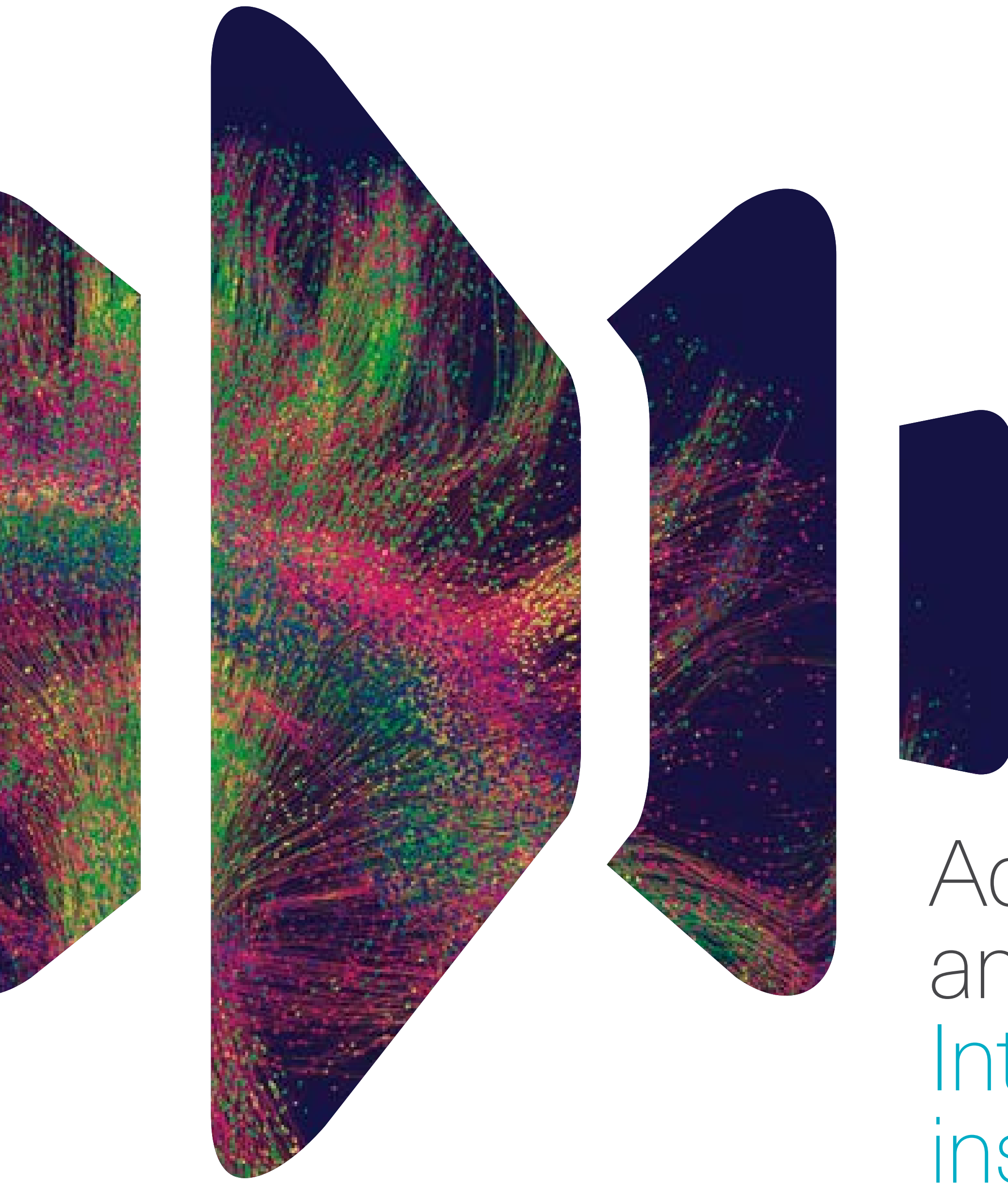
IXICO



Advanced analytics. Intelligent insights.

IXICO plc
Annual Report
& Accounts 2019

Advanced analytics.
Intelligent insights.

A trusted partner to the global biopharma industry.

IXICO's purpose is to advance medicine and human health by turning data into clinically meaningful information, providing valuable new insights in neuroscience.

Our goal is to be a leading proponent of AI to improve biopharma R&D productivity and reduce risk and uncertainty in clinical trials through the adoption of breakthrough data analytics.

Highlights

A breakthrough year.

Revenue

£7.6m

+40% (2018: £5.4m)

Gross margin

65.4%

+660 bps (2018: 58.8%)

EBITDA

£0.5m

+£1.1m (2018: £-0.6m)

Operating profit

£0.4m

+£1.2m (2018: £-0.8m)

— First full year of positive earnings before interest, tax, depreciation and amortisation ('EBITDA') since listing

— Secured £7.6 million of new and expanded, multi-year client contracts across all phases of clinical development and in several new therapeutic areas

— Expansion of key scientific collaborations to develop new AI algorithms for imaging and digital biomarkers

— Investment in further strengthening leadership to drive future growth

— Net cash of £7.3 million at 30 September 2019, with operating cash outflow in the year of £0.1 million (2018: -£0.1 million)

— Two new institutional shareholders, BGF Investment Management and Canaccord Genuity Group, join the share register

Helping the global biopharma industry to generate intelligent insights from clinical development.

We provide essential services to biopharmaceutical companies engaged in drug development in neuroscience, providing analysis of medical image and wearable biosensor data generated in a clinical study. The outputs from our data analyses are used to improve patient selection, monitor safety and assess clinical efficacy of the drug being trialled, and to support post-marketing surveillance activities.

A decade of delivery:

IXICO qualified imaging sites
2,000+

Eligibility & safety reports delivered
20,000+

Brain scans analysed
100,000+

Across
50+ countries

What we do

CLINICAL PROGRAMME DESIGN & CONSULTATION
Drawing on our proven neuroscience expertise and experience, we enable our clients to optimise biomarker measurement.

SITE SETUP & MANAGEMENT
We design and deploy harmonised image acquisition protocols across multiple international sites.

PROJECT MANAGEMENT
Our team ensures the efficient set-up and ongoing delivery of our services to clinical studies.

READING & ANALYSIS
We develop and deploy AI data analysis tools and neuroradiology reading workflows tailored to the study requirements.

DATA MANAGEMENT & QUALITY CONTROL
Image and data quality are assessed through our proprietary digital platform, TrialTracker™.

REGULATORY PATHWAY
Our service supports deployment of imaging and digital biomarkers within a regulatory-compliant framework.

01

Consultancy:
With many years of experience in supporting regulatory-compliant clinical research, we work with clients to optimise the selection of neuroimaging and digital biomarkers to maximise the value of their studies.

02

Early phase clinical development:
We have extensive experience in defining and delivering biomarker measurements in early-phase clinical development, in which rigorous patient safety screening runs hand-in-hand with flexibility around trial design and data analytics.

03

Late phase clinical development:
IXICO's global network of over 2,000 imaging sites and bespoke TrialTracker data management platform ensures that large-scale trials can be initiated quickly and efficiently to deliver data that is robust and regulatory compliant.

04

Post-marketing:
IXICO's expertise in data analytics makes us a perfect partner to support continued assessment of disease progression and safety events once a drug is licensed.

Technology

Our technologies are powering some of the most important clinical trials in neuroscience today

Imaging biomarkers
We offer an extensive range of analysis tools for neuroimaging, used in patient selection and clinical trial enrichment, and assessment of eligibility, safety and efficacy.

Digital biomarkers
Working with leading providers of wearable biosensor technology, we develop, validate and deploy novel, disease-specific algorithms to measure and monitor a range of key symptoms in clinical studies.

Data platforms
IXICO's TrialTracker data management platform provides the infrastructure to collect, check, store and analyse imaging and biosensor data from clinical trials.

IXICO's Assessa™ clinical decision support tool provides a secure online digital platform to enable a geographically-diverse patient population to benefit from centralised expert neuroradiology.

Read more on pages 12 to 15

Creating value.

Inputs

Our people

- We employ highly skilled technical staff, more than 70% of whom are qualified to MSc or PhD level, with core skills in neuroscience, software engineering and image analysis. From our Centre of Excellence in London, UK, we support knowledge management throughout our global network of key opinion leaders and academic partner sites.

Our technology

- We gather and analyse data from medical images and wearable biosensor devices to provide insights into disease markers and symptom progression.
- Our TrialTracker platform supports the secure upload, management, analysis and reporting of pseudonymised data from clinical trial sites.
- Our imaging AI algorithms quantify changes to brain regions using medical scans; contextualised algorithms for interpreting wearable biosensor data provide an accurate measurement of disease-specific symptoms.

Our partners

- Many of the world's leading biopharma companies have chosen IXICO as their imaging provider. Emerging biotechnology firms also engage IXICO to provide high quality data analytics to support their early phase clinical development programmes.
- We are members of several scientific consortia in imaging and wearable biosensors including major academic-industry funded studies such as AMYPAD and EPAD.
- Our network of expert neuroradiologists provides clinical reading services to studies and in post-marketing surveillance.

What we do

IXICO provides advanced data analytics in neuroscience clinical trials to improve outcomes and increase pharma R&D efficiency.

01

We innovate

Innovation plays a central role in our business model; our adaptive AI technology enables us to rapidly develop and adapt algorithms to support research in new therapeutic areas and in new modalities. This enables our clients to benefit from new, deeper insights into disease progression with access to a broader suite of biomarkers.

02

We deploy

We support our clients by deploying state of the art algorithms to provide objective measures of disease progression from imaging and wearable biosensor data.

03

We deliver

Our suite of services spans the full life cycle of data management in clinical development, from initial site training and qualification for robust data capture through to final reporting and data archival. Our systems are compliant with FDA CFR 21 part 11 and our quality systems are validated to ISO13485, the industry standard for medical devices.

Outputs

For patients

- The potential for accelerated progression of the drug development pipeline to advance medicine and human health in respect of devastating neurological conditions.
- Access to new technologies such as our algorithms for wearable biosensors, which have the potential to reduce the burden of clinic visits for study participants.

For clients

- Faster, less expensive drug development by applying proven imaging and digital biomarkers in their clinical programmes.
- Richer insights extracted from imaging and biosensor data to determine the efficacy of new drugs in development.
- Development of new digital biomarkers to reduce the cost of gathering clinic-based measures.

For employees

- A meaningful purpose with the opportunity to work with impact on areas of acute, unmet clinical and societal need.
- A challenging and stimulating working environment in central London, collaborating with key academic centres and supporting leading biopharmaceutical clients across the world.
- Continued development opportunities as the Group grows.

For shareholders

- Societal benefit of supporting the efforts to bring new treatments to market for devastating neurological diseases.
- Access to the large and growing biopharmaceutical investment in R&D to address the unmet clinical needs of a global ageing population with a diversified risk profile.
- Continued value accretion opportunities from a profitable, well-capitalised technology company with a proven track record of growth.
- Exposure to global markets with strong growth dynamics.

A year of outstanding growth and first profitability.

Charles Spicer
Non-Executive Chairman

I am pleased to report that IXICO is now profitable and delivered this important milestone in the Group's evolution a full 2 years ahead of the market's expectation at the beginning of the year. This follows a third consecutive year of accelerating revenue growth and effective strategic execution by our strengthened leadership team.

Overview

IXICO is an Artificial Intelligence (AI) data analytics company, with strong links into the biotech, pharma and the academic community, delivering intelligent insights in neuroscience.

Our purpose is to advance medicine and human health in neuroscience by converting raw clinical trial data into clinically meaningful information. Our data analytics services provide clinical insights to improve the efficiency of biopharma clinical development. Through the deployment of novel AI algorithms, we analyse and interpret brain scans and wearable biosensor data to enable better trial design, patient selection and ultimately clinical outcomes across all phases of clinical evaluation.

In FY19, we have reported record revenue, strengthened gross margins, and most significantly, our first operating profit since admission to AIM in 2013.

During the year we announced several new contracts with leading biopharmaceutical clients. These multi-year contracts give good visibility to future revenue and provide confidence that we enter the new year with a continued growth trajectory.

We close the year with a strong balance sheet that underpins continued investment in our data analytics platform, AI algorithms and commercial team. These investments are designed to drive our ambitious growth plans for further international market penetration and thereby realise our full potential in the growing neuroscience market.

Governance & people

As the Group leverages data analytics and AI algorithms to provide specialist technology services to the clinical trials market, our people remain an integral part of our unique value proposition. We seek to recruit and retain highly qualified technical and scientific staff who develop deep understanding of our clients' requirements and drive forward our development programmes to provide innovative technology solutions.

As in any successful, high growth business, IXICO's future success depends on its people. In a competitive market for skilled individuals, we have focused significant efforts to develop the IXICO culture. This engenders hard work and accountability while offering a place where employees are empowered to be creative within a clearly defined structure. Our refreshed values – Ability, Aspiration, Accountability and Agility – reflect this evolving culture and underpin our approach to employee recruitment and performance management.

In addition, the Board uses the 10 principles outlined in the Quoted Companies Alliance ('QCA') Corporate Governance Code to ensure it maintains appropriate governance arrangements. The Board conducts itself in a manner which places IXICO's values and the QCA principles at the core of the Group's culture.

Board

During the year we have seen a couple of changes on the Board. Grant Nash, Chief Financial Officer and Executive Director, was appointed in April and joined the Board in August. Tim Sharpington, Non-Executive Director, stepped down from the Board in September. We thank Tim for his long and excellent service. We welcome Grant who brings over fifteen years of life science experience to the next phase of our planned growth.

At the 2020 Annual General Meeting ('AGM'), in accordance with the Company's Articles of Association, Giulio Cerroni and Grant Nash will stand for re-election, supported by the Board of Directors' recommendation.

Shareholders

During the year we welcomed BGF Investment Management and Canaccord Genuity Wealth Management to the register as new institutional shareholders. They join an impressive list of leading institutions who have invested in the Company over the last 2 years during which we have refreshed and diversified our institutional shareholder base. As we reflect on 2019, it is also pleasing to note the wider recognition in the market of the impact that our commercially-led growth strategy has had in delivering value to our clients.

Based on direct feedback, we believe our major shareholders are well aligned with the Group's vision and strategy set by our executive team, led by our Chief Executive Officer, Giulio Cerroni. This is important, as it is from these shareholders that we will seek support as we continue to accelerate our growth plans.

Outlook

Over the last year, we have seen increasing interest in IXICO from both the industry we serve and the investment community. As we improve how we communicate our capabilities, and as our sector continues to embrace the rapidly advancing benefits of AI data analytics, so the Group is ever better placed to support new and growing numbers of clinical trials. This, alongside the investments we have made in diversifying into new therapeutic areas and wearable biosensor analytics, underpins the Board's confidence in IXICO delivering continued profitable growth.

—

Charles Spicer
Non-Executive Chairman
3 December 2019

Our 4 pillars of strength

01 A growing portfolio of innovative AI applications for clinical research

Our portfolio offers a broad suite of validated IXICO AI technology to measure specific biomarkers in many therapeutic areas being targeted by biopharma R&D programmes in neuroscience.

02 Adaptive technology in an attractive market

Growing investment in biopharma R&D, with increased focus on rare diseases and novel biomarker technologies, is expanding IXICO's addressable market.

03 Established global operational and commercial reach

IXICO's global clients work in one of the most challenging areas of clinical research, requiring expert management of international trial site networks, to deliver consistent data across multi-year clinical trials. Our client base continues to expand, with both top biopharma and emerging biotechnology companies coming on board.

04 A decade of delivery

We are a proven, trusted partner with robust and regulatory-compliant operations, delivering highly innovative data analyses across all phases of clinical trials, in an expanding range of therapeutic areas.

Strengthening IXICO's position as a trusted technology partner in clinical development.

Giulio Cerroni
Chief Executive Officer

With continued clarity of purpose and our focused investment for growth programmes in place, we go into the new year with confidence to continue to deliver on our ambitious goals.

Delivering our data analytics strategy

2019 has been a pivotal year in the delivery of our vision to transform IXICO into a leading proponent of AI in clinical development.

The year has seen the Group transformed not only by a significantly strengthened financial performance and balance sheet to support ongoing organic investment, but also by its ability to scale in support of growing client demand for our specialist technology-driven services.

Clarity of purpose

IXICO's purpose is to advance medicine and human health in neurological disease by turning data into clinically meaningful information, providing valuable insights. After some costly and disappointing drug trial failures in central nervous system ('CNS') diseases, the field is welcoming a renewed funding surge in tackling one of humanity's greatest clinical and societal challenges.

Accelerated commercial traction

The long-term runway for growth is driven by the increasing outsourcing requirements of the biopharmaceutical industry and the value that they derive from AI data analytics to increase R&D productivity. This is reflected in this year's revenue of £7.6 million (+40%), building on the revenue of £5.4 million (+32%) in 2018 and a 3-year compound annual growth rate ('CAGR') of 35%. Furthermore we are entering 2020 with strong commercial momentum and an order book at the 2019 year-end of £15.9 million (2018: £19.3 million).

We expect to continue to add new clients in all global regions and to expand our reach in existing client programmes. Revenue growth will continue to be fuelled by executing on our strategy of expanding our portfolio of proprietary imaging and digital biomarkers from wearable biosensors and further diversification into new adjacent neurological therapeutic areas. In addition, we plan to make significant investments in commercial capabilities and leadership, in particular to directly address the world's largest market, North America.

Achieving operational leverage
Our strengthened management brings a strong focus on delivery and we will continue to identify areas for enhanced client service levels and increased automation to enable even greater operational leverage in the future. This strengthened focus on operational efficiency resulted in significant progress in our productivity Key Performance Indicators ('KPIs'), including over 600 bps improvement in gross margin to 65% and revenue per FTE increasing from £94k to £124k.

Science & innovation
The primary focus of our investment for growth programmes is to further accelerate revenue contributed by our data analytics. To do so, we have developed five strategic R&D programmes to address additional identified opportunities in both current and new markets. A central part of this is focusing our efforts on developing partnerships with both academic and industrial partners in the coming year to maintain our position as the go-to people for AI in clinical development in neuroscience.

Innovation will be the key element by which we will build accretive, high margin growth and long-term value. We are setting out to grow into attractive adjacent markets, with a focus on developing leading edge algorithms and adapting our proven technology to new applications focused on neurological disease.

Business as usual: profitable growth
In 2019, we have delivered on the promise of accelerating commercial traction, executing on our ambitious growth plans and a strengthened organisation.

I sign off this year by thanking all my colleagues at IXICO for a truly pivotal, profitable year. With a clarity of purpose to advance medicine and human health in neurological disease, I look forward to 2020 being another year of achievement in establishing IXICO as a leading proponent of AI in clinical development to the global biopharmaceutical industry.

—
Giulio Cerroni
Chief Executive Officer
3 December 2019

A year of achievement

2018

October 2018
Start-up activity begins for a major Phase III study in Huntington's Disease ('HD').

December 2018
IXICO is awarded a scope extension to a late phase study in Progressive Supranuclear Palsy ('PSP').

Deal value:
$2.4m

2019

March 2019
IXICO joins the London Medical Imaging and AI Centre for Value Based Healthcare, based at King's College.

March 2019
The Group is awarded a new late-phase HD study.

Deal value:
£0.5m

April 2019
A new early-phase study in HD is awarded.

Deal value:
£2.3m

April 2019
The Group starts work on a new therapeutic area in rare neurological disease.

Deal value:
$0.8m

April 2019
Grant Nash is appointed Chief Financial Officer.

May 2019
BGF Investment Management and Canaccord Genuity Group Inc. join IXICO share register as institutional investors.

August 2019
A contract extension is awarded in HD.

Deal value:
£0.9m

August 2019
Two further contracts with new clients in new therapeutic areas are announced.

Deal value:
£1.0m

Post-close

October 2019
A contract extension in HD is announced together with contracts with two new clients with trials in PSP and a psychiatric disorder.

Deal value:
£1.0m

October 2019
Lammert Albers is appointed Chief Business Officer.

October 2019
IXICO announces first profitability as an AIM listed company.

Delivering on our strategic goals.

01

Innovate: Accelerated commercialisation of IXICO's proprietary imaging & digital technologies

Investment in science and innovation underpins our growth. We increase our societal impact and value to stakeholders through our development of data analytics capabilities, unlocking intelligent insights in clinical trials.

2019 progress

- We introduced 9 new algorithms in 2019 to drive accelerated growth. We have initiated several R&D collaborations with academic and industry partners to extend our portfolio of algorithms in algorithms in wearable biosensors, expanding our range of analytics for measurement of chronic symptoms in our focus disease areas.

2020 focus

- We will continue to rapidly develop and commercialise new AI algorithms for new product launches to drive sustained, profitable growth. A broader portfolio enables further diversification into a wider range of therapeutic areas in neurological disease.
- In addition to leveraging clinical trial imaging data, we will continue to build our research network and scientific capabilities in wearable biosensors through participating in major research consortia, whilst pursuing commercial opportunities for the technology.

02

Continued penetration of the outsourced clinical trials market

We are expanding our commercial footprint to drive demand for our technology services. With investment in the neuroscience development pipeline increasing, IXICO is well-placed to capitalise on this growing market.

2019 progress:

- We onboarded 7 new studies in 2019, including a large Phase III study, which was announced in 2018. Contracts with several new biotech clients expanded our access to the growing investment in gene therapy. We significantly enhanced the Group's strategic marketing capabilities to better target both current and new markets, and initiated an independent client insight survey where we consistently scored over 4 (out of 5) across all respondents.

2020 focus:

- We have recently appointed a US-based Chief Business Officer. As a result, we anticipate accelerated account penetration in our target therapeutic areas such as Alzheimer's Disease ('AD') and Huntington's Disease ('HD'), in particular in North America. This will be followed by further expansion of the business development team in 2020.
- In addition, a new role of Chief Product Officer has been created to ensure that our innovation investments are aligned with market needs through delivery of 5 strategic R&D programmes for continued commercial success.

03

Target all phases of clinical trials

We have demonstrated our ability to deliver value to our clients at all stages of clinical development, from early-phase through to late-phase studies.

2019 progress:

- In 2019, we received awards of several new studies, from Phase I to Phase IV, across a range of therapeutic areas, demonstrating the broad applicability of our technology services. As well as spanning all phases of clinical research and a range of diseases, these recent awards encompass a diverse client base from top 10 pharma to emerging biotech.

2020 focus:

- As a trusted innovator in imaging and digital technologies, we expect to continue to expand our client base in both large Pharma and biotech clients.
- We expect the challenges in AD late-phase clinical research to lead to increasing numbers of early phase AD trials and further funding for rare diseases. Our commercial efforts in 2020 will be primarily focused on these areas.

For key performance indicators Read more on pages 24 and 25

For key risk information Read more on pages 22 and 23

04

Focus on delivering scale and operational excellence

As we win and deploy more and larger multi-year contracts, we continue to invest in our workforce and new technology to automate processes to create operational leverage.

2019 progress:

- In 2019, we introduced a new flexible staff and technology resourcing model to enable us to rapidly adapt to changes in demand for our services. Our focus on imaging site process efficiency has led to a significant reduction in resource requirement, while also reducing site qualification turnaround time to initiate services on our clients' studies.

2020 focus:

- To further increase flexible staff recruitment and development, we plan to introduce a structured Image Analyst Pathway to support early career development.
- New technology will enhance imaging site communication and enable self-service, on-demand support.
- Finally, development of a new AI-deployment framework is anticipated to enhance algorithm throughput.

05

Enhance organic growth with selective M&A

Our strategic rationale for mergers and acquisitions is:

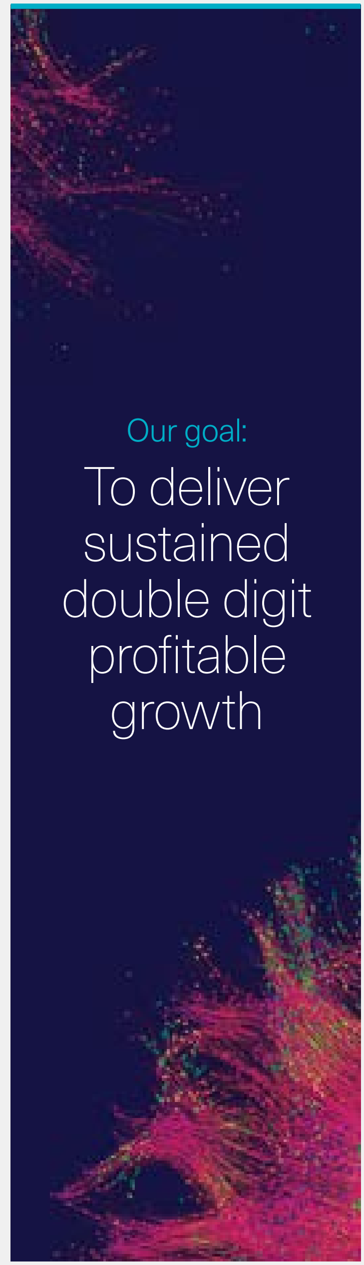
- To be accretive to the Group's commitment to sustained profitable growth;
- To acquire greater breadth of technology service offering;
- To enhance current geographical reach.

2019 progress:

- We successfully completed a market review of potential new technology offerings. We have strengthened our leadership team with the appointment of a new CFO, which better equips the Group to consider and execute upon potential partnerships.

2020 focus:

- Continued momentum in profitable growth from our organic investment initiatives will support further improvements in the Group valuation.
- We will continue to initiate and progress exploratory discussions with potential partners, where they meet our stated criteria, engaging with our shareholders at the appropriate time.



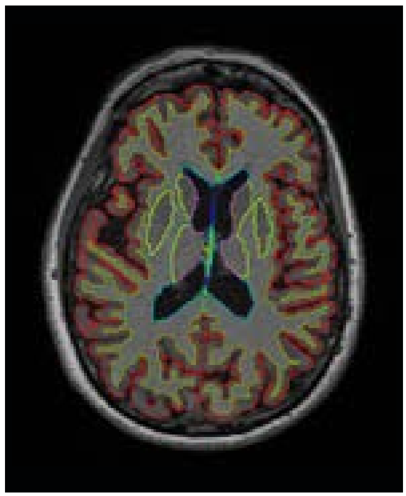
Advanced analytics.

Through the application of IXICO's data science expertise, advanced imaging and wearable biosensor biomarker measurements have the potential to improve outcomes of clinical development programmes. Here we showcase a small number of the latest introductions to IXICO's suite of advanced analytics.

Automated brain volume measurement in Huntington's Disease

Change in brain volume is an important biomarker for many neurological diseases.

Our proprietary volumetric analysis pipeline, LEAP, can be adapted to a range of therapeutic areas, providing an ever-increasing level of granularity and accuracy in brain volume measurement. In 2019, we released a fully automated volumetric analysis, addressing specific imaging needs in HD, complementing our existing analysis portfolio. LEAP-HD offers accurate segmentation for the putamen and caudate brain regions, and has been deployed on client studies for both patient selection and efficacy analysis.



Wearable biosensors for accurate sleep measurement

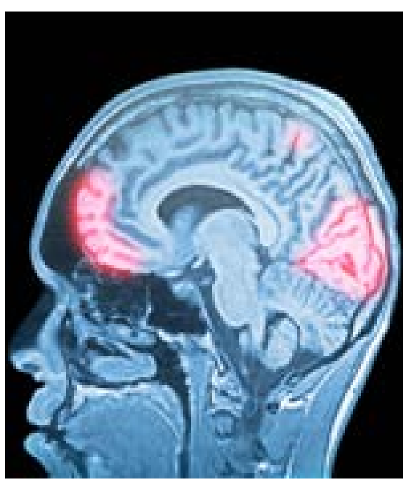
Sleep disturbance is a significant symptom in many neurological conditions.

Earlier this year, we deployed our wearable biosensor sleep assessment tool on a clinical trial in a neurodegenerative disease. Standard sleep measurement algorithms designed using data from healthy populations may not accurately measure sleep/awake signals from the target patient population. The IXICO algorithm employs neural networks, using actigraphy data generated from a smart watch to accurately measure whether a patient is asleep or awake. The algorithm allows the measurement of sleep from real-world data collected over a 14-day period and can provide valuable insights into whether the tested drug has impacted patients' sleep quality.

Resting state functional MRI ('rs-fMRI') to measure brain connectivity

Assessment of brain connectivity can provide valuable insights to understand neurological drug performance.

We have developed and deployed a novel product to provide an analysis of patients' resting-state brain networks. The IXICO pipeline builds on the widely established FSL image analysis toolkit, licensed from Oxford University. It integrates a sophisticated preprocessing method to provide standardised analysis across multiple clinical trial sites, using IXICO's LEAP technology to allow a localised analysis of relevant brain networks.



Imaging biomarkers

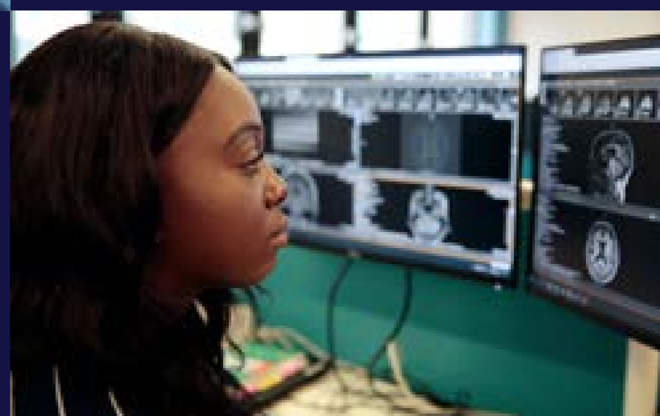
Imaging biomarkers describe the measurable, objective measures of disease that can be observed on medical scans from techniques such as Magnetic Resonance Imaging ('MRI') and Positron Emission Topography ('PET'). Our proprietary technology enables changes in brain structure to be accurately measured over the course of a clinical study to assess patient safety and drug efficacy. We have provided both MRI and PET imaging biomarkers to over 70 clinical studies across multiple therapeutic areas within neuroscience.

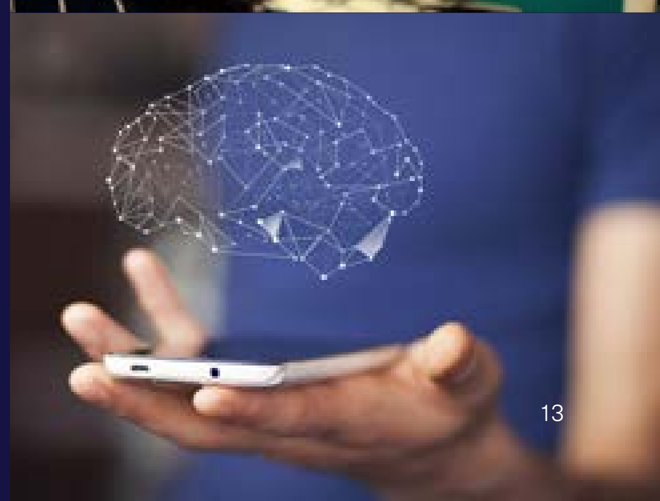
"Having their expertise was really important. Some companies just provide the results. In this case, we really needed their help in making sense of the data and they were there to help us and this was crucial."

Specialist Biotech Client, 2019

Digital biomarkers

We're working to develop interpretive algorithms to extract clinically meaningful biomarkers from new data types, such as from wearable biosensors. Sleep and movement are impacted in many neurological diseases. We are using wearable biosensors to passively capture data on sleep, movement, balance and activity, and are translating these data to provide new digital biomarkers using IXICO's AI technology. These biomarkers have the potential to provide more precise, patient-centric and clinically meaningful endpoints compared to current research methods, such as subjective rating scales and patient diaries.





Intelligent insights.

Artificial Intelligence ('AI') technologies and approaches continue to develop at pace and have the potential to impact every stage of clinical development. Here we look at how IXICO is positioned to take advantage.

"AI now forms the foundation of our strategic innovation programmes, to improve client trial outcomes and inform greater understanding of neurological disease."

Intelligent insights through the application of AI.

The impact of artificial intelligence on our everyday lives is continuously accelerating. At IXICO we have harnessed the power of machine learning since our inception in 2004 but developments in recent years have opened up completely new opportunities to extract valuable insights from clinical trials data. Increases in computing power and the availability of large data sets have paved the way for deep learning, revolutionising data analysis across business applications. Together with the continuous stream of clinical trial data collected at IXICO, these technologies now form the foundation of our strategic innovation programmes, focused on three core areas: improving our clients' trials through more accurate biomarker measurement, improving our efficiency in data production through process automation, and improving the quality of trial outcomes with high-quality data and automated decision-support.

Our continual engagement with the innovation ecosystem in neuroscience through academic partnerships and consortia has enabled us to stay ahead of trends and to incorporate newly discovered biomarkers to our portfolio. Increased deployment of biomarkers in clinical studies has informed greater understanding of disease progression, and has played an important role in the development of new therapeutic approaches, particularly in rare diseases. IXICO is excited to be part of the effort to bring new hope to patients and their families.

—

Dr Robin Wolz
Senior Vice President, Research and Development

Our scientific networks

IXICO values its relationships with academia, industry and charitable organisations, and has been an active member of a number of public-private partnerships, advancing the scientific and regulatory landscapes for imaging and digital biomarkers. Only by working together can we improve the development of new treatments in neurological diseases. Here some of our collaborators describe the contribution that IXICO is making to the scientific progress of their initiatives.

Professor Daniel Rueckert

Head of Department of Computing,
Faculty of Engineering,
Imperial College London

"It's great to see IXICO's continued success in translating novel AI technology into applications for the pharma industry. As a co-founder, I've worked with IXICO over many years and I'm pleased to see how our technology is helping to develop novel treatments for some of the most severe CNS diseases. Advancements in computing power and data availability over the last decade have resulted in a paradigm shift for AI development and novel deep learning approaches, allowing for a completely revolutionised approach to automated decision-making. We have just started some new collaborative projects with IXICO and I look forward to continuing the close working relationship in developing AI technology solutions for advancing healthcare."

Professor Jo Hajnal

Professor of Imaging Science,
King's College London

"At King's College London, we work with IXICO as they deliver their core clinical trials solutions and we are working together within the London Medical Imaging and AI Centre for Value Based Healthcare. This initiative links several NHS trusts, multiple academic centres and industry partners to develop sophisticated artificial intelligence algorithms that will be used to create new healthcare tools, thus providing IXICO with a great opportunity to further strengthen its offering in automated image analysis solutions to better understand CNS diseases. As a co-founder of IXICO, I'm pleased that IXICO has stayed true to its scientific heritage through ongoing engagement in academic collaborations as it has accelerated its commercial growth trajectory."

Diane Stephenson

Executive Director, Critical Path for Parkinson's Consortium ('CPP'),
Critical Path Institute

Ariana Mullin

Executive Director, Huntington's Disease Regulatory Science Consortium ('HD-RSC'),
Critical Path Institute

"Our collaboration with IXICO dates back to 2010. Collaborating as part of our Critical Path for Alzheimer's disease ('CPAD') consortium, IXICO's expertise in medical imaging and regulatory qualification supported our efforts to successfully qualify with the European Medicines Agency ('EMA') an MRI measure of brain volume as an enrichment biomarker for use in clinical trials of AD in the pre-dementia stage.

"Following this successful collaboration in AD, we are delighted to continue our collaboration with the IXICO team in two further Critical Path consortia, the Critical Path for Parkinson's ('CPP') consortium and the HD Regulatory Science Consortium ('HD-RSC'). In these consortia, our aims are to develop new, regulatory-endorsed drug development tools that will improve the clinical trial process and regulatory path for emerging therapies for HD and PD and ultimately de-risk the development of new treatments that are urgently needed. IXICO's expertise in data analysis and regulatory qualification is supporting our efforts to develop the regulatory path to qualify new imaging and digital biomarkers for use in clinical trials."

Well-positioned within our market.

Market overview

Reflecting a significant unmet clinical need, neurology is a large and growing area of Research and Development ('R&D') spend for the biopharmaceutical industry. Much is still unknown about the mechanisms of brain disease and disorders, and there are many challenges in bringing a new neurological therapy to market. However, the rewards for bringing a treatment successfully through regulatory approval and commercialisation are significant. Imaging and digital biomarkers (e.g. from wearable biosensors) play an important role in evaluating the safety and efficacy of new drugs for the treatment of brain disease and disorders. Growing focus on these study measures are value drivers for IXICO's long-term growth prospects.

Clinical trials' market dynamics

Outsourcing is an established and increasing trend in the drug development value chain, with sponsors working with specialist vendors to deliver an increasing range of supporting services to their clinical development programmes. It is estimated that the global market for Clinical Research Organisation ('CRO') services will be worth $55.5 billion by 2023, with an average annual growth rate of over 7%. Of this, the market for imaging services in clinical research is estimated to be worth almost $2 billion in 2019. As the complexity of trials continues to increase, and technology advances, we expect this trend to continue and accelerate.

Total number of CNS entities in development

3,855

Source: GBI Research, Innovation Tracking Factbook 2018

Total CNS R&D Clinical Spend

$31bn

Source: EvaluatePharma World Preview 2019, Outlook to 2024

Predicted cost of Dementia by 2030

$2tn

+100% 2018

Source: www.dementiastatistics.org

Market position

We provide specialist data analysis services to a wide range of biopharma clients working in a number of neurological diseases. Our deep understanding of CNS disease and data science are key vendor selection criteria for our clients and these will remain our focus. Increased focus on rare diseases and the development of novel gene therapies are key drivers of research activity.

We work with many of the world's largest biopharmaceutical companies as well as emerging biotechnology companies which are leading early-stage development of new therapies. IXICO is commercially active across this broadening market, in all phases of clinical development.

Research collaborations

Recognising our scientific heritage and the importance of innovation in this market, we continue to work closely with academic-industry partnerships and high-profile scientific consortia. For example, we are the imaging provider for the European Prevention of Alzheimer's Dementia ('EPAD') and the Amyloid imaging to Prevent Alzheimer's Disease ('AMYPAD') consortia. The EPAD consortium alone has qualified a cohort of over 1,500 subjects to be enrolled in a series of adaptive clinical trials in AD. Our network of active consortia continues to expand with IXICO becoming a founding partner to the London Medical Imaging and Artificial Intelligence Centre for Value Based Healthcare ('AI 4 VBH') based at King's College London and joining the CPP consortium in the year (see page 15).

Our therapeutic focus areas

IXICO's scientists, operations team and regulatory specialists support an expanding portfolio of international client projects in an increasingly diverse range of therapeutic areas.

Dementia

Global ageing populations have driven a very significant increase in the number of people worldwide suffering from dementia, a trend which is expected to continue at an accelerated pace. Dementia is a broad category, with AD being the most prevalent, it includes other conditions such as Vascular Dementia, Parkinson's disease ('PD') and Frontotemporal Dementia ('FTD'). With more promising news emerging from the Dementia drug research field in recent months, we believe that the rate of innovation in the Dementia area will increase, with successful developments in rare diseases informing new therapeutic approaches in this significant market for IXICO's technology services.

Rare neurological disease

Our AI technology has accurately measured over 150 unique brain regions, supporting its broad application in neurological disease. In particular, this adaptive technology base enables us to configure suites of algorithms to uniquely address rare diseases, expanding our addressable market. Our rare disease pipeline includes Huntington's disease ('HD'), Progressive Supranuclear Palsy ('PSP') and Ataxia. Changes to regulation, reimbursement and the emergence of gene therapies have increased investment in innovation for rare diseases. In addition to imaging measures, many of these rare diseases present with debilitating movement decline which may be measured by wearable biosensors as an alternative to traditional in-clinic measures. Our digital biomarker AI technology is able to analyse and interpret this type of biosensor data.

Psychiatry and mental health

Wearable biosensors have the potential to transform clinical trials and future patient care in psychiatry by reducing the burden of monitoring symptoms, tracking escalations and assuring therapeutic compliance. Imaging is also playing an increasing role in clinical development programmes for psychiatric disorders such as schizophrenia and depression as more is understood in the link between the function of specific brain regions and mental health.

Strengthened senior leadership & broadened organisational capabilities.

Since joining IXICO in 2017, I am particularly pleased to reflect on the changes made to build a stronger organisation. IXICO's management team's legacy of deep technical and domain knowledge, built over many years, has now been strengthened with a range of commercial and operational experiences and capabilities developed in the wider life sciences industry.

A strengthened leadership team has undoubtedly helped to increase the pace with which we have been able to scale operations, as well as further enhancing our strategic planning. With Lammert Albers now in role as our US-based Chief Business Officer, we expect to drive increasing intensity in our selling processes, while also providing much additional bandwidth to further accelerate product development and product marketing to deliver on our growth ambitions.

—

Giulio Cerroni
Chief Executive Officer
3 December 2019

Biographies for Giulio Cerroni, Chief Executive Officer and Grant Nash, Chief Financial Officer are shown on page 26.

Marcus Thornton
Chief Operating Officer

Marcus joined IXICO in June 2018. He has over 20 years of experience in the life science industry and prior to joining the Group he worked as a business adviser to help consulting and service businesses in life sciences to optimise and scale processes. Marcus co-founded Clinical Force, focused on the development of clinical trial management systems, later acquired by Medidata; during Marcus' tenure this product became a market leader serving both biopharmaceutical sponsors and large CROs. Marcus is a Product Designer by education.

Alison Howie
Chief Product Officer

Alison joined IXICO in June 2018, after several years as a consultant advising on innovation, new product introduction and commercial scaleup to a wide range of clients. Prior to her time as a consultant, she worked for over 20 years in the life science and diagnostic sectors, holding a range of leadership roles, most recently with Thermo Fisher Scientific, where she served as VP Marketing and then VP R&D and Business Development. Alison has a bachelor's degree in Chemistry and an executive MBA from London Business School.

> "The ops team combines deep domain knowledge with a focus on client delivery. Through our continuous improvement programme, we are reaping the benefits of deploying new AI solutions to improve turnaround times and margins."

> "With IXICO's adaptive technology we can rapidly respond to clients' needs, to further their clinical development. It's exciting to work in such a fast-moving environment, knowing that our work is impacting research in these areas of acute medical need."

Lammert Albers
Chief Business Officer

Lammert joined IXICO in October 2019 with over 20 years of experience in the life sciences industry managing growth. He spent his early career in Research working as a Bioscientist with AstraZeneca before entering the Clinical Development side of the business. Lammert has a track record of delivering growth across North America, Europe and Asia. Prior to IXICO, Lammert worked in global leadership roles for companies such as Genaissance Pharmaceuticals, MDS Pharma Services and PRA Health Sciences and spent 5 years working as Chief Commercial Officer for a neuroscience digital endpoint company. Lammert has a bachelor's degree in Clinical and Laboratory Research from the Netherlands. He currently resides in the USA.

"IXICO's legacy of neuroscience leadership and commitment to customer excellence makes this an exciting step in my career. I look forward to driving expansion of IXICO's client base and adoption of its unique AI-data analytics platform."

Robin Wolz
Senior VP Science & Innovation

Robin joined IXICO in March 2014, and has over 10 years of experience in development of science-driven data analysis solutions in the healthcare sector. Before IXICO, he held innovation roles with Philips Healthcare, driving an innovation portfolio in diagnostic x-ray. As a co-inventor of IXICO's proprietary LEAP AI technology, he has a strong scientific track record in delivery of automated data analysis and machine learning and is a PhD alumnus and Honorary Research Fellow at Imperial College London.

"In a pivotal time for AI, I'm excited to work with a team of skilled scientists to combine our understanding of neurological disorders, unique data sets and novel AI approaches to impact decision-making in clinical trials."

Supporting growth

At IXICO, we recognise that people are key to maintaining our position of being a trusted partner to our biopharma clients. We attract, develop and retain talented and dedicated individuals by focusing on key people initiatives including Reward & Recognition, Performance Management, Learning & Development and Employee Welfare & Wellbeing. Our commitment to these initiatives allows us to recognise and reward high-performance teams and individuals.

We place high value on the personal development of our people by providing an effective performance management process and learning and development opportunities. We encourage and promote good work-life balance for our people and our focus on these initiatives enables people at IXICO to be leaders in the neuroscience community.

—

Hannah Esfahanian
HR Manager

Empowering people. Making a difference.

Our values define our purpose and are at the heart of our culture.

Ability

Ability reflects the value we derive from the diverse skills and experience of our colleagues. We challenge ourselves to continually develop our abilities, to deliver greater value to our stakeholders.

Agility

Agility is the ability to rapidly adapt to change. As a growing company, our people thrive on change and the opportunities that this presents to delight our clients in their clinical development programmes.

Accountability

Accountability is underpinned by reliability and personal responsibility. At IXICO, we take ownership of our work and understand its impact on our clients' clinical development programmes.

Aspiration

Aspiration drives us to set ambitious goals. It combines the desire to make things better with the commitment to make it happen. At IXICO, we are proud to be part of the effort to bring life changing treatments to patients sooner and demonstrate this value in our commitment to our clients' success.

Our values

Ability

My background is in engineering; I hold both bachelor's and master's degrees in electronic and communications engineering, and also a PhD in electronic engineering. After working as a research associate in neuroimaging for many years, the opportunity with IXICO seemed like a great fit for my abilities. I work within the Science and Innovation team, developing wearable biosensor algorithms using AI. Wearable biosensor devices have huge potential to transform clinical trials and I'm passionate about using the full range of my abilities to develop and deploy new algorithms on clinical trials to enable our clients to gain better patient insights.

—
Luis Peraza
Associate Research Engineer

Our values

Agility

After completing my DPhil in information engineering, I joined IXICO as a software developer and helped develop the first version of our data management platform to streamline the process of data collection. Since then, I have held a diverse range of roles, further developing our technology to the needs of our rapidly evolving industry; much of my current role requires working with agility to quickly develop a detailed understanding of specific client needs and then to adapt and deploy our software to meet those needs. Working in a growing technology company enables me to continuously develop new skills, whilst contributing to the improvement of brain health.

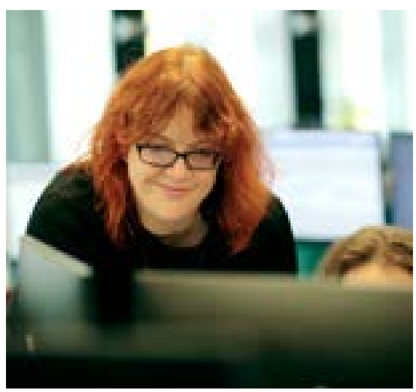
—
Mark Austin
Director of Technology

Our values

Accountability

I've focused on medical imaging throughout my career, having previously worked at the UCL Dementia Research Centre. My role at IXICO has evolved from a portfolio lead, directly managing client projects, to my current focus of improving the processes involved in project delivery to continually enhance our service levels and quality. This past year, two clinical studies that I've been accountable for managing have shown positive results, which is really exciting. I'm looking forward to delivering further improvements in project delivery to enhance the success of our clients' imaging studies.

—
Shona Clegg
Senior Project Manager



Our values

Aspiration

After graduating with a business management degree in Australia, I decided to move to the UK to follow my career aspirations. In early conversations in the recruitment process, we discussed the opportunity to study for professional accountancy qualifications, which IXICO then agreed to sponsor. Beyond supporting formal qualifications, my manager and the HR team has supported my proposed study plan which outlines my career pathway; as a young professional this was an important factor. While working at IXICO, I have experienced a very supportive and collaborative culture, which encourages me to fulfil my future aspirations of qualifying as an accountant.

—
Kate Barnes
Accounts Assistant

Risk management

The Board holds responsibility for monitoring risks to which the Group is exposed, and for reviewing and assessing the effectiveness of the internal control framework used by the Group to manage those risks.

The Group has designed its internal controls with the aim of providing a proportionate level of assurance for the organisation, taking account of its size, stage of development and risk exposure. Whilst the Board is confident that the control framework is fit for purpose, it continues to seek ways to further mitigate against the risk of material misstatement or loss.

In assessing the risks faced by the Group, a detailed risk identification and control framework is adopted. It is the responsibility of each department head to update the risk and control matrix for their area; these are then consolidated into a single matrix which is reviewed by the Leadership Team and Executive Directors. The Board receives a summary of the risk and control matrix for the purpose of further review and challenge.

Principal risks and uncertainties

The following table presents the principal risks and uncertainties that the Board considers could have a material impact on the Group's operational results, financial condition and prospects. These risks and uncertainties reflect the business environment within which the Group operates, together with risks in the execution of its business strategy. The risks are separated into four specific risk areas being Strategic, Financial, Operational, and Legal/Compliance & Reputational.

Strategic risks

Principal Risks	Risk Context	Mitigation	Change in the Year
The Group fails to exploit the opportunities available to it and does not deliver the full potential for shareholder (and other stakeholder) returns	The Board anticipates that its strategic initiatives will lead to increased market penetration and open up new market opportunities for the Group. The rapid development of its end markets means that the Group's projections for its strategic initiatives will inevitably require a level of judgement risk.	– Annual review by the Board of Group strategy and annual budget priorities; – Monthly Leadership review of delivery of specific strategic initiatives; – Board appraisal of significant investments before funds are committed and subsequent review of each investment's performance; and – External key opinion leaders' advice to inform strategic initiatives.	Decrease: Likelihood reduced following improved strategic review process
Changes to international trading environment due to political events	New impediments to international trade resulting from political actions such as Brexit or US trade tariffs may disadvantage the Group's position in its marketplace.	– Regular Board review of likely risks associated with Brexit and other potential changes to the trading environment.	No change: No significant impact is anticipated at the current time

Operational Risks

Principal Risks	Risk Context	Mitigation	Change in the Year
Failure of IT infrastructure	A significant failure of IT infrastructure might disrupt the Group's operations.	– Multiple controls are in place to reduce the impact of any single hardware failure; and – Investment in IT infrastructure (including expanding use of cloud services) will mitigate risk of prolonged down time as a result of hardware failure.	Decrease: Likelihood reduced due to improved controls and investment programme
Resource constraints which impact operational delivery	The Group employs highly qualified expertise to deliver its services; its ability to recruit and retain this expertise is critical to operations running smoothly.	– With research links to London-based universities, the Group is able to attract highly qualified individuals as they complete their academic commitments; and – Opportunities for ongoing skills development and promotion to more senior roles are supported as the Group continues to grow.	Increase: Likelihood increased due to growing pipeline of work

Increase Decrease No change

Financial risks

Principal Risks	Risk Context	Mitigation	Change in the Year
Early termination of a client's clinical trial	The Group's client contracts bear a risk of early termination in the event of: – an interim data review demonstrating no material benefit; or – a serious adverse event.	– Commercial contracts include up-front payment, close-out cost recovery and termination notice clauses; and – Continued growth of the Group dilutes this risk across a larger portfolio of clinical trials.	Impact reduced as adopted contractual terms are strengthened
Loss of a key commercial relationship with a client	Although the Group's portfolio of clients has increased across the year there remains a risk that if one of its larger clients terminated its relationship with the Group, there would be a significant impact on the Group's short and/or medium-term revenue expectations. This risk is most notable in respect of its largest client which constitutes a significant portion of Group revenue.	– Leadership monitoring of service levels across projects and dedicating additional resources to supporting its largest client; – All projects operate within clear governance and escalation frameworks with leadership oversight; and – Further development of sales pipeline, to support the continued broadening of the client portfolio across all phases of clinical trials.	Whilst client concentration risk has increased, the Group has taken steps to further support delivery of client objectives
Financial risks are set out in further detail under note 22 to the financial statements and include: Liquidity risks Credit risks Currency risks	The Group is exposed to financial risks typical of all commercial companies. These include the risks of a cash shortfall, experiencing a significant client payment delay and/or exposure to a foreign currency rate fluctuation which is against the interests of the Group.	– Standard controls are applied around all of these risks; – The Group has a strong cash position and a diverse client portfolio which includes large, well-funded organisations; and – The majority of contracts are denominated in GBP.	Impact of foreign exchange rate change reduced due to a greater proportion of client contracts being denominated in GBP and an increase of costs denominated in USD

Legal/compliance & reputational risks

Principal Risks	Risk Context	Mitigation	Change in the Year
Reputational damage due to error or system failure in delivery of analysis services	If the Group provided incorrect results in the course of delivering its services to a clinical trial this may impact on the trial and/or patient outcomes and result in reputational damage for the Group.	– Operational checks are used to control data error, duplication or transfer issues and to highlight when an analysis fails; and – Continued investment to scale controls surrounding increased data volumes as the business grows.	Similar risk position across the year
Breach of data protection regulations	The Group captures personal data from clinical trial subjects. As such, it must be appropriately managed according to GDPR or other equivalent data protection regulations.	– Data captured from client sites is pseudonymised on receipt into the Group's TrialTracker software; and – Controls over the protection of personal data have been implemented. Data outputs to clients and key stakeholders are issued within a control framework to reduce the likelihood of unintended release.	Likelihood reduced as improved and clearer contract terms implemented
Failure to comply with the requirements of its VCT/EIS Funding	It is a requirement of the VCT/EIS funding, which the Group received in May 2018, that it is fully employed within a period of 2 years. Failure to do so would result in the VCT/EIS investors losing some of the tax benefits associated with their investment.	– Significant funds have been employed already; and – Detailed plans are in place to employ the remaining funding within the remainder of the 2-year period and these are reviewed at least monthly.	Likelihood increased as end of VCT/EIS term nears
A cyber-attack results in a breach of the Group's IT systems	Any successful cyber-attack may create operational (and potentially financial) risks and may have a significant reputational impact for the Group.	– Strong levels of control exist over the Group's IT infrastructure, including ongoing investments in improved security infrastructure, training for all staff on data security and standard controls such as password protection and policies.	Likelihood reduced as improved controls implemented

A breakthrough year of strong results providing a solid basis for future investment and growth.

This review includes a comparison of the financial KPIs that we use to measure our progress over the prior year, as shown below:

KPI	2019 result	2018 result	Movement	
Revenue	£7.6m	£5.4m	£2.2m (40%)	↑
Gross profit	£4.9m	£3.2m	£1.7m (56%)	↑
Gross margin	65.4%	58.8%	660 bps	↑
EBITDA profit/(loss)	£0.5m	(£0.6m)	£1.1m	↑
Operating profit/(loss)	£0.4m	(£0.8m)	£1.2m	↑
Profit/(loss) per share	0.92p	(2.00)p	2.92p	↑
Order book	£15.9m	£19.3m	(£3.4m)	↓
Cash	£7.3m	£7.9m	(£0.6m)	↓

Grant Nash
Chief Financial Officer

The Group has delivered an exceptional financial performance across the year to 30 September 2019, further accelerating growth rates previously reported in 2017 and 2018.

Revenue

Revenue for the period of £7.6 million (2018: £5.4 million) represents a year-on-year increase of 40%. This growth was driven by an increasing portfolio of clinical trial projects, a widening of neurological therapeutic areas being serviced and the impact of a Phase III clinical trial accelerating enrolment in the second half of the year.

Gross profit

The Group reports gross profit of £4.9 million in the year. This is an increase of £1.7 million or 56% compared to 2018 and equates to a gross margin of 65%. This improved gross profit performance reflects a combination of a favourable sales mix and the leveraging of operational efficiencies as the Group grows.

Earnings before interest, tax, depreciation and amortisation ('EBITDA')

The Group generated its first EBITDA profit since it listed on the AIM market in 2013. This profit of £0.5 million (2018: £0.6 million loss) reflects the impact of strong revenue growth, improved operational leverage (and therefore overall productivity), and control of administrative costs whilst enabling a level of investment in research and development and in sales and marketing.

Operating profit/loss

Operating expenditure in the year reflected investment in people and product development:

- research and development expenses of £1.0 million (2018: £1.0 million) included the innovation of new algorithms to support image analysis as well as enhancements of the Group's platforms to enable operational scalability. The Group, in addition, capitalised £0.2 million of development expenditure in the year (2018: £nil);
- sales and marketing expenses were £1.2 million (2018: £0.8 million) reflecting increased investment to support continued future growth; and
- general and administrative expenses were controlled at £3.0 million (2018: £2.7 million).

The reported operating profit of £0.4 million reflected 40% revenue growth, improved gross profit performance and controlled operating expenditure.

Order book

The Group continues to benefit from a healthy contracted order book. At 30 September 2019 this totalled £15.9 million (2018: £19.3 million), which takes account of £7.6 million of business executed during the year and £7.7 million of (both new and expanded) multi-year contracts secured across all phases of clinical development as well as a client's early trial cessation as reported on 9 August 2019. This means the Group retains a strong position to deliver continued revenue growth.

Cash

The Group reported a small (£0.1 million) operating cash outflow before tax receipts in the year (2018: £0.1 million cash outflow) reflecting operational profits offset by a reduction in deferred revenue as up-front client receipts received in 2018 unwound across 2019.

The Group had a closing cash balance at 30 September 2019 of £7.3 million (2018: £7.9 million) with the reduction reflecting capital investment in the Group to support future scalability and deliver further process efficiencies. The cash balance remains strong and means the Group is well positioned to drive continued growth.

Profit/loss per share

The Group reported its first profit per share since listing on the AIM market in 2013. The profit per share of 0.92p improved from a 2.00p loss in 2018 and reflects the strong financial performance achieved across the year.

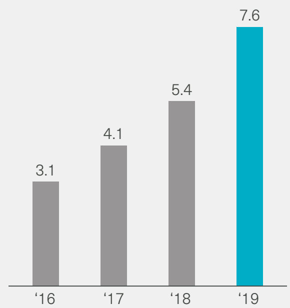
The Group is growing rapidly, is now profitable, and remains well-capitalised, providing a strong basis to further accelerate investment across 2020 and thereby continue execution of its commercially-led growth strategy.

—

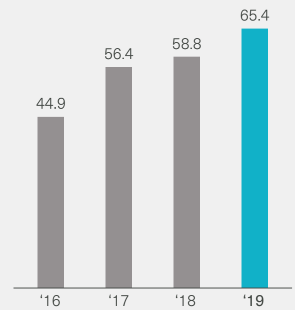
Grant Nash
Chief Financial Officer
3 December 2019

Key performance indicators

Revenue (£m)

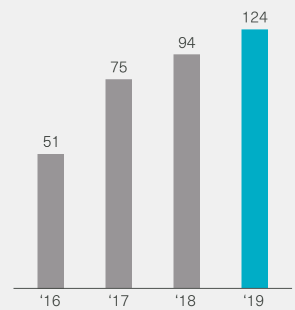


Gross margin (%)

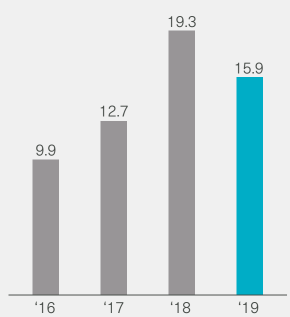


EBITDA (£m)

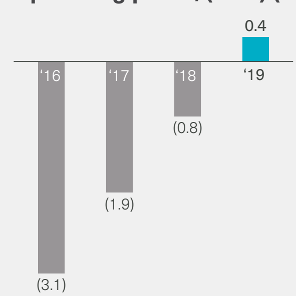
Revenue per FTE (£000)



Order book (£m)



Operating profit/(loss) (£m)



Balancing the skills, experience and knowledge required to achieve our strategic goals.

Charles Spicer
Non-Executive Chairman

Charles is an experienced Director of, and adviser to, public and private companies primarily in the medtech and life science sectors. He is Non-Executive Chairman of Creo Medical Group plc and 11 Health & Technologies Limited and chairs the UK Department of Health Invention for Innovation Funding Panel.

Appointment to Board
October 2013

Committee membership
–

Giulio Cerroni
Chief Executive Officer

Giulio has over 30 years of experience in the life sciences sector and a track record of growing business operations in Europe, the US and Asia. Prior to IXICO, Giulio held global leadership roles at Thermo Fisher Scientific, Inc and LGC Limited, where he transformed the scale of LGC's Genomics division, completing 3 acquisitions in under 18 months. Giulio was a member of the executive leadership team responsible for the successful sale of LGC Limited to global investment firm, KKR & Co. Inc.

Appointment to Board
February 2017

Committee membership
–

Grant Nash
Chief Financial Officer and Company Secretary

Grant has worked in the life sciences sector for over 15 years. In his Executive Director role, Grant leads the Group's Finance, Legal and IT functions. Grant joined IXICO from UK Biobank, an international health research data resource, where he had been Finance Director since 2014. Prior to this he was SVP Finance at Evotec, an early stage drug discovery CRO.

Appointment to Board
August 2019

Committee membership
–

Mark Warne

Non-Executive Director
and Senior Independent Director

Mark is Chief Executive Officer of DeepMatter Group Plc and is a Non-Executive Director of hVIVO plc. He is widely recognised in the UK and international life sciences sector, having spent almost 10 years at IP Group plc, a leading intellectual property commercialisation company, where he led the Healthcare team. Mark is Senior Independent Director and chairs the Remuneration Committee and is a member of the Audit Committee.

Appointment to Board
September 2016

Committee membership
R A

John Bradshaw

Non-Executive Director

John is a chartered accountant with more than 20 years' experience as a Chief Financial Officer with venture-capital-backed and listed companies. He is the Chief Financial Officer of Syncona Investment Management Limited, the Investment Manager of Syncona Limited. He is a Non-Executive Director and Audit Committee chair of Creo Medical Group plc. John chairs the Audit Committee and is a member of the Remuneration Committee.

Appointment to Board
October 2013

Committee membership
R A

Committee membership

- R Remuneration Committee
- A Audit Committee
- — None
- ● Denotes Committee Chair

The Board of Directors of IXICO plc (registered in England and Wales: 03131723) presents its report together with the audited consolidated Group and Company financial statements for the year ended 30 September 2019.

Principal activities

The Group provides specialist data analytics services to the global biopharmaceutical industry. The services include the collection, analysis, management and reporting on data generated in the course of a clinical study. The outputs from the data analysis are used to improve patient selection, monitor drug safety and assess clinical efficacy of the drug under development.

Results and dividends

The Group achieved a net profit after tax of £0.4 million for the year (2018: £0.7 million loss).

The Board of Directors does not recommend the payment of a dividend.

Placing

In the prior year, on 30 May 2018, the Group placed £5.5 million before expenses of £0.3 million, comprising a placing of VCT/EIS qualifying investment and ordinary shares at a price of £0.28. The placing is being used to accelerate development of new products and markets.

Financial risk management

The financial risk management and objectives of the Group are set out in note 22 of the consolidated financial statements. Specific financial risks are set out on page 23 of the Strategic Report.

Political donations

The Group made no political donations during the period (2018: £nil).

Charitable donations

The Group made charitable donations of £5,000 during the period (2018: £2,000) as part of our corporate social responsibility activities.

Directors

The Directors of the Company, who served during the period and up to the date of this report, unless otherwise indicated, are as follows:

	Capacity	Appointed date	Resignation date
Giulio Cerroni	Chief Executive Officer	6 February 2017	
Susan Lowther	Chief Financial Officer Company Secretary	1 October 2014 1 October 2016	11 December 2018 11 December 2018
Grant Nash	Chief Financial Officer Company Secretary	21 August 2019 31 May 2019	
Charles Spicer	Non-Executive Chairman	15 October 2013	
Tim Sharpington	Non-Executive and Senior Independent Director	15 October 2013	30 September 2019
John Bradshaw	Non-Executive Director	15 October 2013	
Mark Warne	Non-Executive and Senior Independent Director	16 September 2016	

Biographical details of IXICO plc's Directors are shown on pages 26 and 27.

Directors' remuneration and share options

Details of the Directors' remuneration and share options are set out in the Directors' Remuneration Report on pages 31 to 33.

Re-election of Directors

At the 2020 AGM, in accordance with the Company's Articles of Association, Giulio Cerroni and Grant Nash will retire. Being eligible, and with the Board's recommendation, they will offer themselves for re-election.

In accordance with section 992 of the Companies Act 2006, the Directors disclose that the rules regarding the appointment and replacement of Directors are contained in the Company's Articles of Association, which may be amended with shareholder approval in accordance with relevant legislation. The powers of the Directors are contained in the Company's Articles of Association or in accordance with the provisions of the Companies Act 2006. The Companies Act 2006 provides that Directors may issue and buy-back the Company's shares on behalf of the Company, subject to authority being given to the Directors by shareholders in a general meeting. No authority to buy-back the Company's ordinary shares of 1 pence has been sought.

Directors' interests

At 28 November 2019, the table below sets out the interests in the Company's shares of Directors who served during the period and their connected persons:

	Ordinary shares of 1 pence 2019	Ordinary shares of 1 pence 2018
Giulio Cerroni	**84,800**	31,500
Susan Lowther	**–**	28,300
Grant Nash	**–**	–
Charles Spicer	**333,196**	122,600
Tim Sharpington	**15,100**	15,100
John Bradshaw	**35,500**	35,500
Mark Warne	**5,400**	5,400

During year ended 30 September 2019, the Directors' interest in Company's shares changed as a result of the transacting of shares in the market as approved under the Group's share trading policies.

The Directors' interests are beneficially held by each Director unless otherwise stated. Apart from these interests and share options, no Director had any further interest in the period in the share capital of the Company or other Group companies. There have been no changes in the Directors' interests in the share capital of the Group since the year end.

Directors' indemnities

The Group has in place for the whole of the period, and at the date of signing the consolidated financial statements, qualifying third-party indemnity insurance for all Directors and officers.

Going concern

At 30 September 2019, the Group had cash and cash equivalents of £7.3 million. The Group's business activities, together with the factors likely to affect its future performance and position, are set out in the Strategic Report. The Directors have considered the expected future performance together with the Group's estimated future cash inflows from existing long-term contracts, sales pipeline and funded collaborations. Changes to the operating cost base are made in the normal course of business, so that expenditure and investment are in line with the Group's strategy and financial resources. After due consideration, and taking into account management's estimate of future revenue and expenditure, the Directors have a reasonable expectation that the Group will have adequate financial resources to continue in operation for the foreseeable future.

Structure of the Company's capital

The Company's share capital comprises a single class of ordinary shares of 1 pence each, each carrying 1 voting right and all ranking equally with each other. At 30 September 2019, 46,902,294 (2018: 46,777,000) shares were allotted and fully paid. Note 19 of the consolidated financial statements provides full details of movements in the Company's share capital.

Holders of ordinary shares are entitled to receive all shareholder documents, to attend, speak and exercise voting rights, either in person or by proxy, on resolutions proposed at general meetings and participate in any distribution of income or capital. There are no restrictions on the transfer of shares in the Company or in respect of voting rights attached to the shares. None of the shares carries any special rights with regard to the control of the Company.

Structure of the Company's capital continued

Participants in employee share option schemes have no voting or other rights in respect of the shares subject to their awards until the options are exercised, at which time the shares rank pari passu in all respects with shares already in issue. Details of employee share option schemes are set out in note 20 of the consolidated financial statements.

There are no restrictions on the transfer of securities in the Group.

Authority to issue shares

At the general meeting held on 18 January 2019, shareholders authorised the Directors to allot relevant securities up to an aggregate nominal value of £155,908, (representing 33.33% of the issued share capital) and to allot equity securities up to an aggregate nominal value of £311,862 in connection with a fully pre-emptive rights issue (representing 66.67% of the issued share capital) in accordance with industry guidance (Investment Association and PLSA), and to allot for cash equity securities having a nominal value not exceeding in aggregate £58,453 (representing 12.5% of the issued share capital).

These authorities expire at the close of business on 17 January 2020, or if earlier, the conclusion of the next AGM. At the 2020 AGM, similar authorities will be sought from shareholders, save that the authority to disapply pre-emption rights shall be reduced to 10% of issued share capital and the Company does not intend to seek authority for a fully pre-emptive rights issue.

Substantial shareholdings

At 28 November 2019, the Company had received notification from the following financial institutions of their and their clients' interest in the following disclosable holdings, which represent 3% or more of the voting rights of the issued share capital of the Company.

Shareholders having a major interest	Number of shares held	% of issued shares
BGF Investment Management Limited	9,354,000	19.94
Octopus Investments	6,708,400	14.30
Gresham House Asset Management	5,357,100	11.42
Canaccord Genuity Group Inc.	5,118,149	10.91
Amati Global Investors	5,031,300	10.73

AGM

The notice convening and giving details of the 2020 AGM will be posted to shareholders on 16 December 2019. The 2020 AGM of the Company will be held at the offices of BGF Investment Management, 13 – 15 York Buildings, London, WC2N 6JU on Friday, 17 January 2020.

Disclosure of information to auditors

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the Board of Directors

—
Charles Spicer
Chairman
3 December 2019

Remuneration policy for Executive Directors

The remuneration policy and practice are intended to align the remuneration of Executive Directors with the Group's business model and achievement of the Group's strategy. The policy seeks to strike an appropriate balance between a base salary and a discretionary, performance-related element.

Base salary

The Remuneration Committee approves the base salary of Executive Directors, having regard to the individual role and responsibilities.

Pension contribution

The Group operates a money purchase Group personal pension plan for all employees. The Group contributes to the scheme 8% of base salary in respect of the Chief Financial Officer. The Chief Executive Officer receives a payment of 8% of base salary in lieu of pension contributions.

Performance-related bonus

The Group operates a discretionary bonus scheme that takes account of the underlying financial performance of the Group, meeting KPI's and achieving strategic objectives. All performance targets are set by the Remuneration Committee. The award of bonus payments to employees, including Executive Directors are subject to the Remuneration Committee's review and approval.

Bonus payments are not pensionable.

IXICO EMI Share Option Plan 2014

Share options granted to Executive Directors are in accordance with the rules of the IXICO EMI Share Option Plan 2014. The share options include performance-related vesting criteria related to the achievement of strategic goals or a significant corporate development transaction. The exercise of share options is subject to the Remuneration Committee's review, and approval, of whether such performance targets have been achieved.

Long-Term Incentive Plan

The Group operates a Long-Term Incentive Plan ('LTIP') which is subject to the rules of the IXICO EMI Share Option Plan 2014. The LTIP is distinguished from other awards under the EMI Share Option Plan 2014 only by the characteristic of issuing awards with an exercise price of £0.01.

Share dilution limits

The aggregate number of new ordinary shares which may be issued on the realisation of the EMI Share Option Plan 2014 (including the LTIP plan) in any 10-year period may not exceed 12.5% of the number of ordinary shares in issue.

At 30 September 2019 and assuming satisfaction of all performance conditions, the total number of the Company's shares issuable under awards made under the EMI Share Option Plan 2014 and (including the LTIP and any awards already exercised) was 3,690,572 or 7.9% of the number of ordinary shares in issue at that date.

Other benefits

The Executive Directors are part of a Group Life Assurance scheme that is maintained and paid by the Group for all employees.

Private medical insurance and income protection insurance are not provided.

Executive Directors' service contracts and termination provisions

The service contracts of Executive Directors are approved by the Remuneration Committee and then the Board. The service contracts may be terminated by either party giving notice to the other as set out below:

	Date of contract	Notice period
Giulio Cerroni	6 February 2017	12 months
Grant Nash	29 April 2019	6 months

Non-Executive Directors

The Non-Executive Directors have letters of appointment with the Company. Fees paid to the Non-Executive Directors are determined by the Board, giving due consideration to market rates and comparative businesses. The Non-Executive Directors do not receive pension contributions and do not participate in any discretionary bonus or Company share option schemes. Current contracts together with notice periods are as follows:

	Date of contract	Notice period
Charles Spicer (as Chairman)	16 September 2016	3 months
John Bradshaw	15 October 2013	3 months
Mark Warne	16 September 2016	3 months

Directors' remuneration

	Year ended 30 September 2019			Year ended 30 September 2018		
	Salary and fees £	**Bonus £**	**Pension contributions £**	Salary and fees £	Bonus £	Pension contributions £
Executive						
Derek Hill	**–**	**–**	**–**	118,630	250	7,140
Susan Lowther	**108,510**	**–**	**2,774**	178,500	160,900	14,280
Giulio Cerroni	**215,865**	**330,300**	**–**	210,600	175,500	–
Grant Nash	**59,410**	**47,142**	**4,753**	–	–	–
	383,785	**377,442**	**7,527**	507,730	336,650	21,420
Non-Executive						
Charles Spicer	**44,100**	**–**	**–**	42,000	–	–
Tim Sharpington	**27,563**	**–**	**–**	30,500	–	–
John Bradshaw	**23,625**	**–**	**–**	22,500	–	–
Mark Warne[1]	**18,900**	**–**	**–**	18,912	–	–
	114,188	**–**	**–**	113,912	–	–
Aggregate emoluments	**497,973**	**377,442**	**7,527**	621,642	336,650	21,420

1 IP Group plc was remunerated for services rendered by Mark Warne until 29 June 2018 when Mark resigned from his position in IP Group plc. From 29 June 2018 Mark Warne was remunerated for his services directly.

No Directors waived emoluments in the year ended 30 September 2019 (2018: £nil).

Directors' options

Details of options over shares in the Company held by Directors who served during the period, all of which have been granted at no cost to the Directors, are set out below:

	Number of options							
	At 30 September 2018	Granted during the year	Exercised during the year	Lapsed during the year	**At 30 September 2019**	Exercise price	Date of grant	Expiry date
Susan Lowther	25,098	–	–	(25,098)	**–**	£0.490	28-Oct-14	7-May-24
	205,098	–	–	(205,098)	**–**	£0.305	29-Mar-16	7-May-24
	80,000	–	–	(80,000)	**–**	£0.365	7-Feb-17	7-May-24
	235,000	–	–	(235,000)	**–**	£0.340	7-Aug-17	7-May-24
	935,240	–	–	(753,388)	**181,852**	£0.010	4-Jun-18	7-May-24
	1,480,436	–	–	(1,298,584)	**181,852**			
Giulio Cerroni	676,582	–	–	–	**676,582**	£0.365	7-Feb-17	7-May-24
	1,169,050	–	–	–	**1,169,050**	£0.010	4-Jun-18	7-May-24
	1,845,632	–	–	–	**1,845,632**			
Total	3,326,068	–	–	(1,298,584)	**2,027,484**			

There were no share options granted during the year.

The options granted to Susan Lowther under the EMI Share Option scheme which had not yet vested by the date of her resignation as an Executive Director lapsed on this same date. Those options granted under the EMI Share Option scheme which had vested by the date of her resignation as an Executive Director lapsed 3 months after this date. Of the options issued under the LTIP scheme, all lapsed with the exception of that portion, equivalent to 181,852 options, which related to the period of the vesting term which she had served prior to her resignation, in accordance with the terms of the LTIP agreement.

During the year ended 30 September 2019, the Company's share price ranged from £0.19 to £0.62.

Further details of the share option schemes are set out in note 20 of the consolidated financial statements.

The Board has adopted, and complies with, the Quoted Companies Alliance ('QCA') Corporate Governance Code ('Code') and has published a statement on the Group website that sets out, in broad terms, how the Group complies with the Code at the date of this report. The Board provides annual updates about compliance with the Code.

The Board is responsible for ensuring that IXICO is managed for the long-term benefit of all shareholders, through effective and efficient decision-making. Corporate governance is an important part of the Board's role by providing oversight and guidance to help manage risk and build long-term value.

The Code comprises 10 principles, with which companies undertake to comply as part of their corporate governance arrangements. A summary of how the Group complies with these principles is outlined below with further detail being available on the Group's website (https://ixico.com/investors/governance/oversight/).

Governance Principle	Group Approach	Further Reading
Deliver value in a manner aligned to shareholder and wider stakeholder aspirations		
1: Establish a strategy and business model which promotes long-term value for shareholders	The Group delivers insights to biopharmaceutical companies developing drugs to address neurological disease. To achieve our business goals, the Group is accelerating growth and has achieved profitability in the financial year to 30 September 2019 by: – building scale and market presence for our technology solutions; and – developing and commercialising new products and services. These activities promote and are delivering long-term value for shareholders.	Our 5-point growth plan is detailed on pages 10 and 11. Our approach to innovation and recent product launches are described on pages 12 to 15.
2: Seek to understand and meet shareholder needs and expectations	The Board is committed to encouraging open communication between itself and shareholders. The Chief Executive Officer and Chief Financial Officer arrange to meet with major shareholders at least twice a year to update them on strategy, progress against this strategy and obtain feedback. The Chairman also makes himself available for discussions with major shareholders as and when appropriate. Further, should the Board consider any significant divergence from strategy, it will seek feedback from major shareholders as part of its deliberations. The Board uses publications on its website and its Annual Report to keep all shareholders informed of its progress. It uses the AGM to invite feedback from any shareholder. The CEO and CFO are responsible for investor relations and any feedback received from shareholders is communicated to the wider Board.	
3: Take into account wider stakeholder and social responsibilities and their implications for long-term success	The Group is highly conscious of the requirements of its wider stakeholders in supporting its long-term success. It views its wider stakeholders as its clients, suppliers, employees and patients. The Board has implemented approaches to support the requirements of each group and, where it identifies, or is notified of, any risks or concerns in respect of any of these stakeholder groups, it puts in place actions to address these.	Our stakeholders are described in our business model on pages 4 and 5.
4: Embed effective risk management, considering both opportunities and threats, throughout the organisation	The Board has ultimate responsibility for the Group's system of risk management and internal control and for reviewing its effectiveness. The Board instils control to the Group's operations by overseeing the following: – competent and prudent management; – sound planning; – adequate systems of control; – adequate and accurate accounting records; and – compliance with statutory and regulatory obligations.	The Risk Management Report is provided on pages 22 and 23.

Governance Principle	Group Approach	Further Reading
Maintain a strong and dynamic management framework that places value on developing the Group in an ethical manner		
5: Maintain the Board as a well-functioning, balanced team led by the Chair	The Board comprises the Non-Executive Chairman, two Executive Directors and two Non-Executive Directors, one of whom acts as Senior Independent Director. The Board has an appropriate balance between independence and knowledge of the Group and its target markets which allows it to discharge its duties and responsibilities effectively. The Directors use their independent judgement and challenge matters affecting the business whether strategic or operational. The Non-Executive Directors are in regular contact with the Executive Directors and the Chairman has regular one-to-one meetings with the Chief Executive Officer. The Board has access to independent advisers to support it in its decisions, where additional skills or expertise is deemed necessary. The Board has procedures in place to deal with a situation in which a Director has, or may have, a conflict of interest. The Board is aware of other commitments and interests as they are disclosed by each Board member. The Board meets formally not fewer than four times per year in addition to the annual strategy day. Additional Board meetings are held by telephone to discuss key strategic priorities.	More information on Board membership is provided on pages 26 and 27.
6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	The Board has an effective and appropriate balance of skills and experience and is mindful of the need to continuously review the needs of the business to ensure that this remains true, so that the Group can drive performance as well as comply with regulations. The Group's Articles of Association require that all Directors must stand for re-election every 3 years and that any new Directors appointed during the year must stand for election at the AGM following their appointment.	Further details of the Board's skills and experience can be found on pages 26 and 27.
7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	The Board undertakes self-reviews from time to time in order to assess its performance. The Chairman provides leadership to the Board and assesses the individual Directors to ensure that their contribution is relevant and effective and that they are committed members of the Board. In July 2019 the Board reviewed the outcome of its latest self-assessment. As a result, it introduced changes to the timing and format of information it reviews from the leadership team and streamlined the flow of information from the 2 Board sub-committees to the Board itself.	
8: Promote a corporate culture that is based on ethical values and behaviours	The Group operates in a highly regulated environment in accordance with an integrated Management System (including ISO 13485:2016) which is subject to third-party audit. The Group is focused on a therapeutic area which has a high unmet medical need and our employees are motivated to support our clients in their quest to develop and provide safe, effective treatments for people living with neurological diseases. The Group employs a diverse workforce and embraces a culture where employees are treated equitably within an environment of mutual respect and understanding.	The Group's values are described on pages 20 and 21.
9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board	The Board is collectively responsible for the long-term success of the Group. Its principal function is to provide the Group with a framework of prudent and effective control, which enables risk to be assessed and managed and its strategy executed. Further details as to how the governance processes are structured to achieve this are outlined within this Governance Report.	
Build trust based on open communication with stakeholders		
10: Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	The Group communicates with shareholders (and other stakeholders) via its website, its Annual Report and the AGM as well as via issuing RNS announcements and presenting to major shareholders and analysts. This Governance Report, alongside the wider Strategic and Directors' Reports are designed to provide full and relevant updates on how the Group is governed and how it is performing. These are drafted with both shareholders and the wider stakeholder community in mind.	Strategic Report pages 2 to 25. Directors' Report pages 28 to 30. Financial Review pages 24 and 25.

The Board and Board Subcommittees

The Board meets at least 4 times per year in accordance with a pre-determined meeting calendar. The Board is supported by 2 subcommittees: the Audit Committee and the Remuneration Committee. The subcommittees discharge responsibilities on behalf of the Board and are entitled to such internal or external advice as is required to allow them to fulfil their duties.

The table below shows the membership of the Board and each subcommittee as at the end of 30 September 2019:

	Board	Audit Committee	Remuneration Committee
Charles Spicer (Non-Executive Chairman)	Chairman	–	–
Giulio Cerroni (Chief Executive Officer)	Member	–	–
Grant Nash (Chief Financial Officer & Company Secretary)	Member & Secretary	Secretary	Secretary
Mark Warne (Senior Independent Non-Executive Director)	Member	Member	Chairman
John Bradshaw (Independent Non-Executive Director)	Member	Chairman	Member

The Board and its Committees receive appropriate and timely information prior to each meeting including a formal agenda. Any Director may challenge Group proposals. Decisions are taken democratically after appropriate discussion. Specific actions arising from Board meetings are agreed by the Board or relevant Committee and are then followed up by the Executive Directors.

The Board and subcommittees all operate against terms of reference which are summarised on the Group website (https://ixico.com/investors/governance/).

Audit Committee

The Audit Committee is chaired by John Bradshaw. Mark Warne is a member of the Committee. The terms of reference of the Audit Committee include the following responsibilities:

- monitoring the integrity of the Group's financial statements and application of accounting policies;
- reviewing the effectiveness of the Group's internal control and risk management systems; and
- oversight of the Group's external auditors.

Audit Committee meetings are usually held twice per financial year.

Remuneration Committee

The Remuneration Committee was chaired during the year by Tim Sharpington until his resignation from the Board on 30 September 2019. Mark Warne, who was a member of the Committee until 30 September 2019 has taken over the role of Chairman of the Committee from 30 September 2019. John Bradshaw is a member of the Committee.

The terms of reference of the Remuneration Committee include the following responsibilities:

- determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors and other such members of the executive management as it is designated to consider;
- approve the design of, and determine targets for any performance-related pay schemes and approve the total annual payments made under such schemes;
- approve all long-term incentive scheme structures and option schemes;
- approve all option grants for ratification by the Board; and
- within the terms of the agreed policy, determine the total individual remuneration package of each Executive Director including, where appropriate, bonuses, incentive payments and share options.

Remuneration Committee meetings are usually held twice per financial year.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('EU'). Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the EU have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Directors

—
Charles Spicer
Chairman
3 December 2019

Independent Auditor's Report to the Members of IXICO plc

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of IXICO plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2019 which comprise Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated and Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the parent company's affairs as at 30 September 2019 and of the Group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue

Grant Thornton

Overview of our audit approach

- Group materiality: £151,000, which represents 2% of the Group's total revenue
- Key audit matters were identified as revenue recognition and capitalisation of intangible development costs may not be appropriate and
- We performed full scope audit procedures in respect of IXICO plc and IXICO Technologies Limited. All other group companies are not significant.

Key audit matters

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

Key Audit Matters – Group	How the matter was addressed in the audit – Group
Risk 1 – Revenue Recognition Under International Standard on Auditing (UK) 240 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements', there is a rebuttable presumed risk that revenue may be misstated due to fraud. The Group has two revenue streams: service revenue and license revenue. License revenue is derived from use of the Group's proprietary platform and is recognised over the contractual period. Service revenue from many of the Group's contracts comprise multiple performance obligations including, but not limited to, project set-up and data management, site set-up and management, TrialTracker configuration and access, data reading and analysis, data management and quality control and scientific study reporting. Revenue recognition is therefore dependent upon identifying the relevant distinct performance obligation, ensuring the revenue allocated to the performance obligation is based on standalone pricing and ensuring that revenue is appropriately recognised in accordance with the delivery of the performance obligation. During the period, change orders have also been agreed which amount to contract modifications which also impacts on revenue recognition. We therefore identified revenue recognition as a significant risk, which was the most significant assessed risk of material misstatement.	Our audit work included, but was not restricted to: – Agreeing new contracts awarded in the year to set up on the Group's internal project tracker system; – Testing a sample of tasks recognised as revenue from the planning sheets, which reconcile to the trial balance. Verifying the tasks' unit price to contracts and number of units to the Group's internal project tracker system and considering whether the performance obligations of each task are being recognised in accordance with IFRS 15; – Testing signed contracts near period end to ensure revenue has been correctly recognised; – Gaining an understanding of the performance and progress of contracts including discussions with the operational project managers; – Testing a sample of accrued and deferred income balances to supporting project tracking sheets and considering the revenue recognised on at risk work completed at the year end; – Reconciliation of pass-through revenue to costs; and – Gaining an understanding of and reperforming calculations of the foreign exchange variances on contracts priced in currencies other than sterling. The group's accounting policy on Revenue Recognition is shown in note 3 to the financial statements and related disclosures are included in note 5. **Key observations** Our audit work did not identify any material misstatements in the occurrence of revenue recognised in the year or any material instances of revenue not being recognised in accordance with stated accounting policies.

Key audit matters continued

Key Audit Matters – Group	How the matter was addressed in the audit – Group
Risk 2 – Capitalisation of intangible development costs may not be appropriate Under IAS 38 'Intangible Assets', development costs must be capitalised if the recognition criteria are met, including determining whether the project provides a future economic benefit to the Group. During the year, the Group capitalised £161k of internal staff costs in relation to internally developed software, the first period during which such costs have been capitalised. The capitalisation of these costs includes managements' judgements and assumptions assessing each project according to IAS 38 'Intangible Assets' criteria. Judgement is required to determine whether the criteria is met, in particular the future economic benefits that will be generated and the intention of the Group to complete development. There is a risk that the costs capitalised do not meet the criteria for capitalisation in accordance with IAS 38. Due to the judgements and the materiality of the balance, the capitalisation of intangible development costs has been identified as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: – Challenging management as to whether the accounting policy for cost capitalised as internally generated intangible assets was in accordance with the financial reporting framework under IAS 38 and testing whether the capitalisation of such intangible assets has been accounted for in accordance with that policy through questioning the paper prepared by management; – Challenging management as to the qualifying nature of the individual projects outlined within the paper prepared; – Recalculating the mathematical accuracy of recorded capitalised amounts and obtaining confirmation of the revenue generating projects that the capitalised amounts relate to; – Performing detailed substantive testing of additions in the year, through tracing a sample of capitalised labour costs to supporting payroll records and timesheets and non-payroll costs to invoices to test the accuracy of costs and to ensure the validity of capitalisation;. We also gained a breakdown of costs for each project capitalised; – Obtaining an understanding from management and the development team of the costs capitalised and challenge where amounts for other projects are not being capitalised; and – Obtained management's impairment review to ensure future revenues is greater than costs capitalised and ensure future revenues is reasonable. The group's accounting policy on intangible assets is shown in note 3 to the financial statements and related disclosures are included in note 14. **Key observations** As a result of our testing no material misstatements were noted regarding the capitalisation of intangible development costs in accordance with IAS 38. The costs capitalised were found to be in accordance with the stated accounting policy.

We did not identify any Key Audit Matters relating to the audit of the financial statements of the parent company.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

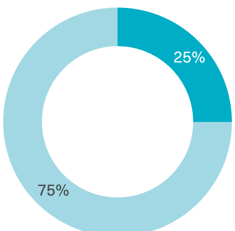
Materiality was determined as follows:

Materiality measure	Group	Parent
Financial statements as a whole	£151,000 which is 2% of the Group's total revenue. This benchmark is considered the most appropriate because revenue is a key performance indicator used by management and shareholders in assessing performance of the business. Materiality for the current year is higher than the level that we determined for the year ended 30 September 2019, using the same basis. This reflects the increase in revenue.	£129,940 which is 1% of estimated total assets at the planning stage. This benchmark is considered the most appropriate because the Company is a holding company for the trading group. We chose not to revise our materiality threshold during the course of the audit when the final assets was known as the level of materiality was considered appropriate. Materiality for the current year is higher than the level that we determined for the year ended 30 September 2019, as the prior year benchmark had to be reduced so that company materiality was below group materiality.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.

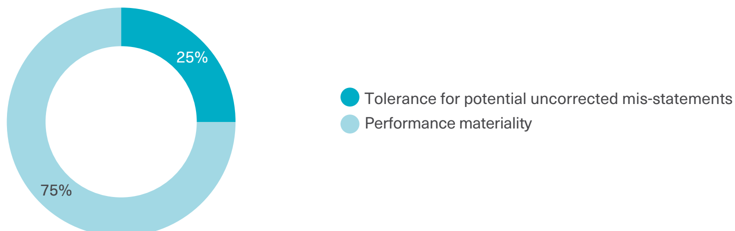
Materiality measure	Group	Parent
Specific materiality	We also determine a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.	We also determine a lower level of specific materiality for certain areas such as directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£7,600 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£6,500 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Group



Overall materiality – Parent



An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the group's business, its environment and risk profile and in particular included:

- IXICO plc has centralised processes and controls over the key areas of audit focus. Group management are responsible for all judgemental processes and significant risk areas. All accounting is centralised and we have tailored our audit response accordingly. In assessing the risk of material misstatement to the Group financial statements we considered the transactions undertaken by each entity and therefore where the focus of our work was required;
- full scope audit procedures were performed on the financial statements of the parent company IXICO plc and financial information of the trading entity IXICO Technologies Limited, which is the only component which is individually significant to the Group;
- the total percentage coverage of full-scope of the Group's revenue was 100%;
- the total percentage coverage of full scope of the Group's total assets was 100%; and
- our audit approach in the current year is consistent with the audit approach adopted for the year ended 30 September 2019 being substantive in nature.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 37, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the group financial statements

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

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

Use of our report

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

—

Paul Naylor
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cambridge
3 December 2019

Consolidated Statement of Comprehensive Income

for the years ended 30 September 2019 and 30 September 2018

	Note	2019 £000	2018 £000
Revenue	5	**7,561**	5,394
Cost of sales		**(2,619)**	(2,221)
Gross profit		**4,942**	3,173
Other income	7	**588**	562
Operating expenses			
Research and development expenses		**(986)**	(1,033)
Sales and marketing expenses		**(1,154)**	(754)
General and administrative expenses		**(3,026)**	(2,745)
Total operating expenses	10	**(5,166)**	(4,532)
Operating profit/(loss)		**364**	(797)
Finance income		**2**	4
Profit/(loss) on ordinary activities before taxation		**366**	(793)
Taxation credit	11	**66**	125
Profit/(loss) attributable to equity holders for the period		**432**	(668)
Other comprehensive expense:			
Items that will be reclassified subsequently to profit or loss			
Foreign exchange translation differences		**(1)**	(1)
Total other comprehensive income/(expense)		**(1)**	(1)
Total comprehensive income/(expense) attributable to equity holders for the period		**431**	(669)

	Note	2019	2018
Profit/(loss) per share (pence)	12		
Basic profit/(loss) per share		**0.92**	(2.0)
Diluted profit/(loss) per share		**0.92**	(2.0)

Consolidated Statement of Financial Position
as at 30 September 2019 and at 30 September 2018

	Note	2019 £000	2018 £000
ASSETS			
Non-current assets			
Property, plant and equipment	13	**316**	77
Intangible assets	14	**292**	32
Total non-current assets		**608**	109
Current assets			
Trade and other receivables	16	**2,379**	2,140
Current tax receivables	11	**450**	229
Cash and cash equivalents		**7,264**	7,861
Total current assets		**10,093**	10,230
Total assets		**10,701**	10,339
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	17	**2,782**	3,013
Total current liabilities		**2,782**	3,013
Equity			
Ordinary shares	19	**7,925**	7,923
Share premium	19	**84,436**	84,389
Merger relief reserve	19	**1,480**	1,480
Reverse acquisition reserve	19	**(75,308)**	(75,308)
Foreign exchange translation reserve		**(81)**	(80)
Accumulated losses		**(10,533)**	(11,078)
Total equity		**7,919**	7,326
Total liabilities and equity		**10,701**	10,339

The financial statements on pages 43 to 73 were approved by the Board of Directors and authorised for issue on 3 December 2019 and were signed on its behalf by:

—
Grant Nash
Chief Financial Officer
3 December 2019

IXICO plc, Registered number: 03131723

Company Statement of Financial Position

as at 30 September 2019 and at 30 September 2018

	Note	2019 £000	2018 £000
ASSETS			
Non-current assets			
Investments in Group undertakings	15	**5,516**	5,434
Total non-current assets		**5,516**	5,434
Current assets			
Trade and other receivables	16	**4,710**	685
Cash and cash equivalents		**2,187**	7,229
Total current assets		**6,897**	7,914
Total assets		**12,413**	13,348
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	17	**112**	140
Total current liabilities		**112**	140
Equity			
Ordinary shares	19	**7,925**	7,923
Share premium	19	**84,436**	84,389
Merger relief reserve	19	**1,480**	1,480
Accumulated losses		**(81,540)**	(80,584)
Total equity		**12,301**	13,208
Total liabilities and equity		**12,413**	13,348

Parent Company Income Statement

As permitted by Section 408 of the Companies Act 2006, the income statement of the Company is not presented as part of these financial statements. The Company's loss for the financial year was £1,069,000 (2018: £1,296,000).

The financial statements on pages 43 to 73 were approved by the Board of Directors and authorised for issue on 3 December 2019 and were signed on its behalf by:

—

Grant Nash
Chief Financial Officer
3 December 2019

IXICO plc, Registered number: 03131723

Consolidated Statement of Changes in Equity

for the years ended 30 September 2019 and 30 September 2018

	Ordinary shares £000	Share premium £000	Merger relief reserve £000	Reverse acquisition reserve £000	Foreign exchange translation reserve £000	Accumulated losses £000	Total £000
Balance at 30 September 2017	7,727	79,421	1,480	(75,308)	(79)	(10,552)	2,689
Total comprehensive expense							
Loss for the period	–	–	–	–	–	(668)	(668)
Other comprehensive expense:							
Foreign exchange translation	–	–	–	–	(1)	–	(1)
Total comprehensive expense	–	–	–	–	(1)	(668)	(669)
Transactions with owners							
Charge in respect of share options	–	–	–	–	–	142	142
Exercise of share options	–	4	–	–	–	–	4
Proceeds from shares issued	196	5,304	–	–	–	–	5,500
Transaction costs for issue of shares	–	(340)	–	–	–	–	(340)
Total transactions with owners	196	4,968	–	–	–	142	5,306
Balance at 30 September 2018	**7,923**	**84,389**	**1,480**	**(75,308)**	**(80)**	**(11,078)**	**7,326**
Total comprehensive income/(expense)							
Profit for the period	**–**	**–**	**–**	**–**	**–**	**432**	**432**
Other comprehensive expense:							
Foreign exchange translation	**–**	**–**	**–**	**–**	**(1)**	**–**	**(1)**
Total comprehensive income/(expense)	**–**	**–**	**–**	**–**	**(1)**	**432**	**431**
Transactions with owners							
Charge in respect of share options	**–**	**–**	**–**	**–**	**–**	**113**	**113**
Exercise of share options	**2**	**47**	**–**	**–**	**–**	**–**	**49**
Total transactions with owners	**2**	**47**	**–**	**–**	**–**	**113**	**162**
Balance at 30 September 2019	**7,925**	**84,436**	**1,480**	**(75,308)**	**(81)**	**(10,533)**	**7,919**

Company Statement of Changes in Equity
for the years ended 30 September 2019 and 30 September 2018

	Ordinary shares £000	Share premium £000	Merger relief reserve £000	Accumulated losses £000	Total £000
Balance at 30 September 2017	7,727	79,421	1,480	(79,430)	9,198
Total comprehensive expense for the period	–	–	–	(1,296)	(1,296)
Transactions with owners					
Charge in respect of share options	–	–	–	142	142
Exercise of share options	–	4	–	–	4
Proceeds from shares issued	196	5,304	–	–	5,500
Transaction costs for issue of shares	–	(340)	–	–	(340)
Total transactions with owners	196	4,968	–	142	5,306
Balance at 30 September 2018	**7,923**	**84,389**	**1,480**	**(80,584)**	**13,208**
Total comprehensive expense for the period	**–**	**–**	**–**	**(1,069)**	**(1,069)**
Transactions with owners					
Charge in respect of share options	**–**	**–**	**–**	**113**	**113**
Exercise of share options	**2**	**47**	**–**	**–**	**49**
Total transactions with owners	**2**	**47**	**–**	**113**	**162**
Balance at 30 September 2019	**7,925**	**84,436**	**1,480**	**(81,540)**	**12,301**

Consolidated and Company Statements of Cash Flows
for the years ended 30 September 2019 and 30 September 2018

	Group		Company	
	2019 £000	2018 £000	**2019 £000**	2018 £000
Cash flows from operating activities				
Profit/(loss) for the period	**432**	(668)	**(1,069)**	(1,296)
Finance income	**(2)**	(4)	**(40)**	–
Taxation	**(66)**	(125)	**–**	–
Depreciation	**72**	38	**–**	–
Amortisation of acquired intangibles	**40**	114	**–**	–
Impairment of subsidiaries	**–**	–	**–**	–
Research and development expenditure credit	**(155)**	(126)	**–**	–
Share option charge	**113**	142	**31**	28
	434	(629)	**(1,078)**	(1,268)
Changes in working capital				
(Increase)/decrease in trade and other receivables	**(239)**	(653)	**(3,983)**	2,910
(Decrease)/increase in trade and other payables	**(325)**	1,214	**(29)**	27
Cash (used in)/generated from operations	**(130)**	(68)	**(5,090)**	1,669
Taxation received	**–**	423	**–**	–
Net cash (used in)/generated from operating activities	**(130)**	355	**(5,090)**	1,669
Cash flows from investing activities				
Purchase of property, plant and equipment	**(217)**	(60)	**–**	–
Purchase of intangible assets including staff costs capitalised	**(300)**	(15)	**–**	–
Finance income	**4**	4	**–**	–
Net cash used in investing activities	**(513)**	(71)	**–**	–
Cash flows from financing activities				
Issue of shares	**48**	5,504	**48**	5,504
Transaction costs asso iated with issue of shares	**–**	(340)	**–**	(340)
Net cash generated from financing activities	**48**	5,164	**48**	5,164
Movements in cash and cash equivalents in the period	**(595)**	5,448	**(5,042)**	6,833
Cash and cash equivalents at start of period	**7,861**	2,414	**7,229**	396
Effect of exchange rate fluctuations on cash held	**(2)**	(1)	**–**	–
Cash and cash equivalents at end of period	**7,264**	7,861	**2,187**	7,229

Notes to the financial statements
For the years ended 30 September 2019 and 30 September 2018

1. Presentation of the financial statements
a. General information
IXICO plc (the 'Company') is a public limited company incorporated in England and Wales and is admitted to trading on the AIM market of the London Stock Exchange under the symbol IXI. The address of its registered office is 4th Floor, Griffin Court, 15 Long Lane, London EC1A 9PN.

The Company is a parent of a number of subsidiaries detailed in note 15, together referred to throughout as 'the Group'. The Group is an established provider of technology-enabled services to the global biopharmaceutical industry. The Group's services are used to select patients for clinical trials and assess the safety and efficacy of new drugs in development within the field of neurological disease.

b. Basis of preparation
The consolidated financial statements have been prepared on a going concern basis and in accordance with IFRS as adopted by the EU, IFRIC interpretations and the Companies Act 2006 applicable to companies operating under IFRS.

The consolidated financial statements comprise a Statement of Comprehensive Income, a Statement of Financial Position, a Statement of Changes in Equity, a Statement of Cash Flows, and accompanying notes. These financial statements have been prepared under the historical cost convention modified by the revaluation of certain financial instruments.

The consolidated financial statements are presented in Great British Pounds ('£' or 'GBP') and are rounded to the nearest thousand unless otherwise stated. This is the predominant functional currency of the Group, and is the currency of the primary economic environment in which it operates. Foreign currency transactions are accounted in accordance with the policies set out below.

c. Basis of consolidation
The consolidated financial statements incorporate the accounts of the Company and its subsidiary companies adjusted to eliminate intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions. The Company's subsidiaries are detailed in note 15. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Group controls a subsidiary when the Group is exposed to, or has rights to, variable returns from its involvement with a subsidiary and has the ability to affect those returns through its power over a subsidiary. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The results of subsidiary companies are included in the consolidated financial statements from the date that control commences until the date that control ceases. The assets and liabilities of foreign operations are translated into GBP at exchange rates prevailing at the end of the reporting period. Income statements and cash flows of foreign operations are translated into GBP at average monthly exchange rates which approximate foreign exchange rates at the date of the transaction. Foreign exchange differences arising on retranslation are recognised directly in a separate translation reserve.

d. Going concern
At the time of approving the consolidated financial statements, the Directors have considered the expected future performance together with the Group's estimated future cash inflows from existing long-term contracts and sales pipeline. Changes to the cost base are made in the normal course of business, so that operating expenditure and planned investment are in line with the Group's strategy and financial resources. After due consideration and taking into account management's estimate of future revenue and expenditure, the Directors have a reasonable expectation that the Company and the Group will have adequate financial resources to continue in operation for the foreseeable future.

2. New and amended accounting standards and interpretations
a. Adoption of new accounting standards for the year ended 30 September 2019
The Group has adopted all new and amended accounting standards and interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period. Analysis of the impacts of these standards are set out below.

IFRS 9 – Financial Instruments
The Group adopted IFRS 9 from 1 October 2018. IFRS 9 is required to be applied prospectively only and therefore comparative figures are not restated. This standard replaces IAS 39 Financial Instruments Recognition and Measurement. The Group applied the model required for expected credit losses based on historical default rates experienced. This did not result in any change in circumstances and as such had no impact. The Group also has no complex financial instruments and the Directors' assessment of the financial instruments held in the Group results in no changes to the financial statements following the adoption of IFRS 9.

2. New and amended accounting standards and interpretations continued

IFRS 15 – Revenue from Contracts with Customers

The Group adopted IFRS 15 early, applying it for the first time to the financial statements for the year to 30 September 2018. The Group has continued to apply IFRS 15 consistently throughout the period.

b. Accounting developments affecting financial statements in subsequent periods

At the date of authorisation of these financial statements, several new, but not yet effective, standards and amendments to existing standards and interpretations have been published by the IASB. The only standard that the Group consider will have a material impact on the financial statements is IFRS 16 Leases.

IFRS 16 – Leases

The standard requires a lessee to recognise assets and liabilities, currently accounted for as operating leases, on the Statement of Financial Position, with subsequent recognition of depreciation of the lease assets and interest on the lease liabilities over the term of the lease.

This standard is effective for periods beginning on or after 1 January 2019 and is therefore only applicable to the Group for the financial year starting 1 October 2019. The Group has assessed the current leases in operation throughout the Group and estimates that the discounted value of the lease commitments to be approximately £0.4 million at the 30 September 2019, based on current incremental borrowing rates. Due to the length of the lease, the impact on profitability will not be material.

Other standards or amendments

Other standards and amendments that are not yet effective and have not been adopted early by the Group include:

- IFRIC 23 Uncertainty over Income Tax Treatments
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)

The Directors anticipate, based on current business processes, that the introduction of the above standards and amendments will not have a material impact on the Group and Company financial statements and therefore the impact of these changes on the financial statements have not been made.

3. Significant accounting policies

3.1 Revenue

Revenue is principally derived from service revenue. This revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

In determining whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a client;
2. Identifying the performance obligations;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations; and
5. Recognising revenue when/as performance obligation(s) are satisfied.

Each type of revenue has separate recognition criteria depending on the type of service provided. These services are agreed at the inception of a project through contracts with clients. A critical part of the contract is a detailed schedule of work that provides the list of services to be provided by the Group. Performance obligations are attached to each service, with revenue being recognised once these are satisfied. The transaction price associated to each performance obligation is allocated based on their relative stand-alone selling price.

Revenue types

Many of the Group's contracts comprise a variety of performance obligations including, but not limited to, project set-up and management, site set-up and management, TrialTracker configuration and access, data reading and analysis, data management and quality control and scientific study reporting.

The most significant service revenue streams to the Group and the respective recognition criteria are:

Project and site set-up

At the point a client approaches the Group to complete work, a project manager is assigned. The project manager co-ordinates the project set-up and ongoing delivery of the service. At inception, the project manager will also prepare the clinical study protocol and other essential study documents.

Once the project and/or the site is set-up, all performance obligations are satisfied. These services are therefore recognised at a point in time, being when the Group has delivered the relevant material to the client.

Project and site management

Each contract requires various project management activities, provided by the project manager. These services are provided throughout the duration of a contract. Site management services are provided throughout the duration of a site being operational, typically being shorter than the project management cycle.

The services provided for project and site management represents a provision of on-going services. Therefore, revenue for these items are recognised on a straight-line basis.

Site training and materials

A contract will typically include training of each individual site. Various materials are prepared in advance and provided to clients as tools for site training. Site training is provided either through live online training or through a self-paced training module. These activities are combined in one revenue transaction per site.

Revenue from site training is recognised when each site has completed the training activity.

TrialTracker configuration and access

The TrialTracker platform delivers a robust and comprehensive set of centralised imaging services designed to efficiently manage the complex imaging workflow from: image upload, quality control, reading and analysis. The platform also allows for reporting and data transfer.

The Group has identified 2 separate performance obligations in the TrialTracker platform:

1. A set-up fee is recognised at a point in time once TrialTracker access is provided to the client.
2. An ongoing access fee is recognised over the duration of the project, with revenue being recognised on a straight-line basis.

Data reading and analysis

The Group provides data analysis services across a range of biomarkers, providing high-quality, clinically meaningful data. Fees are charged to clients on a 'per data read'.

As these services have no ongoing obligations from the Group, revenue is recognised once the data read and analysis has taken place.

Data management and quality control

Ensuring data are managed appropriately and that the data are of a high quality is critical in the delivery of the Group's service. The data management and imaging teams work in collaboration to ensure ongoing integrity of data.

The performance of data management represents the provision of an on-going service and so the straight-line method of recognition is used.

Revenue recorded from data quality control is recognised at a point in time when the Group has delivered the service to the client.

3. Significant accounting policies continued

3.1 Revenue continued

Scientific reports

Scientific reports are provided at interim points and at the end of a study. Such reports contain data analysis and statistical interpretation.

These reports represent an individual performance obligation with no further work required by the Group. Revenue from these services is recognised at a point in time when the Group provides the report to the client.

Licence revenue

Revenue relating to licensing is entirely attributable to TrialTracker. Each agreement will grant the user rights to use the software and receive associated technical support during the licence period.

The licence is a distinct performance obligation and revenue is recognised over the contract term.

Change orders

Throughout the duration of a contract, the client may request additional services or service changes to be made. For revenue recognition purposes, the Group treats a change order or contract modification to a client agreement as a separate contract, if both:
- the scope changes due to the addition of 'distinct' services; and
- the price change reflects the services' stand-alone selling prices ('SSP') under the circumstances of the modified contract.

The revenue recognition for the change order is applied in the same way as the original contract, as detailed above, with the original client agreement remaining unchanged.

3.2 Other income

Government grants

A government grant is recognised only when there is reasonable assurance that the Group will comply with any conditions attached to the grant and the grant will be received. The grants are recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. The Group recognises grant income as an item of other income.

Research and Development Expenditure Credit ('RDEC')

The Group has elected to take advantage of the RDEC introduced in the Finance Act 2013. A company may surrender corporation tax losses on research and development expenditure incurred on or after 1 April 2013 for a corporation tax refund. Relief is given as a taxable credit on 12% of qualifying research and development expenditure. The Group recognises research and development expenditure credit as an item of other income, taking advantage of the 'above the line' presentation.

3.3 Research and development expenditure

In all instances across the Group, research expenditure is expensed through the income statement. For development expenditure, items will be expensed where the recognition criteria for internally generated intangible assets is not met.

The main criteria used to assess this, as required under IAS 38 – Intangible Assets, are:
- Demonstrating technical feasibility of completing the intangible asset;
- Intention to complete the asset;
- Ability to use or sell the asset in order to generate future economic benefit;
- Availability of adequate technical or other resources to complete development; and
- Ability to measure reliably the expenditure attributable to the asset.

During the year, it was determined that the Group has met the above criteria in respect of specific developments to its TrialTracker platform and data analytics service offering. As a result, associated development costs are capitalised in the year in relation to TrialTracker and an intangible asset is recognised as set out in note 14.

3.4 Share-based payments

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions.

Any changes that impact the original estimates, for example the effect of employees who have left the Group in the year and have forfeited their options, is recognised in the Consolidated Statement of Comprehensive Income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20 of the consolidated financial statements.

3.5 Employee benefits

All employee benefit costs are recognised in the Consolidated Statement of Comprehensive Income as they are incurred. These principally relate to holiday pay and contributions to the Group defined contribution plan.

The assets of the Group scheme are held separately from those of the Group in independently administered funds. The Group does not offer any other post-retirement benefits.

3.6 Leased assets

The Group has entered into leases that have a duration of longer than a year. The rental charge payable under these operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

The Group is currently preparing for the introduction of IFRS 16 'Leases' which will require the capitalisation of these leases. The impact of this assessment is in note 2.

3.7 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and, where appropriate, less provisions for impairment. The initial recognition and subsequent measurement of property, plant and equipment are:

Initial recognition

Property, plant and equipment is initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating. In most circumstances, the cost will be its purchase cost, together with the cost of delivery.

Subsequent measurement

An asset will only be depreciated once it is ready for use. Depreciation is charged so as to write off the cost of property, plant and equipment, less its estimated residual value, over the expected useful economic lives of the assets.

Depreciation is charged on a straight-line basis as follows:

Leasehold improvements	shorter of 5 years or the lease term
Fixtures and fittings	3 years
Equipment	3 years

The disposal or retirement of an asset is determined by comparing the sales' proceeds with the carrying amount. Any gains or losses are recognised within the Consolidated Statement of Comprehensive Income.

3. Significant accounting policies continued

3.8 Intangible assets

Acquired intangibles

Intangible assets that are acquired through business combinations are recognised as an intangible asset if it is separable from the acquired business or arises from contractual or legal rights. These assets will only be recognised if they are also expected to generate future economic benefits and its fair value can be reliably measured.

Initial recognition

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent measurement

Following capitalisation, the intangible assets are carried at cost less any accumulated amortisation, and where appropriate, less provisions for impairment.

Intangible assets are amortised using the straight-line method over their estimated useful economic life as follows:

Intangibles acquired through business combinations	5 years
Computer software	3 years

Amortisation is disclosed under general and administrative expenses in the Consolidated Statement of Comprehensive Income.

Internally generated intangible assets

Intangible assets that are capitalised internally are deemed to have met the recognition criteria set out in IAS 38. These items relate to research and development costs and are considered in note 3.3.

Initial recognition

Internally generated intangible assets are initially recognised at cost once the recognition criteria of IAS 38 are met.

Subsequent measurement

Any assets that are not yet ready for use will be capitalised as assets under construction and will not be amortised. Once the asset is ready for use, amortisation will begin. The amortisation rates adopted are based on the expected useful economic life of the projects to which they relate. The assets useful economic life is as follows:

Internally generated technology	3 – 5 years

3.9 Impairment of non-current assets

Each category of non-current assets is reviewed for impairment both annually and when there is an indication that an asset may be impaired, being when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the Consolidated Statement of Comprehensive Income for the amount by which the asset's carrying value exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Non-financial assets, other than goodwill, which have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.10 Investments in Group undertakings

Investments in Group undertakings are initially recognised at cost and subsequently measured at cost less any impairment provision. Investments are subject to an annual impairment review, with any impairment charge being recognised through the Consolidated Statement of Comprehensive Income.

3.11 Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or significant delinquency in payments (exceeding credit terms) are considered indicators that the trade receivable should be impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Consolidated Statement of Comprehensive Income within general and administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against general and administrative expenses in the Consolidated Statement of Comprehensive Income.

3.12 Taxation

Current tax

Current tax represents amounts recoverable within the United Kingdom and is provided at amounts expected to be recovered using the tax rates and laws that have been enacted at the Statement of Financial Position date.

Research and development credits

The benefit associated with UK-based research and development is recognised under the UK's Research and Development Expenditure Credit scheme. Details of the recognition are set out in note 3.2.

Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements in accordance with IAS 12 'Income taxes'. Deferred tax liabilities are recognised for all taxable temporary differences. A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available in future years to utilise the temporary difference. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither the accounting, nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities, they relate to income taxes levied by the same taxation authority and the Group intends to settle these on a net basis.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with original maturities at inception of 3 months or less.

3.14 Foreign currency translation

Transactions denominated in foreign currencies are translated into Great British Pounds at actual rates of exchange prevailing at the date of transaction. Monetary assets and liabilities expressed in foreign currencies are translated into Great British Pounds at rates of exchange prevailing at the end of the financial year. All foreign currency exchange differences are taken to the Consolidated Statement of Comprehensive Income in the year in which they arise.

Non-monetary items are not retranslated at year end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.15 Trade and other payables

Trade and other payables are non-interest bearing and are initially recognised at fair value and subsequently stated at amortised cost.

3. Significant accounting policies continued

3.16 Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

3.17 Financial instruments

Financial assets and financial liabilities are recognised on the Consolidated Statement of Financial Position when the Group or the Company becomes a party to the contractual provisions of the instrument. Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Further information relating to financial instruments and the policies adopted by the Group to manage risk is found in note 22.

4. Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the consolidated financial statements, the Directors make a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements.

Revenue recognition

The Group recognises revenue in accordance with amounts charged to clients under service contracts. All contracts include an agreed, detailed work order which defines the deliverables. The service contracts are typically multi-year and may be amended through a change order process, which may include changes to data volumes (increased or decreased), different methods of data analysis or changes to the timing of providing the deliverables.

Revenue is recognised upon achievement of deliverables set out in the service contract. The recognition is expected to approximate to the timing of the physical performance of the contracts. The Group records the performance of the contractual obligations to determine that the deliverables and actual work performed is in accordance with the contract and agreed change orders. The scope of the project and contract terms are reviewed to determine whether the Group is acting as principal or agent in respect of the project, which depends on facts and circumstances and requires judgement.

Client contracts include an agreed work order so the transaction price for a contract is allocated against distinct performance obligations based on their relative stand-alone selling prices. Management determines the fair value of individual components based on actual amounts charged by the Group on a stand-alone basis. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Capitalisation of internally developed software

Distinguishing the research and development phases of a new software product and determining whether the requirements for the capitalisation of development costs are met requires judgement. Management will assess whether a project meets the recognition criteria as set out in IAS 38 based on an individual project basis. Where the criteria are not met, the research and development expenditure will be expensed in the Consolidated Statement of Comprehensive Income. Where the recognition criteria are met, the items will be capitalised as an intangible asset.

During the year ended 30 September 2019, total research and development expenses totalled £1,147,000 (2018: £1,033,000). Of this amount, £161,000 (2018: £nil) was capitalised as an intangible asset. The balance of expenditure being £986,000 (2018: £1,033,000) is recognised in the Consolidated Statement of Comprehensive Income as an expense.

Recovery of deferred tax assets

Deferred tax assets have not been recognised for deductible temporary differences and tax losses. The Directors consider that there is not sufficient certainty that future taxable profits will be available to utilise those temporary differences and tax losses. Further information of the Group's deferred tax asset can be found in note 18 of the consolidated financial statements.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Changes to these estimations may result in substantially different results for the year.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. Details of the estimations used in determining the fair value of the options in issue are detailed in note 20.

Useful lives of depreciable assets

The useful lives of depreciable assets are determined by management at the date of purchase based on the expected useful lives of the assets. These are subsequently monitored and reviewed annually and where there is objective evidence of changes in the useful economic lives, these estimates are adjusted. Any changes to these estimates may result in significantly different results for the period.

5. Revenue

An analysis of the Group's revenue by type is as follows:

	2019 £000	2018 £000
Service revenue	**7,561**	5,394

For the year ended 30 September 2019, revenue includes £1,271,000 (2018: £249,000) held in contract liabilities within trade and other payables at the beginning of the period.

6. Segmental information

The Board considers there to be only one core operating segment for the Group's activities. This is based on the Group's development, commercial and operational delivery teams operating across the entirety of the Group, which is wholly based in the United Kingdom. The projects undertaken by the Group are managed by project managers, who receive inputs for each project by other team members. Performance information is reported as a single business unit to the leadership team, who review the Group's management information.

The information gathered for each project is subsequently reported to the Group's Chief Executive Officer, who is considered to be the chief operating decision maker. This information is used for resource allocation and assessment of performance. Therefore, the entirety of the Group's revenue and assets can be attributed wholly to this operating segment with reference to the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position.

During the year ended 30 September 2019, the Group had 2 clients (2018: 3 clients) that exceeded 10% of total revenue. In 2019 the individual percentage revenue associated with each of these clients was 39% (£2,976,000) and 14% (£1,086,000). In 2018 the individual percentage revenue associated with each of these clients was 14% (£764,000), 13% (£690,000) and 12% (£630,000).

Geographical information

The Group's revenue can be categorised by type of revenue and by country based on the contracting client location.

	2019 £000	2018 £000
United States	**3,388**	3,926
United Kingdom	**2,764**	481
Europe	**1,404**	951
Rest of World	**5**	36
Revenue	**7,561**	5,394

As the Group is domiciled in the United Kingdom, the entirety of the revenue originates from this location.

7. Other income

Items of other income principally relate to government grants received, originating solely in the United Kingdom. Grants are recognised as income over the period required to match them with the related costs, for which they are intended to compensate, on a systematic basis.

The Group also recognises Research and Development Expenditure Credit ('RDEC') as other income.

	2019 £000	2018 £000
Grant income	433	436
RDEC	155	126
Other income	**588**	562

8. Auditor's remuneration

	2019 £000	2018 £000
Audit services		
– Group and Parent Company	31	29
– subsidiary companies	20	19
Total audit fees	**51**	48
Audit-related assurance services	6	5
Tax compliance services	9	11
Tax advisory services	1	16
Total auditor's remuneration	**67**	80

9. Employees and Directors

The average monthly number of persons (including Executive and Non-Executive Directors) employed by the Group was:

	2019 Number	2018 Number
Administration	17	13
Operations, research and development	51	50
Average total persons employed	**68**	63

The aggregate remuneration of employees in the Group was:

	2019 £000	2018 £000
Wages and salaries	4,630	4,007
Social security costs	535	377
Other pension costs	177	187
Share-based payments' charge	113	142
Total remuneration for staff	**5,455**	4,713
Staff costs capitalised	(161)	–
Net staff costs	**5,294**	4,713

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group in independently administered funds. The amounts outstanding at 30 September 2019 in respect of pension costs were £27,000 (2018: £22,000).

The remuneration of the Group's Directors is set out in the Directors' Remuneration Report on pages 31 to 33, as well as in note 23 under related party transactions.

The Company did not directly employ any staff and therefore there is no cost recognised in respect of staff costs.

10. Operating profit/(loss)

An analysis of the Group's operating profit/(loss) has been arrived at after charging:

	2019 £000	2018 £000
Research and development expenses	986	1,033
Sales and marketing expenses	1,154	754
Operating lease charges: land and building	144	131
Depreciation of property, plant and equipment	72	38
Gain on disposal of property, plant and equipment	–	(6)
Amortisation of intangible assets	40	114
Foreign exchange loss	27	17
Administrative expenses	2,743	2,451
Total operating expenses	**5,166**	4,532

11. Taxation

The tax charge for each period can be reconciled to the result per the Consolidated Statement of Comprehensive Income as follows:

	2019 £000	2018 £000
Profit/(loss) on ordinary activities before taxation	366	(793)
Profit/(loss) before tax at the effective rate of corporation tax in the United Kingdom of 19% (2018: 19%)	70	(151)
Effects of:		
Expenses not deductible for tax purposes	(2)	19
Temporary differences	(85)	7
Research and development uplifts net of losses surrendered for tax credits	(28)	3
Prior period adjustment	(21)	(3)
Tax credit for the period	**(66)**	(125)

The tax credit for each period can be reconciled as follows:

	2019 £000	2018 £000
Small or medium enterprise research and development credit	(74)	(128)
Deduction for corporation tax on RDEC	29	24
Tax due by foreign subsidiary undertakings	–	1
Deferred tax movement on amortisation	–	(19)
Prior period adjustment	(21)	(3)
Tax credit for the period	**(66)**	(125)

The Group has elected to take advantage of the RDEC, introduced in the Finance Act 2013 whereby a company may surrender corporation tax losses on research and development expenditure incurred on or after 1 April 2013 for a corporation tax refund.

The following is a reconciliation between the tax charge and the tax receivable within the Consolidated Statement of Financial Position:

	2019 £000	2018 £000
Current tax receivable at start of period	229	420
Current period credit	221	232
Corporation tax repayment	–	(423)
Current tax receivable at end of period	**450**	229

The tax credit for each period can be reconciled to the current period credit recognised in tax receivable within the Consolidated Statement of Financial Position in each period as follows:

	2019 £000	2018 £000
Tax credit for the year	66	125
Deferred tax movement on amortisation	–	(19)
RDEC gross of corporation tax deduction	155	126
Current period credit	**221**	232

12. Earnings per share

The calculation of basic and diluted earnings per share ('EPS') of the Group is based on the following data:

	2019	2018
Earnings		
Earnings for the purposes of basic and diluted EPS, being net profit/(loss) attributable to the owners of the Company (£000)	**432**	(668)
Number of shares		
Weighted average number of shares for the purposes of basic EPS	**46,786,375**	33,761,428
Effect of potentially dilutive ordinary shares:		
– Weighted average number of share options	**9,182**	–
Weighted average number of shares for the purposes of diluted EPS	**46,795,557**	33,761,428

Basic earnings per share is calculated by dividing earnings attributable to the owners of the Company by the weighted average number of shares in issue during the year. The diluted EPS is calculated by dividing earnings attributable to the owners of the Company by the weighted average number of shares in issue taking into account the share options outstanding during the year. For the year to 30 September 2018, there was no dilutive effect as the share options in issue would be anti-dilutive due to the loss made in the year.

The basic and diluted earnings per share for the Group and Company is:

	2019	2018
Basic earnings per share	**0.92p**	(2.00p)
Diluted earnings per share	**0.92p**	(2.00p)

13. Property, plant and equipment

Group

	Leasehold improvement £000	Fixtures and fittings £000	Equipment £000	Total £000
Cost				
At 01 October 2017	62	7	207	276
Additions	–	–	60	60
Disposals	–	–	(116)	(116)
Transfer to computer software	–	–	(11)	(11)
At 30 September 2018	62	7	140	209
Additions	102	5	204	311
Disposals	(62)	(7)	(61)	(130)
At 30 September 2019	**102**	**5**	**283**	**390**
Accumulated depreciation				
At 01 October 2017	41	5	170	216
Charge for the period	12	2	24	38
Disposals	–	–	(114)	(114)
Transfer to computer software	–	–	(8)	(8)
At 30 September 2018	53	7	72	132
Charge for the period	11	2	59	72
Disposals	(62)	(7)	(61)	(130)
At 30 September 2019	**2**	**2**	**70**	**74**
Net book value				
At 30 September 2018	9	–	68	77
At 30 September 2019	**100**	**3**	**213**	**316**

Company

At 30 September 2019 and 30 September 2018, the Company had no property, plant and equipment.

14. Intangible assets

Group

	Intangibles acquired through business combinations £000	Computer software £000	Internally developed technology £000	Total £000
Cost				
At 01 October 2017	1,804	28	–	1,832
Additions	–	15	–	15
Transfer from equipment	–	3	–	3
At 30 September 2018	1,804	46	–	1,850
Additions	–	139	161	300
Disposals	(1,804)	(3)	–	(1,807)
At 30 September 2019	**–**	**182**	**161**	**343**
Accumulated amortisation				
At 01 October 2017	1,704	–	–	1,704
Amortisation	100	14	–	114
At 30 September 2018	1,804	14	–	1,818
Amortisation	–	23	17	40
Disposals	(1,804)	(3)	–	(1,807)
At 30 September 2019	**–**	**34**	**17**	**51**
Net book value				
At 30 September 2018	–	32	–	32
At 30 September 2019	**–**	**148**	**144**	**292**

Amortisation is charged to the Consolidated Statement of Comprehensive Income within general and administrative expenses.

Internally developed technology

The Group has capitalised research and development costs during the year in relation to the development of its proprietary TrialTracker software. Development includes TrialTracker platform upgrades as well as additional algorithm development. The costs capitalised include time and expenses in relation to staff costs. In recognising these assets, the Group has applied the recognition criteria of IAS 38 relating to internally generated intangible assets, where costs in relation to the development phase must be capitalised under certain circumstances. More information in relation to this is included in the accounting policies of the Group in notes 3 and 4.

Company

At 30 September 2019 and 30 September 2018, the Company had no intangible assets.

15. Investments

The consolidated financial statements of the Group as at 30 September 2019 and at 30 September 2018 include:

Name of subsidiary	Class of share	Country of incorporation	Principal activities
Directly held:			
IXICO Technologies Limited	Ordinary	United Kingdom	Data collection and analysis of neurological diseases
IXITech Limited	Ordinary	United Kingdom	Dormant
Indirectly held:			
IXICO US LLC	Members' interest	United States	Dormant
Optimal Medicine Limited	Ordinary	United Kingdom	Dormant
IXICO Technologies Inc.	Ordinary	United States	Sales and marketing

The Company and Group has no investments other than the holdings in the above subsidiaries that are all 100% owned. The carrying amount of the investments in subsidiaries for the Company are:

	Company	
	2019 £000	2018 £000
Investments in subsidiary undertakings		
At beginning of the period	**5,434**	5,320
Capital contribution	**82**	114
Total investments at end of the period	**5,516**	5,434

The capital contribution represents the charge in the year for share-based awards issued by the Company to employees of IXICO Technologies Limited.

All investments in subsidiaries, other than IXICO Technologies Limited, are not expected to be recoverable have been impaired in previous periods and therefore the carrying amount is £nil (2018: £nil).

Since the year end, both Optimal Medicine Limited and IXITech Limited entered voluntary liquidation and have been struck off.

16. Trade and other receivables

	Group		Company	
	2019 £000	2018 £000	**2019 £000**	2018 £000
Trade receivables	**1,933**	1,864	**–**	–
Less provision for bad and doubtful debts	**–**	–	**–**	–
Net carrying amount of trade receivables	**1,933**	1,864	**–**	–
Other receivables	**–**	4	**–**	–
Other taxation and social security	**27**	13	**5**	3
Prepayments and accrued income	**419**	259	**34**	25
Amounts due from subsidiary undertakings	**–**	–	**4,671**	657
Trade and other receivables	**2,379**	2,140	**4,710**	685

All amounts are classified as short term and are expected to be received within one year. The average credit period granted to clients ranges from 30 to 90 days (2018: 30 to 90 days).

A provision for bad and doubtful debts is made when there is uncertainty over the ability to collect the amounts outstanding from clients. This is determined based on specific circumstances relating to each individual client. The Directors consider that the carrying amount of trade and other receivables approximates their fair value and therefore as at 30 September 2019, the Group has not recognised an allowance for doubtful debts (2018: £nil).

As at the year end, the ageing of trade receivables which are past due but not impaired is as follows:

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Amounts not past due	**1,812**	1,705	**–**	–
Past due:				
Less than 30 days	**91**	155	**–**	–
31–60 days	**30**	–	**–**	–
61–90 days	**–**	4	**–**	–
More than 90 days	**–**	–	**–**	–
Total trade receivables	**1,933**	1,864	**–**	–

As at 30 September 2019, the average age of trade receivables is 89 days (2018: 77 days). The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 22.

17. Trade and other payables

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
Trade payables	**597**	339	**59**	39
Other taxation and social security	**196**	189	**–**	–
Contract liabilities	**414**	1,399	**–**	–
Accrued expenses	**1,569**	1,070	**53**	101
Other payables	**6**	16	**–**	–
Trade and other payables	**2,782**	3,013	**112**	140

Trade payables and accrued expenses principally comprise amounts outstanding for trade purchases and ongoing costs, all of which are short term. As at 30 September 2019, the average credit period taken for trade purchases is 41 days (2018: 51 days). No interest is charged on the trade payables. The Group's policy is to ensure that payables are paid within the pre-agreed credit terms and to avoid incurring penalties and/or interest on late payments.

The fair value of trade and other payables approximates their current book values.

18. Deferred tax

Deferred tax asset (unrecognised)

	Group		Company	
	2019 £000	2018 £000	**2019 £000**	2018 £000
Tax effect of temporary differences:				
Depreciation in excess of tax allowances	**102**	(63)	**(1)**	(2)
Accumulated losses	**(11,268)**	(12,344)	**(1,699)**	(1,719)
Deductible temporary differences	**(49)**	9	**(5)**	(5)
Deferred tax asset (unrecognised)	**(11,215)**	(12,398)	**(1,705)**	(1,726)

The unrecognised deferred tax is based on material temporary differences that have originated but not reversed at the Consolidated Statement of Financial Position date from transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future.

The unrecognised deferred tax asset is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences will reverse. Based on tax rates and laws enacted or substantively enacted at the latest balance date, the rate when the above temporary differences are expected to reverse is currently 17% (2018: 19%).

Deferred tax liability

	Group		Company	
	2019 £000	2018 £000	**2019 £000**	2018 £000
Balance at start of period	**–**	19	**–**	–
Amortisation	**–**	(19)	**–**	–
Reversal on impairment	**–**	–	**–**	–
Balance at end of period	**–**	–	**–**	–

A deferred tax liability was recognised due to the temporary difference arising from the recognition of the intangible assets acquired through the reverse acquisition on 14 October 2013 and business combination on 8 December 2015. The deferred tax liability is measured at 19%, the current effective rate of corporation tax in the United Kingdom. The deferred tax liability was amortised using the straight-line method over 5 years, reflecting the estimated useful economic life of the intangible asset. On 14 October 2018, the assets had fully amortised and therefore the deferred tax liability had been released in its entirety.

19. Issued capital and reserves

Ordinary shares and share premium

The Company has 1 class of ordinary shares. The share capital issued has a nominal value of £0.01 and all carry the right to 1 vote at shareholders' meetings and are eligible to receive dividends. Share premium is recognised when the amount paid for a share is in excess of the nominal value.

The Group and Company's opening and closing share capital and share premium reserves are:

	Group and Company		
	Ordinary shares Number	Share capital £000	Share premium £000
Authorised, issued and fully paid			
At 30 September 2018	46,777,000	7,923	84,389
Share options exercised	125,294	2	47
At 30 September 2019	**46,902,294**	**7,925**	**84,436**

Exercise of share options

On 20 August 2019, a member of key management personnel exercised 37,647 share options at an exercise price of £0.305.

On 10 September 2019, a member of key management personnel exercised 37,647 share options at an exercise price of £0.490.

On 10 September 2019, a member of key management personnel exercised 50,000 share options at an exercise price of £0.365.

The exercise of these share options resulted in an additional 125,294 shares being issued in the year. This resulted in an increase in share capital of £1,253 and an increase in share premium of £46,927.

Other reserves

Accumulated losses

This reserve relates to the cumulative results made by the Group and Company in the current and prior periods.

Merger relief reserve

In accordance with Section 612 of the Companies Act 2006 'Merger Relief', the Company issuing shares as consideration for a business combination, accounted at fair value, is obliged, once the necessary conditions are satisfied, to record the share premium to the merger relief reserve.

Reverse acquisition reserve

Reverse accounting under IFRS 3 'Business Combinations' requires that the difference between the equity of the legal parent and the issued equity instruments of the legal subsidiary pre-combination is recognised as a separate component of equity.

Foreign exchange translation reserve

This reserve represents the cumulative impact of foreign exchange translations in the year.

20. Share-based payments

Certain Directors and employees of the Group hold options to subscribe for shares in the Company under share option schemes. There are 2 separate structures to the share options in operation in the Group (2018: 2). Both structures relate to a single scheme outlined in the EMI Share Option Plan 2014.

Total share options outstanding have a range of exercise prices from £0.01 to £0.49 per option and the weighted average contractual life is 4.6 years (2018: 5.6 years). The total charge for each period relating to employee share-based payment plans for continuing operations is disclosed in note 9 of the consolidated financial statements.

EMI Share Option Plan 2014

This scheme is open, by invitation, to Executive Directors and key management personnel. Participants are granted share options in the Group which contain standard and enhanced vesting conditions. These are subject to the achievement of individual employee and Group performance criteria as determined by the Board. The vesting period varies by award and the conditions approved by the Board. Options are forfeited if the employee leaves the Group before the options vest.

Details of the share options outstanding during the year are as follows:

	2019		2018	
	Number	**Weighted average exercise price**	Number	Weighted average exercise price
Outstanding at start of the period	**2,707,835**	**£0.35**	2,836,012	£0.35
Granted	**–**	**–**	325,000	£0.36
Exercised	**(125,294)**	**£0.38**	(15,000)	£0.31
Lapsed	**(710,491)**	**£0.33**	(438,177)	£0.33
Outstanding at end of the period	**1,872,050**	**£0.35**	2,707,835	£0.35
Exercisable at end of the period	**1,068,110**	**£0.36**	537,096	£0.36

There were no grants issued under the EMI Share Option Plan 2014 during the year ended 30 September 2019. The model used to value the grants in the prior year was the Monte Carlo method followed by 'Hull White' trinomial lattice and the inputs used were as follows:

	2018
Weighted average share price	£0.35
Weighted average exercise price	£0.36
Expected volatility	46.70%
Expected life	6 years
Expected dividend yield	0%
Risk-free interest rate	1.05%

Long-Term Incentive Plan 2018

On 4 June 2018, the Group issued options with an exercise price of £0.01 as an alternative approach to incentivising employees under the EMI Share Option Plan 2014. It termed this approach of issuing options with an exercise price of £0.01 its Long-Term Incentive Plan ('LTIP'). The 4 June 2018 grant consisted of a grant of 2,571,910 options. The LTIP was approved by shareholders on 29 May 2018. The LTIP operates under the umbrella of the EMI Share Option Plan 2014.

The share options granted are subject to share price performance, measured against the 3-month volume weighted average price of the Company's ordinary shares. The measurement date will be made in the 3 months prior to the third anniversary from the date of the grant. The performance conditions of the LTIP Award are as follows:
- 0% of the LTIP will vest if the share price increases by less than 50%;
- 25% of the LTIP will vest if the share price increases by 50% from the date of issue of the grant;
- 25–100% of the LTIP will vest on a straight-line basis if the share price increases by up to 100% from the date of issue of the grant.

The share price at the date of issue of the grant was £0.28. Upon vesting, the LTIP Award is subject to a holding period of up to 2 years from the point of exercising. Options are subject to continued employment, malus and clawback provisions.

The Board intends to issue further options under the LTIP structure in future periods and is reviewing the vesting and holding conditions of the 2018 LTIP award as part of its considerations.

Details of the share options outstanding during the year are as follows:

	2019		2018	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding at start of the period	2,571,910	£0.01	–	£0.00
Granted	–	£0.00	2,571,910	£0.01
Exercised	–	£0.00	–	£0.00
Lapsed	(753,388)	£0.01	–	£0.00
Outstanding at end of the period	1,818,522	£0.01	2,571,910	£0.01
Exercisable at end of the period	–	–	–	–

There were no grants issued under the LTIP during the year ended 30 September 2019. The model used to value the grants in the prior year was the Monte Carlo method followed by 'Hull White' trinomial lattice and the inputs used were as follows:

	2018
Weighted average share price	£0.35
Weighted average exercise price	£0.01
Expected volatility	46.70%
Expected life	6 years
Expected dividend yield	0%
Risk-free interest rate	1.05%

21. Operating lease arrangements

The Group has outstanding commitments relating to future minimum lease payments. The operating lease payments represent the rental payable by the Group for its registered office and other leases, including printers.

	Group	
	2019 £000	2018 £000
Total undiscounted future committed payments falling due:		
Within 1 year	178	129
In 1 and 5 years	263	430
After more than 5 years	–	–
	441	559

The average length of the leases remaining, excluding any break clauses, is 2.5 years (2018: 3.5 years).

At 30 September 2019, the Company had no operating lease commitments outstanding (2018: £nil).

22. Financial risk management

In common with all other areas of the business, the Group is exposed to risks that arise from the use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

The main risks arising from the Group's financial instruments are liquidity, interest rate, foreign currency and credit risk. The Group's financial instruments comprise cash and various items such as trade receivables and trade payables, which arise directly from its operations.

Categories of financial instruments

	Group		Company	
	2019 £000	2018 £000	**2019 £000**	2018 £000
Financial assets held at amortised cost				
Trade and other receivables excluding prepayments	**2,082**	1,868	**4,671**	657
Cash and cash equivalents	**7,264**	7,861	**2,187**	7,229
	9,346	9,729	**6,858**	7,886
Financial liabilities held at amortised cost				
Trade and other payables excluding statutory liabilities	**2,197**	1,161	**112**	140
	2,197	1,161	**112**	140

Fair value of financial assets and liabilities

There is no material difference between the fair value and the carrying values of the financial instruments because of the short maturity period of these financial instruments or their intrinsic size and risk.

Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due through having insufficient resources. The Group monitors its levels of working capital to ensure that it can meet its liabilities as they fall due. Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate framework for the management of the Group's short-, medium- and long-term funding and liquidity requirements.

The principal current asset of the business is cash and cash equivalents and is therefore the principal financial instrument employed by the Group to meet its liquidity requirements. The Board ensure that the business maintains surplus cash reserves to minimise any liquidity risk.

The Group's financial liabilities are all due within 3 months (2018: 3 months) of the Consolidated Statement of Financial Position date. The Group does not have any borrowings or payables on demand which would increase the risk of Group not holding sufficient reserves for repayment.

Market risk

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group operates an interest rate policy designed to minimise interest costs and reduce volatility in reported earnings.

The Group holds all cash and cash equivalents with institutions with a recognised high credit rating. Interest rates on current accounts are floating. Changes in interest rates may increase or decrease the Group's finance income.

The Group does not have any committed interest-bearing borrowing facilities and consequently there is no material exposure to interest rate risk in respect of financial liabilities.

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a foreign currency exposure will fluctuate because of changes in foreign exchange rates.

The Group's exposure to the risk of changes in foreign exchange rates relates to the Group's overseas operating activities, primarily denominated in US Dollars, Euros and Swiss Francs. There is also an investment by the Company in a foreign subsidiary. The Group's exposure to foreign currency changes for all other currencies is not material.

During the year, the Group has not made use of financial instruments to minimise any foreign exchange gains or losses, and fluctuations in foreign exchange movements are reflected in the results from operating activities. The Group seeks to minimise the exposure to foreign currency risk by matching local currency income with local currency costs where possible. The Group will use financial instruments to minimise foreign exchange fluctuations where it is appropriate to do so.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at 30 September are as follows:

	Group		Company	
US Dollar exposure	**2019 USD000**	2018 USD000	**2019 USD000**	2018 USD000
Balance at end of period				
Monetary assets	**944**	535	**–**	–
Monetary liabilities	**(89)**	(101)	**–**	–
Total exposure	**855**	434	**–**	–

	Group		Company	
Euro exposure	**2019 EUR000**	2018 EUR000	**2019 EUR000**	2018 EUR000
Balance at end of period				
Monetary assets	**284**	151	**–**	–
Monetary liabilities	**(112)**	(113)	**–**	–
Total exposure	**172**	38	**–**	–

	Group		Company	
Swiss Franc exposure	**2019 CHF000**	2018 CHF000	**2019 CHF000**	2018 CHF000
Balance at end of period				
Monetary assets	**99**	79	**–**	–
Monetary liabilities	**(123)**	(78)	**–**	–
Total exposure	**(24)**	1	**–**	–

22. Financial risk management continued

Foreign currency sensitivity analysis

As at 30 September 2019, the sensitivity analysis assumes a +/-10% change of the USD/GBP, EUR/GBP and CHF/GBP exchange rates, which represents management's assessment of a reasonably possible change in foreign exchange rates (2018: 10%). The sensitivity analysis was applied on the fair value of financial assets and liabilities.

	2019		2018	
	10% weaker[1] £000	10% stronger £000	10% weaker £000	10% stronger £000
US Dollar	(70)	70	(78)	95
Euro	(15)	15	(56)	67
Swiss Franc	2	(2)	(14)	17
	(83)	83	(148)	179

1 10% weaker relates to the Great British Pound strengthening against the currency and therefore the Group would be in a weaker monetary position.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's financial assets are cash and cash equivalents and trade and other receivables. The carrying value of these assets represents the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the Consolidated Statement of Financial Position are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment, and any specific criteria identified in respect of individual trade receivables. An allowance for impairment is made where there is an identified loss event, which, based on previous experience, is evidence of a reduction in the recoverability of future cash flows.

Prior to entering into an agreement to provide services, the Group makes appropriate enquiries of the counterparty and independent third parties to determine credit worthiness. The Group has not identified any significant credit risk exposure to any single counterparty or Group of counterparties as at the period end.

The Group continually reviews client credit limits based on market conditions and historical experience. Any provision for impairment, as well as the ageing analysis of overdue trade receivables, is set out in note 16.

The Group's policy is to minimise the risks associated with cash and cash equivalents by placing these deposits with institutions with a recognised high credit rating.

Capital risk management

The Group considers capital to be shareholders' equity as shown in the Consolidated Statement of Financial Position, as the Group is primarily funded by equity finance and is not yet in a position to pay a dividend. The Group had no borrowings at 30 September 2019.

The objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and for other stakeholders. In order to maintain or adjust the capital structure the Group may return capital to shareholders or issue new shares.

23. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

During the year ended 30 September 2019, the Group was charged monitoring fees totalling £nil (2018: £23,000) from IP Group plc, a previous shareholder. The amount owed to IP Group plc at 30 September 2019 was £nil (2018: £nil).

In the previous year to 30 September 2018, the Company was charged consultancy fees totalling £18,000 from Panoramic Digital Health SASU, owned by a former Executive Director. The amount owed to Panoramic Digital Health SASU at 30 September 2018 was £3,000.

Remuneration and transactions of Directors and key management personnel

Key management remuneration:

	2019 £000	2018 £000
Short-term employee benefits	**1,604**	1,723
Post-employment benefits	**29**	39
Share-based payments	**70**	–
Termination benefits	**76**	–
Total remuneration	**1,779**	1,762

Key management includes Executive Directors, Non-Executive Directors and senior management who have the responsibility for managing, directly or indirectly, the activities of the Group.

The aggregate Directors' remuneration, including employers' national insurance and share-based payments' expense, was £1,043,000 (2018: £958,000) and aggregate pension of £8,000 (2018: £21,000). Further detail of Directors' remuneration is disclosed in the Directors' Remuneration Report on pages 31 to 33.

Addresses and advisers

IXICO plc
Registered office
4th Floor, Griffin Court
15 Long Lane
London, EC1A 9PN
Tel: +44 (0)20 3763 7499
Website: www.IXICO.com

Registered number: 03131723
Domiciled in the United Kingdom
Registered in England and Wales

Chartered accountants and statutory auditors
Grant Thornton UK LLP
Chartered Accountants and Statutory Auditors
101 Cambridge Science Park
Milton Road
Cambridge, CB4 0FY
Tel: +44 (0)1223 225600
Website: www.grantthornton.co.uk

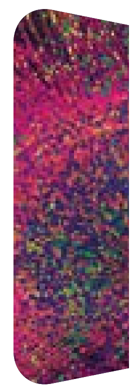
Nominated adviser and broker
Cenkos Securities Plc
6 – 8 Tokenhouse Yard
London, EC2R 7AS
Tel: +44 (0)20 7397 8900
Website: www.cenkos.com

Registrar
Equiniti Registrars Limited
Aspect House
Spencer Road
Lancing
West Sussex, BN99 6DA
Tel: +44 (0)871 384 2030
Website: www.equiniti.com

Legal advisers
Bristows LLP
100 Victoria Embankment
London, EC4Y 0DH
Tel: + 44 (0)20 7400 8000
Website: www.bristows.com

Financial public relations
Optimum Strategic Communications Limited
The Spice Building
8 Devonshire Square
London, EC2M 4PL
Tel: +44 (0)20 3950 9144
Website: www.optimumcomms.com

Designed and produced by emperor
Visit us at emperor.works



IXICO plc
4th Floor
Griffin Court
15 Long Lane
London
EC1A 9PN

www.ixico.com