C4X Discovery Holdings PLC
("C4XD" or the "Company")

Interim results for the six months ended 31 January 2016

C4X Discovery Holdings plc (AIM: C4XD), an innovative drug discovery and development company, today announces its interim unaudited results for the six months ended 31 January 2016.

Corporate highlights

- Dr Clive Dix appointed as Executive Chairman to implement strategy of building the world's most productive drug discovery and development company.
- Significant progress across therapeutic programmes:
    - Addiction: oral drug candidate from the Orexin-1 programme for the treatment of addictive disorders such as nicotine addiction, continues to progress through preclinical development. Potential imaging agent for planned Phase I study identified. Second, differentiated Orexin-1 antagonist identified as follow-up candidate.
    - Inflammation: design of novel oral activators of the NRF-2 pathway which is important in lung diseases with high unmet medical need such as Chronic Obstructive Pulmonary Disease ("COPD"); identification of small molecule inhibitors of the IL-17 pathway implicated in multiple inflammatory and autoimmune diseases including psoriasis.
    - Diabetes: identification of novel, potent, orally available lead molecules activating GPR142 a key factor in the production of insulin.
- Collaboration established with University of Oxford's Structural Genomics Consortium ("SGC-Oxford") to improve and identify potent and selective molecules against a range of targets and initiation of an oncology therapeutic programme.
- Refinement of hybrid business model of wholly owned pipeline of drug discovery programmes plus partnerships with Pharma and Biotech. Access to C4XD proprietary technologies on a fee for service basis to be discontinued to maximise internal resource available for value creating pipeline projects. Aim to transition current fee-for-service relationships to shared IP or milestone driven collaborative agreements.

Progress since period end

- Acquisition of Adorial Limited together with Taxonomy3®, a proprietary human genetic technology platform for the identification of novel drug targets.

Financial highlights

- Cash, cash equivalents and deposits at 31 January 2016 of £5.0 million (31 July 2015: £7.5 million and 31 January 2015 £9.4 million).
- Net assets at 31 January 2016 of £5.3 million (31 July 2015: £8.0 million and 31 January 2015: £10.0 million).

Chairman's statement

"The first half of the financial year to 31 January 2016 has seen C4X Discovery take important steps towards its aim of becoming the world's most productive drug discovery and development company," said Dr Clive

Dix, Executive Chairman. “The ability of our unique platform to enable the design and creation of best-in-class drug candidates against a range of therapeutic targets has been further demonstrated by the identification of new molecules in our diabetes and inflammation programmes. Through our collaboration with SGC-Oxford we have now also initiated a discovery programme in oncology and our lead programme in addiction continues to make progress toward the clinic.

“Our recent acquisition of Adorial and the incorporation of the Taxonomy3® technology into our drug discovery engine provides us with a further tool to enable us to deliver safer, better new drug candidates more rapidly and cost effectively than traditional pharmaceutical approaches.”

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Executive Chairman’s Review

Overview

C4XD aims to become the world’s most productive drug discovery and development company by exploiting cutting edge-technologies to design and create best-in-class small molecule candidates targeting a range of high value therapeutic areas.

During the six months to the end of January 2016, we made progress across our in-house pipeline in addiction, diabetes and inflammation with a number of new drug candidates identified and further progress towards the clinic for our lead programme. We now have six therapeutic projects underway. Post the period end, we made the strategically important acquisition of Adorial Ltd and its Taxonomy3® target discovery technology which complements and further strengthens our platform and its ability to initiate drug discovery and development programmes.

Management

In November 2015, C4XD announced the appointment of Dr Clive Dix as Executive Chairman. Dr Dix had previously served as non-executive Chairman of C4XD’s Board of Directors. As Executive Chairman, Dr Dix will build on the strong achievements made by C4XD to date, assuming day-to-day operational responsibilities from Piers Morgan who stepped down as CEO to pursue opportunities outside C4XD.

Dr Dix is widely recognised as one of the leading figures in the UK biotechnology sector, with an established reputation as a serially successful entrepreneur and an experienced pharmaceutical R&D executive. Most recently, Dr Dix was CEO of Convergence Pharmaceuticals, which was sold to Biogen in January 2015 for $675m. Prior to that, Dr Dix enjoyed successful exits with PowderMed Limited, Auralis Limited and PowderJect Pharmaceuticals plc, where he held the roles of CEO, Chairman and Head of R&D, respectively. Before his move into biotechnology, Dr Dix was UK Research Director for GlaxoWellcome. He currently serves as Chairman of Touchlight Genetics Ltd and Calchan Ltd, and was Chairman of the UK BioIndustry Association (BIA) from 2008-2010.

Drug Discovery Engine

C4X Discovery conducts rational, accelerated drug design using experimental data to identify the important molecular shapes from which to design and develop safer and better drugs across a wide range of indications.

Our Conformetrix patented technology platform allows the dynamic 3D-shapes of free drug molecules to be precisely measured from experimental data, giving medicinal chemists new and unprecedented insights into the behaviour and physical properties of drug molecules.

The measurement, analysis and use of dynamic 3D-shapes is at the heart of the C4XD's drug discovery engine. The focus and clarity that these data provide allow us to make rapid progress in developing new and better drugs at a fraction of the cost, compared to best industry practice.

The acquisition of Adorial and the Taxonomy3® technology, announced on 1st March 2016, adds a new ability to identify our own highly relevant and unique targets which we can use alongside industry standard methods as the starting point of programmes to expand our pipeline. Adorial's key genetic technology, Taxonomy3®, is a revolutionary and highly sensitive mathematical tool that has the potential to increase the probability of small molecule drug-development success.

Taxonomy3® is able to identify previously unknown linkages and interactions between genes and biological pathways in a broad range of diseases. This enables the discovery of targets that cause disease, rather than those that are simply associated with its symptoms, thereby providing the best starting point for drug discovery, biomarker identification and patient stratification, and ultimately improving the chances of clinical success.

Pipeline

Addiction

Oral Orexin-1 Antagonist Programme

The treatment of addiction represents a substantial area of unmet medical need, forecast to be worth an estimated $13bn per annum by 2018[1]. C4XD's lead programme targeting Orexin-1 could represent a major new method of treating addiction by targeting the 'craving' process itself. Through our Conformetrix platform we have identified novel, patentable oral antagonists providing us with a pre-clinical candidate and a second differentiated follow-up molecule. Furthermore, to enable visualisation of the activity of this drug in the brain in the planned Phase I clinical study, a potential PET imaging agent has been identified and is being assessed for suitability for clinical use.

The Orexin-1 receptor is considered to be central to the brain's 'craving' and 'reward' pathways with pre-clinical efficacy observed in multiple addiction models. However, to date no drug candidate that targets Orexin-1 has progressed into clinical development, in large part due to the difficulty in identifying candidates that are specific only to Orexin-1. C4XD has identified compounds with more than 1,000-fold selectivity for the Orexin-1 receptor versus the structurally similar receptor Orexin-2 which has a very different biological function in mediating the sleep/wake cycle. Drugs that target the Orexin-2 receptor have been shown to be beneficial in the treatment of insomnia and therefore this activity must be absent from a drug being developed for the treatment of addiction.

C4XD believes that a number of pharmaceutical companies have active Orexin-1 programmes for the treatment of addiction but none of these have yet moved into clinical development and so C4XD's programme is well placed from a development perspective and provides a licensing opportunity for pharma companies interested in the treatment of addiction who do not have an Orexin-1 programme.

Diabetes

Oral GPR142 Agonist Programme

Diabetes is a large and growing market, estimated to be worth $55bn per annum by 2017[2]. In September 2015, we announced the identification of novel, lead molecules that target GPR142, a key factor in the production of insulin. Activation of the GPR142 receptor stimulates insulin production in a glucose-dependent manner, avoiding the hypoglycaemia risk associated with some existing diabetes therapies. GPR142 has recently become the focus of considerable research and patent activity with the pharma industry. Using its proprietary technology, C4XD has identified critical drug design principles, enabling us to generate novel, potent, orally available compounds in just a few months. We have recently demonstrated potent activity of our proprietary molecules in isolated pancreatic islets, the region of the pancreas that produces insulin.

Oral GLP-1 Agonist Programme

GLP-1 is a clinically validated diabetes target with multiple products in late stage clinical development or approved and marketed. The market leader for GLP-1 agonists, Victoza®, achieved 2015 sales of 2.68 bn in 2015 (Novo Nordisk Annual Report 2015). However these products are peptide-based therapeutic agents which require injection and are expensive to manufacture and prescribe. C4XD believes there is significant opportunity to develop a more convenient oral therapy that would also provide the potential for once daily fixed dose combination products with other marketed oral diabetes products. Using its Conformetrix platform C4XD has identified novel molecules that activate the GLP-1 receptor and studies are underway to further profile these molecules for suitability as orally delivered therapeutic agents.

Inflammation

Oral NRF-2 Activator Programme

In September 2015, we announced we had designed novel activators of the NRF-2 pathway, which is important in mediating lung diseases such as Chronic Obstructive Pulmonary Disease ("COPD"), and Multiple Sclerosis ("MS"). Oral activators of NRF-2 are the subject of considerable interest by the pharmaceutical industry as novel NRF-2 activators have proved difficult to identify and COPD represents an area of substantial unmet medical need and a $41bn market[3]. C4XD's proprietary technology has enabled the discovery of some of the most potent compounds reported so far against NRF-2 and these should be more selective than previously developed agents. C4XD has recently initiated a fully integrated research programme with a UK-based CRO providing chemistry and biological services with the goal of delivering a shortlist of molecules from which C4XD would select a candidate to take into pre-clinical development.

IL-17 Programme

In October 2015, we announced we had identified highly selective small molecule leads in our programme against Interleukin-17 (IL-17), a critical and high value target in inflammation and autoimmune diseases including psoriasis. The psoriasis market is estimated to be worth $9bn per annum[4]. Current attempts to target IL-17 are based on monoclonal antibodies with the identification of small molecules proving extremely challenging. Our technology has enabled the identification of small molecules that can selectively block IL-17 activity offering the potential of oral or topical use with benefits over injectable antibody therapies.

Oncology

In October 2015, we announced C4XD had entered into a research collaboration with the University of Oxford's Structural Genomics Consortium ("SGC-Oxford"). Through the collaboration, C4XD is granted access to structural, biological and therapeutic information as well as hit molecules identified by SGC-Oxford. C4XD's drug discovery engine will be used to complement SGC-Oxford's expertise to identify new and improved hit molecules initially targeting an epigenetic target potentially useful for the treatment of cancer, such as cancers of the breast, prostate, lung and head and neck. Improvements made to SGC-Oxford's existing hit molecules will be the exclusive property of SGC-Oxford, who will make them freely

available in line with SGC-Oxford policy, while new 'drug-like' compounds suitable for clinical development independently identified by C4XD will belong to the Company.

1. *Market size in 2018; Source: GBI Research 2012*
2. *Market size in 2017; Source: Visiongain, Diabetes Treatments: World-Drug-Market-2013-2023*
3. *Market size in 2017; Source: Visiongain, Asthma and COPD Therapies: World Market 2013-2023*
4. *Market size in 2018; Source Visiongain, Psoriasis Treatment: World Market 2013-2023*

Collaborations

C4XD operates a hybrid business model, with a wholly owned pipeline of discovery programmes in addition to partnerships with global and international companies, from top 10 pharma companies through to biotech companies.

C4XD has collaborations with AstraZeneca, Evotec and Takeda which enable them to access our Conformetrix platform for use in their own programmes. These relationships have validated the power and efficacy of our technology platform. C4XD has refined its hybrid model and its strategy going forward is for any future agreements with partners to be shared IP or milestone driven collaborative agreements as opposed to fee-for-service contracts. We are actively engaging with our existing partners on more collaborative approaches and exploring further potential collaborations around new programmes as well as partnering discussions on C4XD's existing pipeline.

C4XD is also partnered with the Structural Genomic Consortium to assist with the identification and validation of new drug targets and has several active research collaborations with academic institutions.

Financial Highlights

The results for the six months to 31 January 2015 have been restated as follows: (i) to recognise interest waived by a shareholder as a capital contribution to the Group rather than a credit to the statement of comprehensive income as was presented in the prior period; and (ii) to adjust the share capital and share premium of the Group to reflect the share capital of the parent company immediately following the reverse acquisition in October 2014, so as to make them consistent with the results presented for the year ended 31 July 2015. The effect on the consolidated statement of comprehensive income has been to increase the loss after tax by £195,000, in consequence of the waived loan interest of the same amount previously credited to the consolidated statement of comprehensive income now being attributed to a newly created capital contribution reserve. Within reserves, £1.1m previously attributed to share premium has been re-allocated to merger reserve. Following these revisions, the overall value of total equity at 31 January 2015 remains unchanged from the £10.0m originally reported.

Revenue for the six months ended 31 January 2016 at £0.2m was broadly consistent with the equivalent prior period (year ended 31 July 2015: £0.3m and six month period ended 31 January 2015: £0.2m). Revenues are largely generated through collaborations with our partners. Grants secured are accounted for as a reduction in administrative expenses.

Research and development expenses at £2.7m for the six months ended 31 January 2016 showed a significant increase compared with the equivalent prior period (year ended 31 July 2015: £3.2m and six month period ended 31 January 2015: £0.9m), reflecting progress across our in-house pipeline and in particular, progression of the Orexin programmes.

At £0.9m, administrative expenses for the six months ended 31 January 2016 showed a significant increase as compared with the equivalent prior period (year ended 31 July 2015: £0.9m and six month period ended 31 January 2015: £0.5m) reflecting additional non research and development labour costs, additional premises costs following the Group's relocation at the end of 2015 and generally higher costs due to operating as a listed Group. The net loss for the six months ended 31 January 2016 amounted to £2.7m or 8.76 pence per share (year ended 31 July 2015: £3.1m or 10.77 pence per share and six month period ended 31 January 2015: £1.0m or 3.86 pence per share).

C4XD had net assets at 31 January 2016 of £5.3m (31 July 2015: £8.0m and 31 January 2015: £10.0m) and cash and equivalents of £5.0m (31 July 2015: £7.5m and 31 January 2015: £9.4m).

C4XD expects to continue to increase its expenditure on research and development as its programmes, including Orexin, progress through further pre-clinical development during the remainder of 2016 and subsequent years.

Both cash and costs continue to be prudently and tightly managed.

Outlook

C4XD continued to make good progress over the period and increased its pipeline with further high value therapeutic projects based on the Group's unique drug discovery platform. The recent acquisition of Adorial adds a further important technology in Taxonomy3®. We anticipate accelerating the expansion of our pipeline over the coming years as we move towards our goal of becoming the world's most productive drug discovery engine. With an ambition to increase the number of pipeline programmes more than threefold by 2019, we believe the Group is well positioned to deliver future value to shareholders.

Clive Dix

Executive Chairman

Interim consolidated statement of comprehensive income
For the six months ended 31 January 2016

	Notes	Six months to 31 January 2016 (Unaudited) £000	Restated Six months to 31 January 2015 (Unaudited) £000	Year to 31 July 2015 (Audited) £000
Revenue	3	**165**	**173**	**312**
Cost of sales		(8)	(62)	(112)
Gross profit		**157**	**111**	**200**
Research and development expenses		(2,738)	(936)	(3,159)
Administrative expenses		(896)	(450)	(904)
Operating loss		**(3,477)**	**(1,275)**	**(3,863)**
Finance income		26	12	49
Loss on ordinary activities before taxation		**(3,451)**	**(1,263)**	**(3,814)**
Taxation	4	736	260	750
Loss for the period and total comprehensive loss for the period		**(2,715)**	**(1,003)**	**(3,064)**
Loss per share :				
Basic and diluted loss for the period	5	(8.76)p	(3.86)p	(10.77)p

Interim consolidated statement of changes in equity
For the six months ended 31 January 2016

	Issued equity capital	Restated share premium	Share based payment reserve	Restated merger reserve	Capital contribution reserve	Restated revenue reserve	Total
	£000	£000	£000	£000	£000	£000	£000
At 1 August 2014	**200**	**-**	**29**	**920**	**-**	**(2,482)**	**(1,333)**
Loss for the six months to 31 January 2015	-	-	-	-		(1,003)	(1,003)
Issue of share capital	110	10,890	-	-	-	-	11,000
Expenses of placing	-	(856)	-	-	-	-	(856)
Loan notes converted to deferred shares	2,025	-	-	-	-		2,025
Waiver of loan note interest	-	-	-	-	195	-	195
Share-based payments	-	-	18	-		-	18
At 31 January 2015	**2,335**	**10,034**	**47**	**920**	**195**	**(3,485)**	**10,046**
Loss for the six months to 31 July 2015	-	-	-	-	-	(2,061)	(2,061)
Expenses of placing	-	(21)	-	-	-	-	(21)
Share-based payments	-	-	4	-	-	-	4
At 31 July 2015	**2,335**	**10,013**	**51**	**920**	**195**	**(5,546)**	**7,968**
Loss for the six months to 31 January 2016	-	-	-	-	-	(2,715)	(2,715)
Share-based payments	-	-	17	-	-	-	17
At 31 January 2016	**2,335**	**10,013**	**68**	**920**	**195**	**(8,261)**	**5,270**

In order to comply with IFRS 3, the Group has applied reverse acquisition accounting in the presentation of consolidated shareholders' equity for comparative periods. These comparative periods show the results of the accounting acquirer (C4X Discovery Limited) along with the share capital structure of the parent company (C4X Discovery Holdings plc) as if it had been in existence from the start of the prior period. As a result, the consolidated share capital and share premium presented for comparative periods is that which was in existence immediately following the share for share exchange which occurred on 13 October 2014.

Interim consolidated statement of financial position
As at 31 January 2016

	Notes	31 January 2016 (Unaudited) £000	Restated 31 January 2015 (Unaudited) £000	31 July 2015 (Audited) £000
Assets				
Non-current assets				
Property, plant and equipment		84	18	85
Intangible assets		57	60	59
		141	**78**	**144**
Current assets				
Trade and other receivables		377	386	388
Income tax asset		700	510	700
Short-term investments and cash on deposit		3,006	4,000	4,000
Cash and cash equivalents		2,011	5,420	3,485
		6,094	**10,316**	**8,573**
Total assets		**6,235**	**10,394**	**8,717**
Liabilities				
Current liabilities				
Trade and other payables		965	348	749
		965	**348**	**749**
Non-current liabilities				
Financial liabilities		-	-	-
Total liabilities		**965**	**348**	**749**
Net assets/(liabilities)		**5,270**	**10,046**	**7,968**
Capital and reserves				
Issued equity capital	6	2,335	2,335	2,335
Share premium	6	10,013	10,034	10,013
Share-based payment reserve		68	47	51
Merger reserve		920	920	920
Capital contribution reserve		195	195	195
Revenue reserve		(8,261)	(3,485)	(5,546)
Total equity		**5,270**	**10,046**	**7,968**

Approved by the Board and authorised for issue on 17 March 2016

Clive Dix
Executive Chairman
17 March 2016

Interim consolidated cash flow statement
For the six months ended 31 January 2016

	Notes	Six months to 31 January 2016 (Unaudited) £000	Restated Six months to 31 January 2015 (Unaudited) £000	Year to 31 July 2015 (Audited) £000
Loss after tax and interest		**(2,715)**	**(1,003)**	**(3,064)**
Adjustments for:				
Depreciation of property, plant and equipment		17	7	21
Amortisation of intangible assets		2	2	5
Share-based payments		17	18	22
Taxation		(736)	(260)	(750)
Changes in working capital				
Decrease/(increase) in trade and other receivables		11	(229)	(231)
Increase in trade and other payables		253	84	510
(Decrease)/increase in deferred revenue		(37)	37	12
Cash outflow from operating activities		**(3,188)**	**(1,344)**	**(3,475)**
Research and development tax credit received		736	-	300
Net cash outflow from operating activities		**(2,452)**	**(1,344)**	**(3,175)**
Cash flows from investing activities:				
Purchases of property, plant and equipment		(16)	(3)	(85)
Purchases of intangible fixed assets		-	(7)	(8)
Decrease/(increase) in cash placed on deposit		994	(4,000)	(4,000)
Net cash inflow/(outflow) from investing activities		**978**	**(4,010)**	**(4,093)**
Cash flows from financing activities:				
Proceeds from the issue of ordinary share capital	6	-	11,000	11,000
Expenses of placing		-	(856)	(877)
Repayment of preference shares		-	(30)	(30)
Interest paid		-	(13)	(13)
Net cash inflow from financing activities		**-**	**10,101**	**10,080**
(Decrease)/increase in cash and cash equivalents		**(1,474)**	**4,747**	**2.812**
Cash and cash equivalents at the start of period		3,485	673	673
Cash and cash equivalents at the end of the period		**2,011**	**5,420**	**3,485**
Monies placed on deposit		3,006	4,000	4,000
Cash, cash equivalents and deposits at the end of the period		**5,017**	**9,420**	**7,485**

Notes to the interim financial report
For the six months ended 31 January 2016

1. Corporate information

The principal activity of the C4X Discovery Holdings plc (together with its subsidiaries, "the Group") is the provision of new technologies to improve the drug discovery process for novel small molecule therapies.

The company is incorporated and domiciled in the United Kingdom and its registered number is 9134041. The address of the registered office is Manchester One, 53 Portland Street, Manchester, M1 3LD.

The interim financial information was approved for issue on 17 March 2016.

2. Accounting policies

Restatement of results for the six months ended 31 January 2015

The results for the six months to 31 January 2015 have been restated as follows: (i) to recognise interest waived by a shareholder as a capital contribution to the Group rather than a credit to the statement of comprehensive income as was presented in the prior period; and (ii) to adjust the share capital and share premium of the Group to reflect the share capital of the parent company immediately following the reverse acquisition in October 2014, so as to make them consistent with the results presented for the year ended 31 July 2015. The effect on the consolidated statement of comprehensive income has been to increase the loss after tax by £195,000, in consequence of the waived loan interest of the same amount previously credited to the consolidated statement of comprehensive income now being attributed to a newly created capital contribution reserve. Within reserves, £1.1m previously attributed to share premium has been re-allocated to merger reserve. Following these revisions, the overall value of total equity at 31 January 2015 remains unchanged from the £10.0m originally reported.

Basis of preparation

The accounting policies adopted in this interim financial report are consistent with those followed in the preparation of the Group's annual report and accounts for the year to 31 July 2015.

The interim financial information for the six months ended 31 January 2016 and 31 January 2015 is unaudited and does not constitute statutory accounts as defined in the Companies Act 2006. This interim financial report includes audited comparatives for the year to 31 July 2015. The 2015 annual report and accounts received an unqualified audit opinion and has been filed with the Registrar of Companies.

These interim financial statements have been prepared in accordance with IAS34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understand the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 July 2015.

Basis of consolidation

This interim financial report consolidates the financial statements of C4X Discovery Holdings plc and the entities it controls (its subsidiaries).

3. Segmental information

Operating segments

At 31 January 2016, 31 July 2015 and 31 January 2015 the Group operated as one segment, being the provision of new technologies to improve the drug discovery process for novel small molecule therapies.

This is the level at which operating results are reviewed by the chief operating decision maker (i.e. the Executive Chairman) to make decisions about resources, and for which financial information is available.

All revenues have been generated from continuing operations and are from external customers.

Revenue arises from joint development agreements where C4XD is assisting customers with their drug discovery processes.

	Six months to 31 January 2016 £000	Six months to 31 January 2015 £000	Year to 31 July 2015 £000
Analysis of revenue			
Amounts earned under joint development agreements	165	173	312
	165	**173**	**312**

Geographical information

The Group operates in one main geographic area, the United Kingdom. The Group's geographical segment, based on customer location, is as follows:

	Six months to 31 January 2016 £000	Six months to 31 January 2015 £000	Year to 31 July 2015 £000
Analysis of revenue			
UK	165	173	312
	165	**173**	**312**

All of the Group's assets are held in the UK and all of its capital expenditure arises in the UK.

4. Tax

The tax credit of £736,197 recorded in the consolidated statement of comprehensive income for the six months ended 31 January 2016 comprises: a research and development tax credit receivable of £700,000 plus a revision in respect of a prior period of £36,197.

Prior period tax credits receivable comprised: for the six months ended 31 January 2015, £260,000 in respect of a research and development tax credit receivable; and for year ended 31 July 2015, £700,000 in respect of a research and development tax credit, plus a revision in respect of a prior year of £50,000.

5. Loss per share

	31 January 2016 £'000	Restated 31 January 2015 £'000	31 July 2015 £'000
Loss for the financial period attributable to equity shareholders	**(2,715)**	**(1,003)**	**(3,064)**
Weighted average number of shares:	**No.**	**No.**	**No.**
Ordinary shares in issue	30,988,550	25,966,811	28,457,043
Basic loss per share (pence)	**(8.76)p**	**(3.86)p**	**(10.77)p**

Diluted loss per share has not been presented above as the effect of share options issued is anti-dilutive.

6. Issued share capital and share premium

	Deferred shares Number	Ordinary shares Number	A Ordinary shares Number	Share capital £000	Deferred shares £000	Share premium £000	Total £000
Allotted, called up and fully paid ordinary shares of 1p:							
Shares issued on incorporation on 16 July 2014	-	2	-	-	-	-	-
Share subdivision on 3 September 2014	-	198	-	-	-	-	-
Shares issued on the acquisition of C4X Discovery Limited on 13 October 2014	2,025,000	15,553,975	4,434,375	200	2,025	-	**2,225**
Re-designation on 17 October 2014	-	4,434,375	(4,434,375)	-	-	-	-
Issued of share capital	-	11,000,000	-	110	-	**10,890**	**11,000**
Expenses of placing	-	-	-	-	-	**(877)**	**(877)**
Ordinary and deferred shares as at 31 January 2015, 31 July 2015 and 31 January 2016	**2,025,000**	**30,988,550**	**-**	**310**	**2,025**	**10,013**	**12,348**

7. Subsequent events

On 1 March 2016, the Group acquired the entire share capital of Adorial Limited, and its subsidiaries, a drug discovery company with a proprietary genetic technology platform, Taxonomy3® for the identification of novel drug targets.

The total consideration payable was approximately £1.7m that was satisfied by the issue of 1,508,207 new ordinary shares at a price of 106p and £72,000 cash.

Due to the proximity of the acquisition to the issue of this interim report, the effect of the acquisition on the Group's assets is yet to be determined.

8. Interim financial report

A copy of this interim condensed financial report is available on the Company's website at www.c4xdiscovery.com.