17 December 2019

Evgen Pharma plc
("Evgen" or "the Company" or "the Group")

Half year Report

Evgen Pharma plc (AIM: EVG), the clinical stage drug development company developing sulforaphane based medicines for the treatment of multiple diseases, announces its unaudited interim results for the six months ended 30 September 2019.

Operational highlights

- Positive results from the STEM trial of SFX-01 in metastatic breast cancer presented at European Society of Medical Oncology Congress in Barcelona, demonstrating the stabilisation of previously progressive disease and objective responses in some patients
- Five patients who participated in the STEM trial received SFX-01 treatment for over one year with no tumour progression
- Results from the SFX-01 After Subarachnoid Haemorrhage ("SAS") trial did not meet primary or secondary efficacy endpoints, however the treatment was well tolerated with no safety concerns
- Agreements in principle reached with Guy's and St Thomas' NHS Foundation Trust and University of Dundee to support clinical trials of SFX-01 in autism and non-alcoholic steatohepatitis ("NASH") respectively
- Research collaboration with King's College London and the British Heart Foundation to investigate how SFX-01 mediates upregulation of Nrf2 in the blood-brain barrier endothelium in-vivo

Financial highlights

- Financial performance in-line with expectations:
    - Total comprehensive loss of £1.6m (2018: loss of £1.8m)
    - Cash outflow from operations of £1.7m (2018: outflow of £1.5m)
    - Cash balance at 30 September 2019 of £5.1m (30 September 2018: £2.2m)
- Oversubscribed fundraising in April 2019 raised £5.0m before expenses

Stephen Franklin, Chief Executive Officer of Evgen Pharma, said: ***"****We have now completed two Phase II trials on SFX-01, in different conditions and with quite separate mechanistic hypotheses. Our selections of metastatic breast cancer ("mBC") and Subarachnoid Haemorrhage ("SAH") were based on strong preclinical data sets. The mBC clinical result was positive, demonstrating the stabilisation of previously progressive disease in 24% of patients and objective responses in some others. We were surprised that the SAH trial did not similarly follow the preclinical data, albeit this is a particularly challenging indication. However, the scientific evidence for sulforaphane and SFX-01 as a potent Nrf2 activator is compelling, and the clinical belief in Nrf2 activation as a therapeutic strategy is affirmed by the endorsement of our clinical investigator partners, who wish to test SFX-01 in various diseases where Nrf2 activation is important. We therefore remain committed to the on-going clinical development of SFX-01 both in breast cancer, and in supporting trials in a range of other diseases which may benefit from Nrf2 up-regulation".*

"We therefore move forward with the confidence that clinical success will ultimately prevail and we will, at that point, see a major ground shift in the Company's valuation. Between now and that point we will focus on delivering our development plan; the fundamentals that are needed to underpin sustainable share price growth and ultimately deliver the undoubted potential of SFX-01".

"We will be arranging to meet institutional and retail investors in early 2020 and look forward to this opportunity to discuss our strategy for the next stage in our development."

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About Evgen Pharma plc

Evgen Pharma is a clinical stage company developing sulforaphane based medicines for the treatment of multiple diseases The Company's core technology is Sulforadex®, a method for synthesising and stabilising the naturally occurring compound sulforaphane and novel proprietary analogues based on sulforaphane. The lead product, SFX-01, is a patented composition of synthetic sulforaphane and alpha-cyclodextrin.

The Company commenced operations in January 2008 and has its headquarters at The Colony, Wilmslow, Cheshire, and its registered office is at the Liverpool Science Park, Liverpool. Our lead product, SFX-01, has demonstrated efficacy in a Phase II trial for advanced metastatic breast cancer. It has been used to treat over 150 patients in clinical trials and is well-tolerated with predominately mild side-effects.

Evgen shares are traded on the AIM market of the London Stock under the ticker symbol EVG.

For further information, please visit: www.evgen.com

CHAIRMAN'S AND CHIEF EXECUTIVE'S STATEMENT

We are pleased to present the financial results of Evgen for the six months ended 30 September 2019 and to provide an update on the progress made by the Group during the period.

INTRODUCTION

Evgen is a clinical stage drug development company focussed on the development of sulforaphane-based compounds, a new class of pharmaceuticals which are synthesised in a proprietary, well-tolerated, stable formulation. We have a comprehensive intellectual property package over this technology. Our pipeline exploits sulforaphane's activity in two separate biochemical pathways; inhibition of pSTAT3, of importance in controlling cancer metastases, and up-regulation of Nrf2, a therapeutic target associated with a broad range of diseases which are characterised by excessive oxidative stress and inflammation.

Our lead product, SFX-01, has demonstrated efficacy in a Phase II trial for advanced metastatic breast cancer. It has been used to treat over 150 patients in clinical trials and is well-tolerated with predominantly mild side-effects.

CLINICAL TRIAL RESULTS AND STRATEGY REVIEW

Our aim on going public was to complete two Phase II trials on SFX-01 in different conditions with quite separate mechanistic hypotheses; the objective being to manage the risk profile typically associated with Phase II trials and demonstrate efficacy in at least one indication. To this end, we have had a success with the STEM trial, with SFX-01 being tested in 46 patients that had become resistant to all currently approved hormone therapies. In this difficult to treat population, SFX-01 halted the progressive disease for at least six months in 25% of patients, with at least two patients showing demonstrable tumour shrinkage. Furthermore, five patients went on to have their progressive disease halted for at least a year, and one patient continues to receive SFX-01 treatment after over 18 months. Given that the ultimate aim is to target patients earlier in the disease pathway (i.e. *prior* to them being resistant to all approved hormone therapies), we believe that the results from STEM bode well for the probability of success of a randomised, double blind follow-on trial. The details of that trial design and associated costings will be finalised in Q1 2020, when we will escalate the activity associated with securing non-dilutive funding to pay for all, or substantially all, of a follow-on trial.

We were surprised that the strong preclinical data for SFX-01 in SAH was not reflected in the SAS trial. Whilst we recognised that trials in stroke are challenging, we were nevertheless confident of observing some favourable effects given the strength of the preclinical data. The study met our expectations with regard to safety and tolerability, but missed the other key primary endpoint associated with the modulation of blood flow in the middle cerebral artery; this blood flow being a means of measuring the onset of vasospasm that leads to the Delayed Cerebral Ischaemia ("DCI"). Several cognitive measures constituted secondary endpoints, and, whilst the study was not powered to demonstrate statistical efficacy for these endpoints, we had expected to see a favourable trend across the different questionnaire-based tests that ascertain the extent of any cognitive deficit.

Further analysis of the SAS data and samples continues, including a transcriptomic analysis of genes that may have been up or down-regulated following SFX-01 treatment. This may be insightful and valuable for future trials in a number of disease areas.

Importantly, we have concluded that the SAS results are likely to be specific to that condition and because animal models for SAH can translate poorly to SAH in patients. In addition our dosing regime, restricted to a maximum of 28 days, may have been too short to impact cognitive measures at three and six months. There remains a strong rationale for clinically testing SFX-01 in any condition that is mechanistically linked to Nrf2, as evidenced by the recent positive developments at Reata (NASDAQ: RETA). Reata, who have also suffered clinical trial setbacks, are developing Nrf2 activators based on triterpenoids and recent top-line results in pivotal trials in Friedriech's Ataxia and Alport Syndrome have seen their share price soar in the last two months with a current market capitalisation of over US$6bn. This illustrates that the fundamentals of Nrf2 activation as a therapeutic strategy are sound and SFX-01 is a potent and well tolerated Nrf2 activator; on this basis we advance with the same confidence in SFX-01 and believe that the main driver to ultimate success is perseverance.

Given the funding constraints suffered by small cap drug development companies in the UK, our strategy is to move to a business model where we facilitate multiple clinical trials on SFX-01 in risk-sharing arrangements, with the objective of attracting non-dilutive funding from grants and/or charities to wholly or substantially fund future clinical activity. This strategy has two discrete parts:

(1) Our first priority is to ensure the continued development of the breast cancer programme. We will design and cost a clinical trial protocol and then seek non-dilutive funding for Evgen and/or an affiliated clinical institution to sponsor the trial

(2) In parallel we aim to leverage the extensive pre-clinical and clinical data that shows the potential for SFX-01, as a sulforaphane delivery platform, to be used in diseases that are beyond our capacity to pursue

We will therefore support a number of Investigator-Initiated Trials – these are trials led by a clinician from a well renowned institution, with that institution being the sponsor for the trial. We have announced two of these (in NASH and autism) and are in discussions for others. Evgen will provide support as required (in the confines of an investigator sponsored study), sharing our knowledge, experience and the methods and laboratories used for pharmacodynamic and pharmacokinetic endpoints.

Evgen will have the right to access the clinical data on fair commercial terms to advance its clinical and commercial development. The principal funding for these trials will be obtained by the investigator/institution and therefore non-dilutive.

Finally, we are now in a period where we are using funds from the last investment round to complete the technical package required to support this strategy. This involves investment in Chemistry, Manufacturing and Controls ("CMC") in developing a tablet formulation for world-wide distribution to multiple clinical centres, and investment in the toxicology package to be able to support trials of longer dosing duration (i.e. over 28 days). By the time this CMC investment period is complete, we could initiate a portfolio of clinical trials such as those described above.

We believe this strategy offers the best route to enhance shareholder value and the opportunity for all stakeholders to benefit from the undoubted potential of SFX-01.

CLINICAL PROGRAMMES

Metastatic breast cancer

Breast cancer is the biggest cause of cancer deaths in women worldwide. In around 75% of breast cancers, the hormone oestrogen plays a key part in tumour growth. Such tumours express the oestrogen receptor (ER+) and, if the cancer is metastatic, endocrine therapy has been the principal approach to treatment. It is thought that hormone independent cancer stem cells are implicated in the development of resistance to hormone therapy and the spread of the disease by metastases. Since 2012, Evgen has worked with University of Manchester scientists at the Cancer Research UK Manchester Institute and together we have generated promising data showing SFX-01 reduces the number of cancer stem cells in patient-derived breast cancer tissue in xenograft models. The xenograft studies used a combination of hormone therapy and SFX-01, with the role of SFX-01 being to target the cancer stem cell population. Crucially, the data also showed that SFX-01 is unique, compared with existing marketed therapies, in deactivating phosphorylated STAT3, a key agent in driving cancer metastases and resistance to current standards of care.

In March 2019, we announced positive results from the open-label Phase II trial of SFX-01 in 46 patients with oestrogen-positive metastatic breast cancer. In particular we demonstrated:

- Conclusive evidence of anti-cancer activity via objective responses (tumour shrinkage)
- 24% of patients showed a durable clinical benefit for at least six months, despite the late stage of disease and patients' established resistance to hormone therapy. Of these, five patients were still receiving SFX-01 at 12 months and one patient still remains on treatment after 18 months
- A mild and favourable side effect profile for an anti-cancer drug.

All STEM patients had ER+ metastatic breast cancer and had previously received treatment with either tamoxifen, aromatase inhibitors (AI) or fulvestrant. Prior to entry to the STEM trial, patients must have previously responded to their current hormone therapy for at least six months but then present with progressive disease, thereby demonstrating the start of resistance to the hormone therapy. Once entered into the trial, patients continued to receive their failing hormone therapy in addition to SFX-01 and have regular scans through to week 24. Patients discontinued the trial when one of the scans shows disease progression, or at week 24. Those patients who did not progress by week 24 were allowed to continue to receive treatment in an extension phase until disease progression.

In due course, we will be embarking on a campaign to source non-dilutive funds for a follow-on placebo-controlled randomised trial in ER+ metastatic breast cancer, to generate the data that would maximise the likelihood of a corporate partnership/out-licensing deal. Such funding may be sourced from direct grants, cancer charities or possibly via investigator-led trials.

Based upon consultation with our clinicians and KOLs, our preferred market positioning of SFX-01 is in combination with hormone therapy following progression on CDK4/6 inhibitors. Resistance to CDK4/6i (which will ultimately manifest in all patients) will become the new challenge that needs to be addressed.

Key activities through 2020 that will facilitate the next mBC clinical trial are:

- Ensuring our preclinical data package is sufficient and robust to support the study design
- Finalising the Clinical Trial Protocol synopsis and establishing full costings
- Using the funds we raised last April to:
  - Finalise the development of the new tablet formulation for mBC study and also investigator-led trials in new indications
  - Expand the toxicology package to enable longer-term dosing in investigator-led trials
- Securing non-dilutive funding to fund part, or all, of the mBC study.

Autism spectrum disorder ("ASD")

There has been continuing academic interest in the benefits that sulforaphane may provide in patients with ASD. Encouraging clinical data was seen in a small investigator-led placebo-controlled trial of juvenile patients in the US using sulforaphane derived from botanical sources and stored at -20^{o}C. Notwithstanding the strength of the data there is no opportunity to move this programme through to a regulated ASD drug using the botanical source. There are now six investigator-led trials in autism registered on Clintrials.org using similar botanical preparations.

In September 2019, we signed a Memorandum of Understanding with Guy's and St Thomas' NHS Foundation Trust ("Guy's and St Thomas'") to provide SFX-01 for a potential large Phase II clinical trial in ASD patients.

Under the terms of the agreement, Evgen has agreed to supply SFX-01 and placebo to support a potential future trial to be sponsored by Guy's and St Thomas' and led by Dr Michael Absoud, Consultant in paediatric neurodisability at the Evelina London Children's Hospital ("Evelina"), which is part of Guy's and St Thomas'. The Trust have agreed to lead the process to secure grant funding and gain clinical trial approval for a randomised, double blind, Phase II clinical trial. Evgen will retain the option to acquire, on fair commercial terms, the clinical data to enable subsequent development, regulatory approval and commercialisation of SFX-01 in ASD.

There are currently no approved medicines for treating the three core symptoms of autism - communication difficulties, social challenges and repetitive behaviour - which have long represented a huge area of unmet clinical need for affected families.

Based on its novel mode-of-action, SFX-01 has the potential to become a first-in-class treatment for the core symptoms of ASD, disrupting the current £3bn ASD market (which includes the use of anti-depressants and anti-psychotics for the treatment of non-core symptoms), making a significant impact on the enormous economic burden to the UK.

Non-alcoholic steatohepatitis ("NASH")

Earlier in the month, we announced that we have also signed a Memorandum of Understanding with the University of Dundee to supply SFX-01 for a potential future clinical trial in NASH, led by John Dillon, Professor of Hepatology and Gastroenterology in the University's School of Medicine.

With the assistance of Evgen, Professor Dillon will lead the process to secure appropriate grant funding and obtain clinical trial regulatory approval. The intention is to utilise advanced MRI scanning technology to investigate whether SFX-01 can reverse the hallmarks of NASH in a proof-of-concept clinical trial. Clinical data arising from a successful trial will support subsequent development of SFX-01 in NASH and liver fibrosis. Evgen will be granted an option to acquire the clinical data on fair commercial terms to enable it to advance development and commercialisation.

Non-alcoholic fatty liver disease ("NAFLD") is now regarded as the most common liver condition in the developed world, affecting up to 30% of the general population. NAFLD represents a spectrum of phenotypes ranging from simple steatosis (fatty infiltration), through NASH to cirrhosis. Approximately 30% of adults in the general population have NAFLD, and 10%-20% of these have NASH. Amongst patients with NASH, 20-30% are at risk of developing cirrhosis and subsequently dying from end-stage liver disease within 20 years. In view of the tens of thousands of individuals who are likely to develop NASH in the next decade, this disease will represent a major burden to healthcare in the UK.

Professor John Dillon and colleagues have previously published research that showed that drug-induced activation of the Nrf2 pathway could reverse insulin resistance, suppress hepatic steatosis, and mitigated against NASH and liver fibrosis. On this basis, Professor John Dillon approached Evgen, the developer of SFX-01, a development stage drug that is known to activate the Nrf2 pathway and has demonstrated excellent safety and tolerability in previous clinical trials.

Subarachnoid haemorrhage ("SAH")

In November we announced results from our trial of SFX-01 in SAH. Unfortunately the primary endpoint of reducing blood flow velocity in the middle cerebral artery was not achieved, with no significant difference between the SFX-01 and placebo arms. Furthermore, whilst the secondary endpoints were not statistically powered, there were no consistent differences seen between SFX-01 and placebo in key cognition, quality of life and clinical outcomes at three and six months. This was surprising given the strong preclinical data for sulforaphane in animal models of SAH and other forms of stroke.

SFX-01 was however shown to be well-tolerated with no safety concerns.

In the multi-centre, randomised, double-blind, placebo-controlled SAS Phase II clinical trial, patients were dosed for a maximum of 28 days following a SAH, covering the period at which they are at risk of a DCI. Patients were then monitored for a further five months to assess their recovery by collecting endpoints including cognitive measurements.

After an extensive post-mortem with our clinical advisors, we have concluded that the results of the SAS trial cannot be used to discount the viability of a trial in any other indication linked to the Nrf2 pathway; including those of the central nervous system. SAH is a traumatic and serious condition and the likelihood is that the animal models that are used to best mimic a SAH are poorly prognostic of the clinical condition. What we do know is that Nrf2 pathway remains an attractive target for therapeutic intervention in many diseases characterised by oxidative stress and inflammation, and that SFX-01 is a potent activator of the Nrf2 pathway with a relatively benign safety profile. On this basis, there is no sound rationale for believing the SAS trial read-out is of any relevance to any other indication.

NON-CLINICAL PROGRAMMES

Following the oversubscribed placing completed in April, we are making good progress with the activities set out in the use of funds statement relating to the fundraising.

Specifically, we have contracted with a large CRO to start the extended toxicology programme that is needed to support a broader diversity of clinical trial designs – including being able to dose for greater than 28 days in patients

that do not have a terminal disease. The pilot work has started and the full programme will start in early 2020 and conclude later in the year.

With regard to the formulation work to develop a new tablet - required to scale manufacturing and support multiple trials - we have also contracted with a large and well-established Contract, Development and Manufacturing Organisation to initiate that work.

INTELLECTUAL PROPERTY UPDATE

In August 2019 we announced the grant of further intellectual property rights in Europe pertaining to the novel composition, SFX-01.

The newly granted patent leads with a product claim covering "a composition comprising a complex of sulforaphane and alpha-cyclodextrin". Composition-of-matter patents have already been granted in the USA and other territories. Furthermore, patents in Europe, the US and other territories relating to the method of production have also been granted.

Furthermore, our non-clinical programmes are leading to potentially new composition of matter patents that if filed and granted, would extend our patented product life substantially.

FINANCIAL REVIEW

The financial performance for the six-month period to 30 September 2019 was in line with expectations. The total comprehensive loss for the period was £1.6m (30 September 2018: £1.8m). The net cash inflow for the period was £3.0m (30 September 2018: outflow of £1.5m).

The cash position at 30 September 2018 stood at £5.1m (30 September 2018: £2.2m), reflecting the April 2019 fundraise of £5.0m before expenses. Since the period end the Group has received £328k in cash from R&D tax credits.

The Directors estimate that the cash held by the Group together with known receivables will be sufficient to support the current level of activities into the third quarter of calendar year 2021. They have therefore prepared the financial statements on a going concern basis.

OUTLOOK

Our focus in the year to date has been on completing the two ongoing trials and refining the next stages of clinical development. We have also been working with academic clinicians to support investigator-initiated trials in non-core indications which would broaden the clinical use of SFX-01 and reduce shareholder risk.

We would like to thank all our shareholders for their support and look forward to progressing with our strategy which remains clearly focused on commercialising the undoubted potential of SFX-01.

Barry Clare	**Stephen Franklin**
Chairman	CEO

16 December 2019

Consolidated Statement of Comprehensive Income
for the six months ended 30 September 2019 - unaudited

	Notes	**Six months ended 30 September 2019 £'000 unaudited**	Six months ended 30 September 2018 £'000 unaudited	Year ended 31 March 2019 £'000 audited
Operating expenses				
Operating expenses		**(1,526)**	(1,727)	(2,985)
Share-based compensation	**4**	**(84)**	(60)	(135)
Total operating expenses		**(1,610)**	(1,787)	(3,120)
Operating loss		**(1,610)**	(1,787)	(3,120)
Loss on ordinary activities before taxation		**(1,610)**	(1,787)	(3,120)
Taxation	**5**		-	496
Loss and total comprehensive expense attributable to equity holders for the period		**(1,605)**	(1,787)	(2,624)
Loss earnings per share (pence)				
Basic loss per share	**3**	**(1.43)**	(1.91)	(2.74)
Diluted loss per share	**3**	**(1.43)**	(1.91)	(2.74)

Consolidated Statement of Financial Position
as at 30 September 2019 - unaudited

	Notes	**As at 30 September 2019 £'000 unaudited**	As at 30 September 2018 £'000 unaudited	As at 31 March 2019 £'000 audited
ASSETS				
Non-current assets				
Property, plant and equipment		**3**	10	6
Intangible assets		**89**	105	98
Total non-current assets		**92**	115	104
Current assets				
Trade and other receivables		**113**	126	135
Current tax receivable		**328**	432	492
Cash and cash equivalents		**5,050**	2,158	2,033
Total current assets		**5,491**	2,716	2,660
Total assets		**5,583**	2,831	2,764
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables		**353**	682	688
Total current liabilities		**353**	682	688
Equity				
Share capital	**5**	**331**	233	247
Share premium		**17,831**	12,565	13,240
Merger reserve		**2,067**	2,067	2,067
Share based compensation		**1,806**	1,647	1,722
Accumulated losses		**(16,805)**	(14,363)	(15,200)
Total equity		**5,230**	2,149	2,076
Total liabilities and equity		**5,583**	2,831	2,764

Consolidated Statement of Changes in Equity
for the six months ended 30 September 2019 – unaudited

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share based compensation £'000	Accumulated losses £'000	Total £'000
Balance at 1 April 2019	**247**	**13,240**	**2,067**	**1,722**	**(15,200)**	**2,076**
Total comprehensive expense for the period	-	-	-	-	(1,605)	(1,605)
Transactions with owners						
Share issues	84	4,919	-	-	-	5,003
Share issue – costs		(328)				(328)
Share-based compensation – share options	-	-	-	84	-	84
Total transactions with owners	**84**	**4,591**	**-**	**84**	**-**	**4,759**
Balance at 30 September 2019	**331**	**17,831**	**2,067**	**1,806**	**(16,805)**	**5,230**

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share based compensation £'000	Accumulated losses £'000	Total £'000
Balance at 1 April 2018	**233**	**12,560**	**2,067**	**1,587**	**(12,576)**	**3,871**
Total comprehensive expense for the period	-	-	-	-	(1,787)	(1,787)
Transactions with owners						
Share issue	-	5	-	-	-	5
Share-based compensation – share options	-	-	-	60	-	60
Total transactions with owners	**-**	**5**	**-**	**60**	**-**	**65**
Balance at 30 September 2018	**233**	**12,565**	**2,067**	**1,647**	**(14,363)**	**2,149**

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share based compensation £'000	Accumulated losses £'000	Total £'000
Balance at 1 April 2018	**233**	**12,560**	**2,067**	**1,587**	**(12,576)**	**3,871**
Total comprehensive expense for the period	-	-	-	-	(2,624)	(2,624)
Transactions with owners						
Share issue - cash	14	668	-	-	-	682
Share issue – options exercised	-	12	-	-	-	12
Share-based compensation – share options	-	-	-	135	-	135
Total transactions with owners	**14**	**680**	**-**	**135**	**-**	**829**
Balance at 31 March 2019	**247**	**13,240**	**2,067**	**1,722**	**(15,200)**	**2,076**

The registered number of Evgen Pharma plc is 09246681.

Consolidated Statement of Cash Flows
for the six months ended 30 September 2019 - unaudited

	Six months ended 30 September 2019 £'000 unaudited	Six months ended 30 September 2018 £'000 unaudited	Year ended 31 March 2019 £'000 audited
Cash flows from operating activities			
Loss before taxation for the period	**(1,610)**	(1,787)	(3,120)
Depreciation and amortisation	**12**	11	21
Share-based compensation	**84**	60	135
	(1,514)	(1,716)	(2,964)
Changes in working capital			
Decrease/(increase) in trade and other receivables	**22**	(49)	(58)
(Decrease)/increase in trade and other payables	**(335)**	292	299
Cash used in operations	**(313)**	243	241
Taxation received	**169**	-	436
Net cash used in operating activities	**(1,658)**	(1,473)	(2,287)
Cash flows from investing activities			
Purchase of property, plant and equipment	**-**	-	-
Net cash used in investing activities	**-**	-	-
Cash flows from financing activities			
Net proceeds from issue of shares	**4,675**	5	694
Net cash generated from financing activities	**4,675**	5	694
Movements in cash and cash equivalents in the period	**3,017**	(1,468)	(1,593)
Cash and cash equivalents at start of period	**2,033**	3,626	3,626
Cash and cash equivalents at end of period	**5,050**	2,158	2,033

1. GENERAL INFORMATION

EVGEN PHARMA PLC ("Evgen", "the Group" or "the Company") is a public limited company incorporated in England & Wales and is admitted to trading on the AIM market of the London Stock Exchange under the symbol EVG.

The address of its registered office is Liverpool Science Park Innovation Centre 2, 146 Brownlow Hill, Liverpool, Merseyside L3 5RF. The principal activity of the Group is clinical stage drug development.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Group's half-yearly financial information, which is unaudited, consolidates the results of Evgen Pharma plc and its subsidiary undertaking up to 30 September 2019. The Group's accounting reference date is 31 March. Evgen Pharma plc's shares are quoted on the AIM Market of the London Stock Exchange (AIM).

The Company is a public limited liability company incorporated and domiciled in the UK. The consolidated financial information is presented in round thousands of Pounds Sterling (£'000).

The financial information contained in this half-yearly financial report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. It does not therefore include all of the information and disclosures required in the annual financial statements. The financial information for the six months ended 30 September 2018 and 30 September 2019 is unaudited.

Full audited financial statements of the Group in respect of the period ended 31 March 2019, which received an unqualified audit opinion and did not contain a statement under section 498(2) or (3) of the Companies Act 2006, have been delivered to the Registrar of Companies.

The accounting policies used in the preparation of the financial information for the six months ended 30 September 2019 are in accordance with the recognition and measurement criteria of International Financial Reporting Standards as adopted by the European Union ('IFRS') and are consistent with those which will be adopted in the annual financial statements for the year ending 31 March 2020.

IFRS 16 is not expected to have a material effect on the Group's figures since there are no material leases of over 12 months.

Whilst the financial information included has been prepared in accordance with the recognition and measurement criteria of IFRS, the financial information does not contain sufficient information to comply with IFRS.

The Group has not applied IAS 34, Interim Financial Reporting, which is not mandatory for UK AIM listed Groups, in the preparation of this interim financial report.

Going concern

At 30 September 2019, the Group had cash and cash equivalents, including short-term investments and cash on deposit, of £5.1 million.

The Directors have prepared detailed financial forecasts and cash flows looking beyond 12 months from the date of the approval of these financial statements. In developing these forecasts, the Directors have made assumptions based upon their view of the current and future economic conditions that will prevail over the forecast period.

The Directors estimate that the cash held by the Group together with known receivables will be sufficient to support the current level of activities into the third quarter of calendar year 2021. They have therefore prepared the financial statements on a going concern basis.

Significant management judgement in applying accounting policies and estimation uncertainty

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

The following are significant management judgements and estimates in applying the accounting policies of the Group that have the most significant effect on the condensed consolidated interim financial information. Actual results may be substantially different.

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 determined using the Black-Scholes model, taking into consideration the best estimate of the expected life of the option and the estimated number of shares that will eventually vest.

Research and development expenditure

All research and development costs, whether funded by third parties under licence and development agreements or not, are included within operating expenses and classified as such. Research and development costs relating to clinical trials are recognised over the period of the clinical trial based on information provided by clinical research organisations. All other expenditure on research and development is recognised as the work is completed.

All ongoing development expenditure is currently expensed in the period in which it is incurred. Due to the regulatory and other uncertainties inherent in the development of the Group's programmes, the criteria for development costs to be recognised as an asset, as prescribed by IAS 38, 'Intangible assets', are not met until the product has been submitted for regulatory approval, such approval has been received and it is probable that future economic benefits will flow to the Group. The Group does not currently have any such internal development costs that qualify for capitalisation as intangible assets.

3. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss for the period attributable to equity holders by the weighted average number of ordinary shares outstanding during the period.

For diluted loss per share, the loss for the period attributable to equity holders and the weighted average number of ordinary shares outstanding during the period is adjusted to assume conversion of all dilutive potential ordinary shares. As the effect of the share options would be to reduce the loss per share, the diluted loss per share is the same as the basic loss per share.

The calculation of the Group's basic and diluted loss per share is based on the following data:

	Six months ended 30 September 2019 £'000 unaudited	Six months ended 30 September 2018 £'000 unaudited	Year ended 31 March 2019 £'000 audited
Loss for the period attributable to equity holders	**(1,605)**	(1,787)	(2,624)

	As at 30 September 2019 Number unaudited	As at 30 September 2018 Number unaudited	As at 31 March 2019 Number audited
Weighted average number of ordinary shares	**112,307,585**	93,313,143	95,857,230
Weighted average number of ordinary shares adjusted for the effects of dilution	**112,307,585**	93,313,143	95,857,230

	Pence	Pence	Pence
Loss per share – basic and diluted	**(1.43)**	(1.91)	(2.74)

4. SHARE-BASED PAYMENTS

As at the end of the current period, the reconciliation of share option scheme movements is as follows:

	As at 30 September 2019	
	Number	**WAEP**
Outstanding at 1 April 2019	9,075,599	£0.02
Granted during the period	1,104,861	-
Exercised during the period	(321,600)	(£0.01)
Lapsed/cancelled during the period	-	-
Outstanding at 30 September 2019	**9,858,860**	**£0.02**

During the six month period ended 30 September 2019, a share-based payment charge of £84,052 (six months to 30 September 2018: £60,374) was expensed to the consolidated Statement of Comprehensive Income.

The fair values of the options granted have been calculated using a Black-Scholes model.

Assumptions used were an option life of 5 years, a risk-free rate of 2 per cent., a volatility of 60 per cent. and no dividend yield.

5. ISSUED CAPITAL AND RESERVES

Ordinary shares

		Company	
		Number	**Share Capital £'000**
At 31 March 2019		**98,991,334**	**247**
Issued under placing agreement		**33,333,329**	**83**
Issued on exercise of options		**321,600**	**1**
At 30 September 2019		**132,646,263**	**331**

On 18 April 2019 13,057,489 new ordinary shares of 0.25p each were issued at a price of 15p per share pursuant to a share placing to existing and new shareholders.

On 09 May 2019 a further 20,275,840 new ordinary shares 0.25p each were issued at a price of 15p per share pursuant to a share placing to existing and new shareholders.

On 21 May 2019 321,600 new ordinary shares 0.25p each were issued in connection with the exercise of share options.