

28 September 2023

Cizzle Biotechnology Holdings Plc

("Cizzle", the "Company" or the "Group")

Interim results for the six months ended 30 June 2023

Cizzle Biotechnology Holdings PLC (LSE: CIZ), the UK based diagnostics developer, is pleased to announce its interim results for the six months ended 30 June 2023.

Highlights

- On 24 April 2023 the Group announced a new 12 month agreement with the University of York running until 25 September 2024, which builds on successful outcomes of the current research programme, including meeting key milestones for monoclonal antibody characterisation and assay platform optimization. This agreement also extended access to state of the art facilities and world leading scientists to support new solutions for early cancer diagnostics and therapeutic tools.
- On 12 June 2023 the Group announced that it had raised gross proceeds of £350,000 at an issue price of 2.1p per share. A variation to the Company's £500,000 loan facility agreement was announced whereby repayment of any drawdown on this facility now being satisfied by the issue of new ordinary shares in the Company at a fixed price of 2.1p per share. This facility was extended until 8 December 2024.

Post Period Highlights

- The Company has a put option to sell its 5% economic interest and royalty sharing agreement in the AZD 1656 asset to treat inflammatory pulmonary and cardiovascular disease ("Option") to Conduit Pharmaceuticals ("Conduit"), to be satisfied through the issuance of new shares in Conduit (the "Option"). Conduit became a publicly traded company on NASDAQ in the USA on 25 September 2023. Cizzle exercised its Option on 26 September 2023 and once this has been settled, the Company is expected to hold 395,460 shares in the NASDAQ listed business with no restrictions.
- On 10 August 2023 the Group announced an expansion of its current research programme with the University of York to develop its CIZ1B biomarkertechnology for early stage cancer diagnosis, and other potential applications in cancer therapy. This follows significant progress in isolating additional new and specific monoclonal antibodies to the CIZ1B biomarker and incorporating these into a new high-throughput clinical diagnostic immunoassay platform. The recent developments meet key milestones to begin commercial clinical trials. The Company is now engaged in clinical trials design to support the validation and accreditation of the CIZ1B test prior to commercial launch.
- On 19 September 2023 the Group and Bio-Techne Corporation, a NASDAQ Tech listed company, announced progress evaluating specific monoclonal antibodies for Cizzle's CIZ1B cancer biomarker. Cizzle has successfully completed an evaluation programme aimed at assessing the feasibility of using the Simple Western platform from ProteinSimple (a Bio-Techne brand) for high throughput detection of the CIZ1B cancer biomarker which may be useful in the detection of early-stage lung cancer.

Commenting Allan Syms, Chairman of Cizzle Biotechnology, said:

"The Group continued to make excellent progress during the first half of 2023 as key milestones were met in the development of our proprietary assay for the CIZ1B biomarker which is highly associated with early stage lung cancer. About 5,000 people die of lung cancer every day which in part is due to the lack of simple tests that can detect cancer early and as a result lead to diagnosis when the disease is more advanced and survival rates are poor.

"We have now expanded our range of specific monoclonal antibodies for CIZ1B and as recently reported we are now deploying these on a high throughput laboratory platform provided by Bio-Techne, a \$12 billion market capitalised life science and biomedical research group. Bio-Techne have worked closely with Prof Coverley's research team at the University of York and, having completed a successful evaluation programme, we are now able us to accelerate our clinical trials programme, initially in the USA.

"Our goal remains to develop simple, inexpensive, blood tests for early cancer detection that can help save lives.

The priority will be to complete clinical trials and achieve LDT (Laboratory Developed Test) accreditation and then to expand the use of our CIZ1B antibodies for use in a lateral flow format, such as that now commonly used for COVID antigen detection which will provide a familiar test format with an established global distribution infrastructure."

"We have also previously reported on our ambitions to expand our target customer base in the pharmaceutical industry through building a portfolio of early cancer detection tests, companion diagnostics and royalty bearing stakes in significant drug assets. We were therefore, pleased to report in the past few weeks the positive development arising from the merger of our partners Conduit Pharmaceuticals with Murphy Canyon Acquisition Corp. resulting in Conduit becoming a NASDAQ listed company. The Company's put option to sell its 5% economic interest and royalty sharing agreement in Conduit's AZD 1656 asset to treat inflammatory pulmonary and cardiovascular disease to Conduit for a total consideration of £3.25 million, would be satisfied through the issuance of new shares in the NASDAQ listed merged business."

Executive Chairman's Statement

Operational and strategic overview

The Group has focussed on realising and commercialising, through systematic development, Cizzle's technology for the early detection of cancer.

Research and Development Progress

Cizzle is developing a blood test for the early detection of lung cancer. Its technology is based on the ability to detect a stable plasma biomarker, a variant of CIZ1 known as CIZ1B. CIZ1 is a naturally occurring cell nuclear protein involved in DNA replication, and the targeted CIZ1B variant is highly correlated with early-stage lung cancer.

On 24 April 2023 the Group announced a new 12 month agreement with the University of York, running until 25 September 2024, that builds on successful outcomes from the current research programme and meeting key milestones for monoclonal antibody characterisation and assay platform optimization. This agreement extended access to state of the art facilities and world leading scientists to support new solutions for early cancer diagnostics and therapeutic tools.

On 10 August 2023 the Group announced an expansion of its research programme with the University of York to. This followed significant further progress in isolating additional new and specific monoclonal antibodies to the CIZ1B biomarker and incorporating these into a new high-throughput clinical diagnostic immunoassay platform. The recent developments meet key milestones to begin commercial clinical trials. The Company is now engaged in clinical trials design to support the validation and accreditation of the CIZ1B test prior to commercial launch.

On 19 September 2023 the Group and Bio-Techne Corporation, a NASDAQ Tech listed company, announced progress evaluating specific monoclonal antibodies for Cizzle's CIZ1B cancer biomarker. Cizzle has successfully completed an evaluation programme aimed at assessing the feasibility of using the Simple Western platform from ProteinSimple (a Bio-Techne brand) for high throughput detection of the CIZ1B cancer biomarker which may be useful in the detection of early-stage lung cancer.

Funding

In June 2023 the Company completed a fund raising providing gross proceeds of £350,000 by way of a subscription for its shares. The funds will be used to provide working capital for the Company and to continue development of a laboratory-developed test ("LDT") accredited service for the early detection of lung cancer and taking the Company's proprietary CIZ1B biomarker blood test through to UKCA, CE marking and/or FDA 510(k) clearance.

On 21 Sept 2023 the Group announced an update on its Option with Conduit and noted shareholder approval for Conduit-Murphy merger and NASDAQ listing. The Company has a put option to sell its 5% economic interest and royalty sharing agreement in the AZD 1656 asset to treat inflammatory pulmonary and cardiovascular disease to Conduit, to be satisfied through the issuance of new shares in Conduit (the "Option"). The merger completed and Conduit became a publicly traded company on NASDAQ in the USA on

25 September 2023. Cizzle exercised its Option on 26 September 2023 and once this has been settled, the Company is expected to hold 395,460 shares in the NASDAQ listed business with no restrictions.

Financial overview

During the six months ended 30 June 2023, the Company continued its focus on being a healthcare diagnostics developer. The Group consists of Cizzle Biotechnology Holdings PLC as the parent company with wholly owned subsidiaries, Cizzle Biotechnology Ltd ("CBL") and Cizzle Biotech Ltd (formerly Enfis Ltd). The current Group structure was formed when the Company completed the acquisition of CBL on 14 May 2021 and was admitted to trading on the standard list of the Main Market of the London Stock Exchange.

The financial results for the six months to 30 June 2023 are summarised as follows:

- Corporate expenses, before exceptional items: £342,000 (H1 2022: £345,000).
- Non-cash corporate expenses relating to a share option charge: £115,000 (H1 2022: £70,000)
- Taxation credit: £26,000 (H1 2022: £25,000)
- Total comprehensive loss of £431,000 (H1 2022, Loss £390,000).
- Loss per share 0.12p, (H1 2022, Loss of 1.43p).
- Cash balances as at 30 June 2023: £451,000 (30 June 2022: £444,000).

Responsibility Statement

We confirm that to the best of our knowledge:

- the interim financial statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting;
- give a true and fair view of the assets, liabilities, financial position and loss of the Company;
- the Interim report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
- the Interim report includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

The interim report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by Allan Syms on 27 September 2023.

Enquiries:

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About Cizzle Biotechnology

Cizzle Biotechnology is developing a blood test for the early detection of lung cancer. Cizzle Biotechnology is a spin- out from the University of York, founded in 2006 around the work of Professor Coverley and colleagues. Its proof-of-concept prototype test is based on the ability to detect a stable plasma biomarker, a variant of CIZ1 known as CIZ1B. CIZ1 is a naturally occurring cell nuclear protein involved in DNA replication.

variant of CIZ1 known as CIZ1B, creates a naturally occurring cell nuclear protein involved in DNA replication, and the targeted CIZ1B variant is highly correlated with early-stage lung cancer.

For more information please see <https://cizzlebiotechnology.com>

You can also follow the Company through its twitter account @CizzlePlc and on LinkedIn.

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2023

		Group Six months ended 30 June 2023 Unaudited £'000	Group Six months ended 30 June 2022 Unaudited £'000	Group Year ended 31 December 2022 Audited £'000
Notes				
Revenue		-	-	-
Cost of Sales		-	-	-
Gross Profit		-	-	-
Administrative Expenses				
-on going administrative expenses		(342)	(345)	(823)
-share option charge		(115)	(70)	(140)
Total administrative expenses including exceptional items		(457)	(415)	(963)
Operating Loss and loss before income tax		(457)	(415)	(963)
Income tax	3	26	25	51
Loss and total comprehensive income for the period attributable to the equity shareholders of the parent		(431)	(390)	(912)
Earnings per share Loss- basic and diluted - pence	4	(0.12)p	(1.43)p	(0.3)p

Consolidated Statement of Financial Position as at 30 June 2023

	Group 30 June 2023 Unaudited £'000	Group 30 June 2022 Unaudited £'000	Group 31 Dec 2022 Audited £'000
Non-Current Assets			
Intangible asset	2,080	2,080	2,080
Total Non-Current Assets	2,080	2,080	2,080
Current Assets			
Trade and other receivables	223	87	227
Cash and cash equivalents	451	444	478
Total Current Assets	674	531	705
Total Assets	2,754	2,611	2,785
Equity			

Ordinary shares	3,504	3,495	3,502
Share premium	35,330	33,564	34,917
Share capital reduction reserve	10,081	10,081	10,081
Share option reserve	314	405	199
Shares to be issued	-	880	115
Reverse acquisition reserve	(40,021)	(40,021)	(40,021)
Retained losses	(6,584)	(5,907)	(6,153)
Total equity	2,624	2,497	2,640
Liabilities			
Current liabilities			
Trade and other payables	130	114	145
Total current liabilities	130	114	145
Total equity and liabilities	2,754	2,611	2,785

Consolidated Statement of Cash Flows
For the six months ended 30 June 2023

	Group 6 Months ended 30 June 2023 Unaudited £'000	Group 6 Months ended 30 June 2022 Unaudited £'000	Group 6 Months ended 31 Dec 2022 Unaudited £'000
Cash flow from operating activities			
Operating loss before tax	(457)	(415)	(963)
Adjustment for:			
Share option charge	115	70	140
Share based payment to former director	-	-	8
Operating cash flow before working capital movements	(342)	(345)	(815)
Decrease in trade and other receivable	30	18	16
Decrease in trade and other payables	(15)	(104)	(73)
Net cash used in operating activities	(327)	(431)	(872)
Cash flow from investing activities			
Purchase of Put Option	-	-	(120)
Net cash inflow/outflow from investing activities	-	-	(120)
Cash flow from financing activities			
Proceeds from the issue of ordinary shares (net of issue costs)	300	-	480
Proceeds from shares to be issued	-	-	115
Net cash inflow from financing activities	300	-	595
Net decrease in cash and cash equivalents	(27)	(431)	(397)
Cash and cash equivalents at the start of the period	478	875	875
Cash and cash equivalents at the end of the period	451	444	478

Consolidated Statement of Changes in Equity
For the six months ended 30 June 2023 (unaudited)

Group	Ordinary Share Capital	Share Premium	Capital Redemption Reserve	Share Option Reserve	Shares to be issued	Reverse Acquisition Reserve	Retained Losses	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2023	3,502	34,917	10,081	199	115	(40,021)	(6,153)	2,640
Issue of shares for cash	2	465	-	-	(115)	-	-	352
Share issue costs	-	(52)	-	-	-	-	-	(52)
Share option charge	-	-	-	115	-	-	-	115
Total transactions with owners	2	413	-	115	(115)	-	-	415
Comprehensive Loss for the Period	-	-	-	-	-	-	(431)	(431)
At 30 June 2023	3,504	35,330	10,081	314	-	(40,021)	(6,584)	2,624

**For the six months ended 30 June
2022**

Group	Ordinary Share Capital	Share Premium	Capital Redemption Reserve	Share Option Reserve	Deferred consideration - shares to be issued	Reverse Acquisition Reserve	Retained Losses	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2022	3,493	32,566	10,081	335	-	(40,021)	(5,517)	937
Issue of shares for the acquisition of intangible asset	2	998	-	-	-	-	-	1,000
Deferred consideration arising on the acquisition of an intangible asset	-	-	-	-	880	-	-	880
Share option charge	-	-	-	70	-	-	-	70
Total transactions with owners	2	998	-	70	880	-	-	1,950
Comprehensive Loss for the Period	-	-	-	-	-	-	(390)	(390)
At 30 June 2022	3,495	33,564	10,081	405	880	(40,021)	(5,907)	2,497

Consolidated Statement of Changes in Equity (continued)

For the year ended 31 December 2022 (Audited)

	Ordinary Share Capital	Share Premium	Shares to be issued	Capital Redemption Reserve	Share Option Reserve	Reverse Acquisition Reserve	Retained Losses	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2022	3,493	32,566	-	10,081	335	(40,021)	(5,517)	937
Issue of shares for acquisition of AZD 1656 intangible asset	5	1,875	-	-	-	-	-	1,880
Issue of shares for cash	4	500	-	-	-	-	-	504
Cost of share issue	-	(80)	-	-	-	-	-	(80)

Share options exercised	-	56	-	-	(276)	-	276	56
Shares to be issued	-	-	115	-	-	-	-	115
Share option charge	-	-	-	-	140	-	-	140
Total transactions with owners	9	2,351	115	-	(136)	-	276	2,615
Comprehensive Loss for the year	-	-	-	-	-	-	(912)	(912)
At 31 December 2022	3,502	34,917	115	10,081	199	(40,021)	(6,153)	2,640

Notes to the financial statements

For the six months ended 30 June 2023 (unaudited)

1. Basis of preparation

These condensed interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting using the recognition and measurement principles of UK-adopted International Accounting Standards and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2022.

The principal accounting policies used in preparing these condensed interim financial statements are those expected to apply to the Group's Consolidated Financial Statements for the year ending 31 December 2023.

The results for the six-months ended 30 June 2023 are the Group results.

The financial information for the six months ended 30 June 2023 is unaudited and does not constitute statutory financial statements for those periods. The financial information for the year ended 31 December 2022 has been extracted from the audited financial statements for this period. The financial information has been prepared in accordance with accounting policies consistent with those set out in the Group financial statements for the year ended 31 December 2022.

2. Continuing and discontinued operations

The Group is considered to have one class of business which is focused on the early detection of lung cancer via the development of an immunoassay test for the CIZ1B biomarker.

3. Income Tax

The Income tax credit of £26,000 for the six months ended 30 June 2023 relates to accrued income for the recovery of tax on qualifying research and development expenditure. For the six months ended 30 June 2022 there was income tax credit of £25,000 and a credit of £51,000 for the year ended 31 December 2022.

4. Earnings per share

	Group 6 months ended 30 June 2022	Group 6 months ended 30 June 2022	Group Year ended 31 December 2022
Basic loss per share:			
Total comprehensive loss - £'000	(431)	(390)	(912)
Weighted number of Ordinary Shares - '000	347,765	271,956	291,323
Loss per share - operations - pence	(0.12p)	(1.43p)	(0.3p)

As the Group result for the six months ended 30 June 2023, 30 June 2022 and year ended 31 December 2022 is a loss, any exercise of share options or warrants would have an anti-dilutive effect on earnings per share. Consequently earnings per share and diluted earnings per share are the same, as potentially dilutive share options have been excluded from the calculation.

5. Copies of Interim Report

Copies of this interim report are available upon request to members of the public from the Company Secretary, SGH Company Secretaries Limited, 6th Floor, 60 Gracechurch Street, London, EC3V 0HR. This interim report can also be viewed on the Group's website: <https://cizzlebiotechnology.com>.



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