A year of progress towards changing patients' lives

hRPC stem cell therapy candidate for retinal diseases:

Strongly positive preliminary efficacy data from the first three Phase 2a patients in ongoing US Phase 1/2a clinical trial in retinitis pigmentosa (RP).

Top line data from all treated patients in the Phase 2a element of study expected to be presented in October 2019.

Second site opened during the year at Retinal Research Institute, Phoenix, Arizona.

Read more about our progress with hRPC stem cell therapy on pages 10 to 11

CTX stem cell therapy candidate for stroke disability:

During the period we continued to progress the clinical development of our CTX cell therapy candidate for stroke disability. The study (PISCES III) is a randomised placebo-controlled Phase 2b clinical trial in 110 patients across up to 40 sites.

Patient dosing commenced in January 2019, with top-line data expected in late 2020.

Read more about our progress with CTX stem cell therapy on pages 12 to 13

Exosome nanomedicine platform:

We are exploring the use of our exosome technology platform as a potential drug delivery vehicle. Recent data show that exosomes can be loaded with miRNA and proteins.

We have made a significant advance towards an industrial scale production of exosomes without affecting the quality and consistence of the final product.

Read more about our progress with exosome nanomedicine on pages 14 to 15

Corporate

Strong business development activity with active discussions ongoing with a number of commercial third parties.

Collaboration agreement signed with a US-based biopharmaceutical company to explore the use of our exosome technology platform as a potential delivery vehicle for synthetic oligonucleotides used in gene therapy.

Successful negotiation of an exclusive licence agreement (signed post year end) with Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd ("Fosun Pharma") for the development, manufacture and commercialisation of our hRPC and CTX therapy programmes in the People's Republic of China ("China").

Read more about our Progress in the last 12 months' on page 9

Financial highlights

Loss for the period of

£14.3 million

(2018: loss of £17.6 million)

Cash used in operating activities

£12.0 million

(2018: £14.9 million)

Cash, cash equivalents and bank deposits at 31 March 2019 of

£26.4 million

(2018: £37.4 million)

Post period end

- In April 2019, further data was presented in relation to the ongoing Phase 1/2a clinical trial of our hRPC therapy candidate in RP. It was reported that the improvement in vision experienced by the patients in the first cohort in the Phase 2a element had been sustained.
- An initial licence fee of £6 million (before withholding tax) has been received from Fosun Pharma.

EUROPEAN MEDISCIENCE AWARDS 2019 SPONSORED BY STIFEL

Winner of the Breakthrough of the Year Award

In June 2019, we won the 'Breakthrough of the Year' award at the 2019 European Mediscience Awards. This award underlines the strong clinical development and commercial progress we have made over the past year.

"We are greatly encouraged by the progress we have made with our cell therapy clinical development programmes for retinitis pigmentosa and stroke disability over the past year and look forward to continuing to advance our clinical and business development activities in the months ahead."

Olav Hellebø
Chief Executive Officer

14 June 2019

For scientific terms see the glossary on page 83