

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.

31 October 2019



Proteome Sciences plc
(“Proteome Sciences” or the “Company”)

Trading Update and Announcement of Board Changes

Proteome Sciences plc (AIM: PRM) is pleased to announce that its services platform has continued to strengthen through the third quarter, during which a record number of 43 quotes for new business were issued. This year to date, 116 customer proposals have been prepared compared with 56 in the whole of 2018, and while not all of these will necessarily generate purchase orders, the current conversion rate of 40% is comparable with industry standards. Customer interest in this services platform has never been greater and purchase orders with a value of more than £1 million have been secured so far in the second half for delivery over the coming 12 months; these should drive full year service revenues significantly ahead of 2018 and provide a strong start to 2020. The previously communicated appointment of a dedicated European Sales Manager in August is a direct response to the growing market opportunity in this region and should also inspire confidence in further revenue growth.

Importantly for the longer term, customer requests involving clinical trial samples are also becoming more prevalent. As an example, a TMTcalibrator™ study was recently completed for Cognition Therapeutics, Inc. (CogRx) analysing cerebrospinal fluid (CSF) phosphoproteomics from a phase 1b/2a trial of the experimental Alzheimer’s disease drug, Elayta. The results support improved synaptic health in Elayta-treated individuals with a reduction in the phosphorylation levels at a majority of the 36 sites analysed on tau protein. CogRx has included these data in recent presentations at the 20th Alzheimer’s Drug Development Foundation International Conference and the Society for Neuroscience Annual Meeting, and extended this relationship by contracting the Company to perform TMTcalibrator™ analyses of CSF and plasma samples from their ongoing phase 2 study of Elayta, with first results expected early next year. Furthermore, the Company is confident that its unique approach can easily be applied to phosphoproteomic studies in other diseases and clinical trial settings.

TMT® revenues continue to grow, and the official launch of TMTpro at the Human Proteome Organisation (HUPO) in Adelaide during September was well received generating further demand for these reagents and expanding the current market. Ordering for TMT® in the third quarter of this year was in line with expectations and the fourth quarter has started strongly. Re-stocking will be undertaken in 2020.

Cost control remains important and spending is within budget. Cash reserves are comparable to those reported with the interim results and the Company anticipates a reduced operating loss compared with 2018 as it continues to invest in its services platform.

Of course, uncertainty resulting from the continuing Brexit debate has not helped the trading environment and, like many other UK-based SMEs, the Company has been working to mitigate the potential consequences of a no-deal exit. The importance of the Company's significant laboratory capabilities in Frankfurt is worth reiterating at such times, as is the strength of its customer base in the US given prevailing exchange rates.

The Company also announces that Dr Jeremy Haigh will be stepping down from the Board and his position as Chief Executive Officer (CEO) on 31 December 2019. A search for his successor will begin immediately. Dr Ian Pike will assume the role of CEO, in an interim capacity from 1 January 2020, in addition to his current responsibilities as Chief Scientific Officer.

Christopher Pearce, Chairman of the Board, said: "Jeremy was brought in at a critical time for Proteome Sciences and has been instrumental in restructuring the Company, reducing expenditure and pursuing a clear commercial strategy. With the transition to a proteomic services business now completed, the Board has agreed with Jeremy that after more than three years as our CEO it is time for a new leader to take the Company through its next phase of development. The Board is highly appreciative of the key role that Jeremy has played in this evolution and would like to pass on its sincere thanks on behalf of shareholders. The Company will continue to focus on building its services platform and developing new partnerships and collaborations through which the value of proteomics in drug discovery and development can be realised. We look forward, in due course, to announcing the appointment of a new CEO."

Commenting on this update Jeremy Haigh, Chief Executive Officer of Proteome Sciences, said: "I would like to thank the Board for affording me the opportunity to lead Proteome Sciences. I believe we have achieved a great deal during the last three and a half years, creating a leaner, stronger, more professional company with a clear commercial purpose and identity. I am confident that the fundamental changes necessary to fulfill the further expectations of shareholders have now been implemented. To this end, the outlook for the remainder of 2019 is positive, with strong revenues from TMT and growth in our services platform from committed work orders reaching into 2020. I am grateful to my executive team, the entire staff and many long-term shareholders for their unwavering support in often challenging circumstances. I look forward to following the Company's future success."

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About Proteome Sciences plc. (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.