

*Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.*



23 January 2019

## **Proteome Sciences plc**

### **("Proteome Sciences" or the "Company")**

#### **Year End Trading Update**

The Company today provides a trading update for the financial year ending 31 December 2018.

Unaudited revenues for the full year decreased by 11% to approximately £3.0m (2017: £3.4m). TMT<sup>®</sup> sales and royalties accounted for approximately £2.1m, reflecting a greater than 10% growth in that underlying business, while revenues from proteomics services were below expectations as a result of a weak first half of the year. Costs of £4.4m were 12% lower than the previous year (2017: £5.0m) reflecting the ongoing impact of consolidation and restructuring performed in 2017/2018. The Company anticipates a significantly reduced loss after tax of approximately £1.4m (2017: £2.5m) for the year.

Volatility in foreign exchanges during the year affected non-sterling denominated revenues as well as costs associated with the Frankfurt laboratory, but the overall effect on EBITDA was neutral.

Cash reserves at the year-end were £0.9m, similar to 2017, benefitting from the resolution of R&D tax credit payments for both 2016 and 2017, and from a partial draw down of the loan facility made available by Vulpes Investment Management on 3 July 2018. The Board is pleased to report that signed purchase orders for proteomic services worth over £0.20m have been carried through into the first quarter of 2019.

The Directors look forward to updating shareholders further on the Company's performance, and on the outlook for 2019, at the time of the full year results.

#### **Licence agreement with Galaxy CCRO**

A further non-exclusive licence to the Company's stroke biomarker patent portfolio was completed on 22 January 2019 with Galaxy CCRO Inc. ("Galaxy"), a recently formed US clinical contract research organisation, which intends to develop a point of care test for the diagnosis and timing of stroke onset in order to direct patients to specialists who can administer thrombolytic treatment. Under the terms of the licence Proteome Sciences will receive equity in Galaxy as an initial licence fee, with subsequent development milestones and a running royalty on product sales.

#### **Jeremy Haigh, Chief Executive of Proteome Sciences, commented:**

"As predicted, the fourth quarter of 2018 was the strongest for our proteomics services business, during which we recognised about 40% of our annual service revenues and generated work orders to the value of £0.25m. Momentum is developing but was not able to make up for slow adoption in the early part of the year. We are, however, encouraged by recent progress, by the breadth and

diversity of more than 30 projects engaged during 2018, and by the value of work orders carried into 2019.

TMT® revenues remained strong throughout 2018 and we have worked hard to replenish 11-plex stock levels and synthesise higher-plex tags for sale later in 2019.

Costs have reduced significantly as a result of our previous restructuring activities and these containment efforts will continue into 2019 in the full expectation that we can further improve our organisational efficiency and increase TMT® and service revenues.

I am delighted that we have been able to conclude a new licensing deal with Galaxy, demonstrating the value that resides in our intellectual property portfolio as we continue to seek collaborators and partners, as well as customers for our strengthening services business.”

**For further information please contact:**

**Proteome Sciences plc**

Dr Jeremy Haigh, Chief Executive Officer

Tel: +44 (0)20 7043 2116

Dr Ian Pike, Chief Scientific Officer

Richard Dennis, Chief Commercial Officer

**Allenby Capital Limited (Nominated Adviser & Broker)**

John Depasquale / Jeremy Porter

Tel: +44 (0) 20 3328 5656

**About Proteome Sciences plc. ([www.proteomics.com](http://www.proteomics.com))**

Proteome Sciences plc is a specialist provider of contract proteomics services to enable drug discovery, development and biomarker identification, and employs proprietary workflows for the optimum analysis of tissues, cells and body fluids. SysQuant® and TMT®MS2 are unbiased methods for identifying and contextualising new targets and defining mechanisms of biological activity, while analysis using Super-Depletion and TMTcalibrator™ provides access to over 8,500 circulating plasma proteins for the discovery of disease-related biomarkers. Targeted assay development using mass spectrometry delivers high sensitivity, interference-free biomarker analyses in situations where standard ELISA assays are not available.

The Company has its headquarters in London, UK, with laboratory facilities in Frankfurt, Germany.