NetScientific plc
("NetScientific" or the "Group")

NetScientific Interim Financial Information for the six months ended 30 June 2016

London, UK - 27 September 2016: NetScientific plc (AIM: NSCI), the transatlantic healthcare IP commercialisation Group, today announces its interim results for the six months ended 30 June 2016.

Operational highlights

Portfolio progress

- Vortex BioSciences
  - Positive data presented at American Association for Cancer Research (AACR) demonstrating the ability of Vortex's VTX-1 technology to rapidly collect highly enriched populations of circulating tumour cells (CTCs), undamaged by labels or reagents, for colorectal and prostate cancer research
  - Co-founder, Professor Dino Di Carlo, received the US Presidential Early Career Award for Scientists and Engineers, the highest honour bestowed by the United States Government for accomplishments in science and engineering
  - Appointment of Dr Massimo Cristofanilli as Chairman of Scientific Advisory Board
- Wanda
  - Collaboration with Dignity Health to launch the digital health oncology care platform OncoVerse
  - New contract with Health Resource Solutions to use WANDA's chronic condition digital management platform to provide improved at home care to its patients
  - Formed Scientific Advisory Board including distinguished physicians, health economists, scientists and technologists
- ProAxsis
  - Formed Scientific Advisory Board including world renowned clinicians and researchers in the field of chronic respiratory disease
- Glycotest
  - Formed Medical Advisory Board including leading experts in liver disease to advise on the development of diagnostic test for liver related diseases
- PDS Biotechnology
  - Positive Phase I study results for its PDS0101 immunotherapy for HPV-related cancers and initiates planning for upcoming Phase II clinical trials in several HPV-related cancers
  - Signed a Co-operative Research and Development Agreement with the National Cancer Institute, a division of the US National Institutes of Health, to co-develop novel cancer immunotherapies through Phase II clinical trials
  - Appointed Dr Robert Shepard, M.D., F.A.C.P. as Chief Medical Officer and Dr Panna L. Dutta, Ph.D. as Vice President of Drug Development and Manufacturing
  - NetScientific made further investment of $500,000 into PDS Biotechnology

Corporate highlights

- Board and management team bolstered with the appointment of Professor Stephen Smith as Non-Executive Director and Ian Postlethwaite as Chief Financial Officer and Board Director

Financial highlights

- Loss after tax of £6.4m (H1 2015: loss £5.3m) reflecting development stage of portfolio
- Available cash resources of £15.9m (at 31 December 2015: £23.2m)

Post period-end highlights

- Wanda
  - Launch of myWanda, the first and only mobile application aimed at empowering women to improve heart health
  - Two new sales contracts agreed with: A to Z Home Health Care, Inc and 24Hr HomeCare demonstrating early commercial success
  - Appointment of Dr Suzanne Steinbaum as Medical Director

- Vortex BioSciences
  - Exclusively licensed four patents covering a novel cell electroporation technology from Harvard University

- Glucosense
  - Reproduction of earlier promising results proved difficult and the Company has decided not to progress with further clinical testing.

Sir Richard Sykes, Executive Chairman of NetScientific, said:

"NetScientific has undergone a transformation under the leadership of Francois Martelet, with the rationalisation of the portfolio and restructuring of the management team, resulting in a streamlined Group focused on IP commercialisation. The portfolio focus has been totally revitalised with our core portfolio companies, Wanda, Vortex Biosciences, Glycotest and ProAxsis, making excellent progress on their paths towards value realisation."

Francois R Martelet, CEO of NetScientific, said:

"During the period I am delighted to say that four of our core portfolio companies made significant operational and development progress, positioning themselves optimally to initiate external financing rounds with the goal of providing significant value inflection points upon completion."

A presentation for analysts will be held at the offices of Stifel Nicolaus Europe at 150 Cheapside, London EC2V 6ETat 12.00 on 27 September 2016.

For more information, please contact:

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About NetScientific Plc

NetScientific is a transatlantic healthcare IP commercialisation Group focused on improving the health and well-being of people with chronic diseases.

For more information, please visit the website at www.netscientific.net

Overview & Strategy

NetScientific's business strategy is based on funding and building game changing life science companies towards value inflection points and eventual exit, potentially through a trade sale or public listing. The Group sources opportunities from global institutions and its extensive healthcare network. In the early stages of a portfolio company's development the Group provides extensive management support including technical guidance, administrative support, legal, IP, commercial expertise and finance capabilities. As the portfolio companies mature through key milestones the Group will recruit experienced industry leading CEOs to drive the next phase of growth, attract additional external capital and secure favourable exits.

Portfolio Review

As at 30 June 2016, the Group had five investments in which it has a controlling interest: Vortex Biosciences, Inc., Wanda, Inc., ProAxsis Ltd, Glycotest, Inc. and Glucosense Diagnostics Limited. It also has a material investment in PDS Biotechnology Corporation., and five seed stage Investments: EpiBone Inc., G-Tech Inc., Longevity Biotech Inc., Neumitra Inc., CytoVale Inc.

The Group will continue to focus on its portfolio companies and manage the remaining portfolio, seeking to maximise shareholder return in the form of capital growth. However, there are no fixed targets for the length of time during which an investment may be held, as this will be dependent both on progress and availability of funding, with a view to maximising shareholder value and generating funds for re-investment in the pipeline.

Portfolio Companies

During the first six months of the year, the Group's core portfolio companies have made significant progress.

Vortex Biosciences

Vortex Biosciences is a US based cancer diagnostic company, developing a novel liquid biopsy automated instrument (VTX-1) and microfluidic cartridge for the isolation of circulating tumour cells from whole blood without the need for any pre-processing of the blood.

The label-free technology enables high purity and collection efficiency of intact circulating tumour cells in less than an hour. The technology enables researchers and clinicians to non-invasively capture, identify, analyse and enumerate tumour cells for use in downstream clinical applications, such as cancer diagnosis and monitoring, personalised medicine, drug development, and cancer research in the estimated US$28.6 billion US liquid biopsy market (Piper Jaffrey Investment 2015 Liquid Biopsy Report, September 2015).

In the first half of 2016, Vortex evolved into a more structured company implementing the phase gate methodology into the research and development process. The VTX-1 instrument and the integrated microfluidic cartridge moved from feasibility into late stage development. The Company engaged with an engineering services and manufacturing partner and are progressing with them on systems integration and design for manufacturability. The Company has successfully completed the safety testing of the VTX-1 and is proceeding with FDA and CE Mark registrations.

Vortex has successfully completed a freedom to operate analysis of its patent portfolio and determined it is in a strong IP position. Additionally, Vortex has recently completed the submission of two additional patents bringing the patent pending total to 10 patents.

Vortex has made five announcements this period including the reporting of the presentation of clinical data at the AACR Conference and the introduction of the VTX-1 liquid biopsy system and the formation of a world class SAB chaired by Dr Massimo Cristofanelli to help direct clinical strategy.

Vortex continues to drive towards its key milestone of commercial launch into the clinical research market in the first quarter of 2017.

NetScientific shareholding in Vortex is 95% and as at 30 June 2016, the Group has invested £9.4 million. Grant funding received to develop the underlying technology, prior to Vortex's formation was £1.6 million.

Post period end events

In August, Vortex licensed a series of four patents that cover a novel cell electroporation technology from Harvard University. Vortex will be combining the cell electroporation technology with their CTC enrichment technology to offer rapid CTC bioassays and other applications where CTC permeabilisation would be valuable. Cell electroporation is a technique in which an electrical field is applied to cells in order to increase the permeability of the cell membrane, allowing chemicals, drugs, proteins, or DNA to be introduced into the cell. The novel approach licensed by Vortex leverages the microscale vortices created by the Vortex technology. Since the cells are orbiting through the electric field, the intensity applied to each cell is equivalent, resulting in more consistent electroporation without damaging the cells. The microscale vortices also serve to increase flow through the membrane pores created, resulting in improved uptake into the cells.

Additionally, in August, Vortex appointed leading experts to its newly formed SAB: Jonathan Goldman, Director of Clinical Trials in Thoracic Oncology and the Associate Director of Drug Development at UCLA Health; Stanley Frankel, M.D., Corporate Vice President, Head, Immuno-oncology Clinical Research & Development, Celgene; and Dino Di Carlo, Ph. D., Director, Cancer Nanotechnology Program Jonsson Comprehensive Cancer Center and Professor in the Department of Bioengineering, UCLA. These leading experts join Massimo Cristofanilli, SAB Chairman, with the mission of providing valuable scientific and clinical insights, along with strategic guidance in decision-making to support the development and commercialization of Vortex's CTC enrichment system for both the research and diagnostic markets.

Wanda

Wanda is a San Francisco-based digital health company commercialising advanced clinical decision support software. Wanda aims to significantly reduce hospitalisation risk, and improve the quality of life, for people with chronic conditions, with the initial target indication being congestive heart failure (CHF). In the US chronic disease accounts for over 80% of the total health care bill and represents a US$1.4 trillion expenditure, a significant proportion of which is avoidable through better management and appropriate clinical interventions.

In H1 2016 Wanda signed a contract with a leading US hi-tech home nursing and therapy services agency, Health Resource Solutions ('HRS') for the use of its chronic condition management product and the agreement is demonstrating early signs of commercial success. In addition, Wanda signed a collaborative agreement with the fifth largest health provider organisation in the US (Dignity Health) to launch its new oncology platform (Oncoverse).

With a new experienced CEO in place, a world-class Silicon Valley team recruited and commercial products on the market, Wanda now plans to seek external funding to capitalise on the significant opportunities in the digital healthcare space.

Wanda formed a scientific advisory board to provide thought leadership and strategic guidance to the management team. Board members include distinguished physicians, health economists, scientists, and technologists committed to advancing clinical outcomes for individuals with chronic disease.

NetScientific shareholding in Wanda is 71.3% and as of 30 June 2016, the Group has invested £8.0 million. Grant funding received to develop the underlying technology, prior to Wanda's formation, was £7.7 million.

Post period end events

In July, Wanda appointed Dr Suzanne Steinbaum as Chief Medical Officer. Dr Steinbaum is a Fellow of the American College of Cardiology and a Fellow of the American Heart Association, and has been trained in both Cardiology and Preventative Cardiology. She is also a national spokesperson for the American Heart Association's 'Go Red for Women' campaign and chairs 'Go Red for Women' in New York City. She will lend her world-class expertise and leadership to further Wanda's mission of empowering users to improve their own health through data-driven insights and personalised guidance.

Wanda has broadened its commercialisation strategy to include a direct to consumer offering with the launch of myWanda, the first and only mobile application specifically aimed at empowering women to improve the health of their hearts, an innovative technology solution that stands out among health apps and demonstrates the potential to improve health, quality care, and convenience for women. myWanda is the company's first consumer app, featuring a leading-class personalised communication strategy that makes it easy for women to receive support, education, and guidance.

myWanda is already enjoying interest from large employers, especially those in healthcare, hoping to promote myWanda to their employees, members and communities. Such relationships with healthcare organisations are expected to facilitate the introduction and adoption of Wanda's core commercial solutions, which are designed to prevent costly and disruptive hospital readmissions for those suffering with chronic diseases. The launch of myWanda expands Wanda's mission to proactively interact with people at various phases in the progression of disease from earliest risk identification and prevention through diagnosis and treatment. Most importantly, Wanda directly addresses the growing demand for science-driven solutions for post-acute and home-centred care.

Additionally, Wanda continued to display success in the business to business segment by announcing a further new customer, US based A to Z Home Health Care, Inc. who plan to deploy Wanda's predictive analytics and behavioural guidance to improve outcomes and enhance patient satisfaction.

ProAxsis

ProAxsis is a Northern Ireland-based medical diagnostics company, developing a range of laboratory assays and point-of-care tests designed for the capture, detection and measurement of active protease biomarkers of diseases. The rapid and easy-to-use tests ProAxsis has developed incorporate patented ProteaseTags™; smart molecules which trap an active protease within a complex biological sample and enable a visual readout of its presence. While the potential users are wide-ranging, the initial applications for the technology are focused on managing chronic respiratory diseases such as bronchiectasis, cystic fibrosis (CF) and chronic obstructive pulmonary disease (COPD), where exacerbations have a major impact on the long-term prognosis of patients, as well as creating a huge burden on healthcare services.

Since the start of 2016, Dr David Ribeiro (CEO) has built the core management team, with the permanent appointments of one of the company co-founders, Professor Brian Walker, as Chief Scientific Officer, and Dr Kelly Moffitt as Senior Project Manager. In addition, the company has recruited three R&D scientists and its first field-based commercial team member. ProAxsis will move in to a new purpose-built laboratory at Catalyst Inc. (formerly the Northern Ireland Science Park) in August 2016.

ProAxsis has continued to make excellent progress in the first half of 2016 with the company's ProteaseTag™ Active Neutrophil Elastase Immunoassay gaining significant traction amongst both academic research centres and respiratory-focused pharmaceutical companies. The company has presented abstracts on its ProteaseTag™ technology at a variety of scientific congresses, including the American Thoracic Society (San Francisco, May 2016) and the European Cystic Fibrosis Society (Basel, June 2016). In addition, the company remains on track to commercialise its point-of-care test for neutrophil elastase (NEATstik) in the first half of 2017, and has immunoassays for several other protease targets in the late stages of R&D. In March 2016, ProAxsis announced the formation of its first Scientific Advisory Board, with Professor Stuart Elborn, formerly President of the European Cystic Fibrosis Society, as the chairman.

NetScientific's shareholding in ProAxsis is 56.5% and as at 30 June 2016, the Group has invested £0.78 million. The company will seek to raise further funds in the second half of 2016, principally to allow commercialisation of its point-of-care test for neutrophil elastase.

Glycotest

Glycotest is a US based liver diagnostics company seeking to commercialise new and unique blood tests for life threatening liver cancers and fibrosis-cirrhosis with exclusive worldwide rights to over 50 patent-protected serum protein biomarkers. Glycotest's lead product is its HCC panel, a biomarker panel driven by a proprietary algorithm for curable early-stage hepatocellular carcinoma (HCC), the most common form of primary liver cancer. The market for HCC testing is large and growing with, currently three million patients and in excess of US$800m in the US alone.

In H1 2016, Glycotest carried out a head-to-head clinical evaluation of the HCC Panel compared with alpha-fetoprotein(AFP, the current standard) in a 127 patient sample set independent of the 208 patient sample set originally used in the 2015 feasibility study. The objective of the clinical study was to assess the ability of the HCC Panel or AFP to discriminate patients with HCC, stratified by stage, from 'at-risk' patients in the control group without HCC. Consistent with the experience from the feasibility study performed in 2015, the results of this study demonstrated the excellent performance of the Glycotest HCC Panel and its ability to detect early-stage liver cancer significantly better than the AFP blood test.

In the first quarter of 2016, Glycotest created a Medical Advisory Board consisting of experts in hepatology and molecular diagnostics and has subsequently had meetings to discuss the use of the HCC Panel. In addition, Glycotest has had several meetings with other Key Opinion Leaders (KOL) from several countries that are specialized in liver cancer to garner support and feedback on the HCC Panel and its potential use as a surveillance tool used to monitor patients at a higher risk for hepatocellular carcinoma (HCC). The aim is to accelerate commercialisation by seeking additional external financing to develop commercial grade kits for use in a CLIA laboratory to be opened in 2017/2018. Glycotest has been meeting with potential investors and is hoping to close a Series A financing by the end of 2016.

NetScientific shareholding in Glycotest is 87.5% and as at 30 June 2016, the Group has invested £1.8 million. Grant funding received to develop the underlying technology, prior to Glycotest's formation, was £5.9 million.

Glucosense

Glucosense is developing a non-invasive glucose sensor, which has a number of potential applications as a replacement for current invasive tests that are inconvenient and uncomfortable for the patient. These include a partial replacement for finger-prick testing, continuous non-invasive glucose monitoring and as a wearable hypoglycaemia (low blood sugar)-alert device. According to the International Diabetes Federation, in 2015 there were an estimated 415 million adults worldwide with diabetes, including 193 million who are undiagnosed, and a further 318 million adults estimated to have impaired glucose tolerance.

In the period, the company completed the planned in vitro testing of a more advanced generation prototype to evaluate the change in fluorescence lifetime over a range of photonic chips in order to select the optimum composition for clinical testing. However, it has proven difficult to reproduce the promising early results showing a correlation of the fluorescence lifetime with the glucose levels in blood. Based on the results of these in vitro experiments the Company has decided not to progress with further clinical testing.

NetScientific shareholding in Glucosense is 60.7% and as at 30 June 2016, the Group has invested £0.7 million.

Minority Investments

PDS Biotechnology

PDS Biotechnology is a clinical stage immuno-oncology company committed to the development of simpler, safer and more effective immunotherapies. An example of the company's approach is the Versamune® T-cell activating platform, the first immuno-oncology technology to successfully combine the three critical attributes of effective immunotherapies in a simple nanoparticle, whilst also eliminating the potentially debilitating toxicities of some of the leading immunotherapy approaches. PDS Biotechnology's oncology pipeline includes products for prostate, ovarian, breast and colorectal cancers with its lead PDS0101 program for several HPV-related cancers.

In the period, the Company appointed Dr Robert Shepard, M.D., F.A.C.P. as Chief Medical Officer, and Dr Panna L. Dutta, Ph.D. as Vice President of Drug Development and Manufacturing. The Company has also signed a Cooperative Research and Development Agreement (CRADA) with the National Cancer Institute (NCI), an Institute of the U.S. National Institutes of Health. Under the CRADA, PDS and NCI aim to co-develop several immunotherapies through Phase II clinical trials to be initiated in 2016 and 2017, utilising combinations of Versamune® with NCI- and PDS-sourced tumour-related proteins or their fragments recognized by the immune system (antigens) in prostate, breast, and HPV-related cancers.

PDS Biotechnology completed a successful Phase I clinical study of its lead cancer immunotherapy, PDS0101, focused on the treatment of HPV-induced cancers. These include head and neck, anal and cervical cancer, as well as anal, vaginal, penile, vulvar and cervical pre-cancerous neoplasias. PDS0101 is based on the company's proprietary Versamune® platform, which is being applied to multiple immuno-oncology products. The PDS010 Phase I study was performed in subjects with cervical neoplasia infected with high-risk cancer-causing strains of HPV. Key study goals included evaluation of human safety and tolerability, and confirmation of the Versamune® platform's mechanism of action that causes induction of high levels of active HPV-specific killer T-cells. The Phase I study demonstrated that PDS0101 successfully overcomes a key immunotherapy obstacle by efficiently accessing the immunological pathway known as MHC Class-I, necessary in humans to train and activate a population of T-cells known as killer T-cells to target cancers containing specific 'cancer proteins'.

NetScientific shareholding in PDS Biotechnology is 14.85% and as at 30 June 2016, the Group has invested a total of £2.1 million - £1.8 million in shares and £375k in loans.

Seed Investments

In line with the refocused strategy on IP commercialisation, the Group intends to source future opportunities from global institutions and its extensive healthcare network. Going forward the Group does not intend to source seed stage investments from technology incubators in which it does not act as an active manager with a significant shareholding in the company. The legacy seed investment portfolio will continue to be monitored and announcements made when appropriate.

Seed Investment Portfolio

G-Tech:	US digital health company developing disposable wearable patches for monitoring functional gastric disorders.
EpiBone:	US spin-out of Columbia University, focussed on producing patient specific, living bone and osteochondral tissues for anatomically challenging defects.
Longevity Biotech:	US developer of a novel class of therapeutics which incorporate non-natural amino acids called Hybridites™ used in clinical trials for CNS.
CytoVale:	US diagnostics company developing an instrument to measure the mechanical properties of cells for use in diagnosing and monitoring certain conditions such as sepsis (severe infections).
Neumitra:	Develops embedded biomodules to accurately and continuously measure how the autonomic nervous system is affected by daily stresses, to establish the relationship between brain health and performance. Their internet-based analytics platform is designed to preserve participant anonymity while uncovering health risk factors worldwide.

Strengthened Board and Management Team

The Group was pleased to announce the appointment of Professor Stephen Smith as Non-Executive Director in February 2016. Stephen has held senior leadership roles in the NHS and academia. He has had a long and distinguished career as a clinician scientist, Head of Department, Dean and CEO with the Medical Research Council, University of Cambridge, Imperial College, London and Imperial College Healthcare NHS Trust. During his career, Stephen has also spun two companies out of Cambridge - Metris Therapeutics Ltd and GNI Group Ltd. GNI was established as a start up in Japan in 2001 and successfully achieved an Initial Public Offering (IPO) on the Tokyo Stock Exchange six years later.

Ian Postlethwaite was appointed as Chief Financial Officer (CFO) and Board Director in June 2016. He brings over 14 years' experience of the healthcare sector and capital markets and has a proven track record to delivering revenue growth and funding clinical development. Ian had been the Finance Director of Allergy Therapeutics plc for 14 years and was a significant contributor to the success of the company. During this time Allergy Therapeutics listed on AIM, successfully concluded a number of fund raises, and grew revenue to c. £48m. Peter Thoms resigned as CFO and departed from the Board in January 2016 in order to pursue new challenges. Peter had been with the Group since inception and has been heavily involved in building the current business.

We wish to thank the past Director for his valuable contributions to NetScientific.

Financial Results

Revenue booked in in the period of £359k (H1 2015: £55k) mainly constitutes sales made by Wanda to its associate Oncoverse.

Research and development expenditure for the period, which was largely by the subsidiary portfolio companies, was £3.7 million (H1 2015: £3.0 million). The rise reflects the increased level of investment undertaken to drive the underlying technologies/products towards commercialisation, primarily due to third party R&D costs at Vortex on the development of the VTX-1 instrument. Other administrative costs include central costs incurred in managing the portfolio companies and pipeline investments, corporate costs and sales and marketing/administrative costs incurred by the portfolio companies. These costs for the period increased to £2.4 million (H1 2015: £1.5 million). The increase was due to the recruitment of CEO's in late 2015/early 2016 in all core portfolio companies apart from Glucosense and the recruitment/creation of sales, marketing and customer services departments in Wanda and Vortex.

Share of loss in associates of £122k (H1 2015: £nil) represents the Group's share of Oncoverse's loss for the period, which incidentally principally arises from the supply of software by Wanda.

Following a review of the Group's strategy and portfolio to focus on core projects, Triventis Health LLC and SwissScientific SA were disposed of during the period. Loss in the period from discontinued operations of £258k (H1 2015: £961k).

The after-tax loss before discontinued operations was £6.1 million (H1 2015: £4.4 million).

The cash balance as at 30 June 2016 was £15.9 million (30 June 2015: £11.1 million, 31 December 2015: £23.2 million) and the cash outflow for the period was £7.6 million (H1 2015: £5.8 million).

Outlook

Over the six-month period under review, the Group made significant progress with its portfolio companies, some of which are reaching commercialisation and which offer scope for significant value creation. The Group has ambitions to strengthen its transatlantic focus through organic and strategic growth, actively managing the portfolio and replenishing the pipeline with disruptive chronic disease opportunities. Delivering near-term milestones remains a focus with key deliverables including: completing external financing for Wanda/Glycotest, a product launch for Vortex and ProAxsis achieving a CE mark for its NEATstik point-of-care device.

Sir Richard Sykes
Non-Executive Director and Chairman
27 September 2016

François R. Martelet, M.D.
Chief Executive Officer
27 September 2016

CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2016

Continuing Operations	Notes	**Unaudited Six months ended 30 June 2016 £**	Unaudited Six months ended 30 June Restated 2015 £	Audited Year ended 31 December Restated 2015 £
Revenue		**359,243**	55,000	76,160
Cost of sales		**(149,690)**	(39)	(6,447)
Gross profit		**209,553**	54,961	69,713
Other operating income		**3,575**	36,604	43,864
Research and development costs		**(3,729,685)**	(2,960,972)	(7,256,285)
Selling, general and administrative costs		**(2,403,353)**	(1,462,270)	(2,863,056)
Other costs	2	**(140,530)**	(92,758)	(886,479)
Loss from operations		**(6,060,440)**	(4,424,435)	(10,892,243)
Finance income		**52,495**	37,544	77,691
Finance expense		**(2,493)**	-	(137)
Share of loss of associate		**(122,078)**	-	-
Loss before taxation		**(6,132,516)**	(4,386,891)	(10,814,689)
Income tax credit		**11,682**	30,456	93,550
Loss for the period from continuing operations		**(6,120,834)**	(4,356,435)	(10,721,139)
Discontinued Operations				
Loss for the period from discontinued operations		**(258,356)**	(960,782)	(2,025,307)
Loss for the period	**4**	**(6,379,190)**	(5,317,217)	(12,746,446)
Loss attributable to:				
Owners of the parent		**(5,535,795)**	(4,633,101)	(10,841,924)
Non-controlling interests		**(843,395)**	(684,116)	(1,904,522)
		(6,379,190)	(5,317,217)	(12,746,446)
Basic and diluted loss per share from continuing and discontinued operations attributable to owners of the parent during the period:				
Continuing operations		**(10.3p)**	(10.9p)	(24.9p)
Discontinued operations		**(0.5p)**	(2.0p)	(3.5p)
From loss for the period		**(10.8p)**	(12.9p)	(28.4p)

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Notes	**Unaudited Six months ended 30 June 2016 £**	Unaudited Six months ended 30 June Restated 2015 £	Audited Year ended 31 December Restated 2015 £
Loss for the period		**(6,379,190)**	(5,317,217)	(12,746,446)
Items that may be subsequently reclassified to profit or loss:				
Exchange differences on translation of foreign operations		**273,163**	30,179	134,340
Total comprehensive loss for the period		**(6,106,027)**	(5,287,038)	(12,612,106)
Attributable to:				
Owners of the parent		**(5,054,831)**	(4,602,922)	(10,596,481)
Non-controlling interests		**(1,051,196)**	(684,116)	(2,015,625)
		(6,106,027)	(5,287,038)	(12,612,106)

All other comprehensive income will be reclassified to retained earnings on the ultimate sale of any relevant subsidiary company.

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	**Unaudited 30 June 2016 £**	Unaudited 30 June 2015 £	Audited 31 December 2015 £
Assets				
Non-current assets				
Intangible assets		**-**	235,376	513
Property, plant and equipment		**408,566**	350,086	285,015
Investments in equity accounted associates	3(a)	**241,125**	-	-
Available for sale investments		**1,806,608**	1,806,608	1,806,608
Derivative financial assets		**-**	526,159	100,159
Loans to non-group companies		**1,178,335**	907,697	753,583
Total non-current assets		**3,634,634**	3,825,926	2,945,878
Current assets				
Inventories		**148,387**	78,655	-
Trade and other receivables		**807,247**	664,955	559,775
Derivative financial assets		**100,159**	-	-
Cash and cash equivalents		**15,931,855**	11,057,681	23,239,047
Total current assets		**16,987,648**	11,801,291	23,798,822
Total assets		**20,622,282**	15,627,218	26,744,700
Liabilities				
Current liabilities				
Trade and other payables		**(1,638,754)**	(1,317,172)	(2,156,180)
Loans and borrowings		**(102,630)**	(3,250)	(50,137)
Total current liabilities		**(1,741,384)**	(1,320,422)	(2,206,317)
Non-current liabilities				
Trade and other payables		**-**	(52,133)	-
Loans and borrowings		**-**	(712,656)	-
Total non-current liabilities		**-**	(764,789)	-
Total liabilities		**(1,741,384)**	(2,085,211)	(2,206,317)
Net assets		**18,880,898**	13,542,007	24,538,383
Issued capital and reserves				
Attributable to the parent				
Called up share capital		**2,553,785**	1,795,101	2,553,785
Share premium account		**47,232,755**	30,844,552	47,232,755
Capital reserve account		**236,745**	236,745	236,745
Foreign exchange reserve		**1,172,527**	476,299	691,563
Retained earnings		**(29,766,283)**	(18,143,043)	(24,371,018)
Equity attributable to the owners of the parent		**21,429,529**	15,209,654	26,343,830
Non-controlling interests		**(2,548,631)**	(1,667,647)	(1,805,447)
Total equity		**18,880,898**	13,542,007	24,538,383

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Shareholders' equity							
	Share capital £	Share premium £	Capital reserve £	Retained earnings £	Foreign exchange reserve £	Total £	Non-controlling interests £	Total equity £
1 January 2015	1,795,101	30,844,552	236,745	(13,529,442)	446,120	19,793,076	(1,097,509)	18,695,567
Comprehensive Income								
Loss for the period	-	-	-	(4,633,101)	-	(4,633,101)	(684,116)	(5,317,217)
Other comprehensive income – foreign exchange differences	-	-	-	(27,793)	30,179	2,386	27,793	30,179
Increase in subsidiary shareholding	-	-	-	(45,465)	-	(45,465)	86,185	40,720
Share-based payments	-	-	-	92,758	-	92,758	-	92,758
Total comprehensive income	-	-	-	(4,613,601)	30,179	(4,583,422)	(570,138)	(5,153,560)
30 June 2015	**1,795,101**	**30,844,552**	**236,745**	**(18,143,043)**	**476,299**	**15,209,654**	**(1,667,647)**	**13,542,007**
Comprehensive Income								
Loss for the period	-	-	-	(6,208,823)	-	(6,208,823)	(1,220,406)	(7,429,229)
Other comprehensive income – foreign exchange differences	-	-	-	27,793	215,264	243,057	(138,896)	104,161
Increase in subsidiary shareholding	-	-	-	(125,055)	-	(125,055)	134,055	9,000
Disposal of subsidiaries	-	-	-	-	-	-	1,087,447	1,087,447
Issue of share capital	758,684	17,449,727	-	-	-	18,208,411	-	18,208,411
Costs of share issue	-	(1,061,524)	-	-	-	(1,061,524)	-	(1,061,524)
Share-based payments	-	-	-	78,110	-	78,110	-	78,110
Total comprehensive income	758,684	16,388,203	-	(6,227,975)	215,264	11,134,176	(137,800)	10,996,376
31 December 2015	**2,553,785**	**47,232,755**	**236,745**	**(24,371,018)**	**691,563**	**26,343,830**	**(1,805,447)**	**24,538,383**
Comprehensive Income								
Loss for the period	-	-	-	(5,535,795)	-	(5,535,795)	(843,395)	(6,379,190)
Other comprehensive income – foreign exchange differences	-	-	-	-	480,964	480,964	(207,801)	273,163
Disposal of subsidiaries	-	-	-	-	-	-	308,012	308,012
Share-based payments	-	-	-	140,530	-	140,530	-	140,530
Total comprehensive income	-	-	-	(5,395,265)	480,964	(4,914,301)	(743,184)	(5,657,485)
30 June 2016	**2,553,785**	**47,232,755**	**236,745**	**(29,766,283)**	**1,172,527**	**21,429,529**	**(2,548,631)**	**18,880,898**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Notes	**Unaudited Six months ended 30 June 2016 £**	Unaudited Six months ended 30 June 2015 £	Audited Year ended 31 December 2015 £
Cash flows from operating activities				
Loss before income tax including discontinued operations		**(6,390,872)**	(5,370,613)	(12,854,407)
Adjustments for:				
Depreciation of property, plant and equipment		**55,623**	67,288	129,831
Amortisation of intangible assets		**513**	14,538	55,336
(Gain) / Loss on disposal of property, plant and equipment		**(1,195)**	1,663	3,432
Share of loss of associates and joint venture		**131,204**	345,823	399,656
Gain on sale of associates and joint venture		**-**	(11,215)	(214,331)
Loss on disposal of subsidiaries		**312,743**	-	508,046
Impairment of intangible assets		**-**	-	190,631
Provision against recoverability of loan		**-**	-	176,677
Share-based payments		**140,530**	92,758	170,868
Bad debt written off		**-**	-	3,557
Foreign exchange gains		**(138,801)**	-	(84,145)
Finance income		**(52,495)**	(37,549)	(77,695)
Finance costs		**2,493**	28,010	51,397
		(5,940,257)	(4,869,297)	(11,541,147)
Changes in working capital				
Increase in trade and other receivables		**(508,795)**	(212,331)	(54,880)
(Decrease) / Increase in trade and other payables		**(603,962)**	(195,816)	881,717
Increase in inventories		**(138,095)**	(78,655)	-
Cash used in operations		**(7,191,109)**	(5,356,099)	(10,714,310)
Income tax received		**-**	33,456	83,119
Net cash used in operating activities		**(7,191,109)**	(5,322,643)	(10,631,191)
Cash flows from investing activities				
Investment in joint venture		**-**	(14,033)	(34,981)
Investment in associate		**(346,432)**	(24,999)	(24,999)
Proceeds from sale of associate		**-**	-	24,999
Purchase of derivative financial assets		**-**	(426,000)	(426,000)
Proceeds from sale of derivative financial assets		**-**	-	426,000
Disposal of discontinued subsidiaries, net of cash disposed of		**-**	720	(109,431)
Purchase of property, plant and equipment		**(157,756)**	(73,616)	(136,460)
Proceeds from sale of property, plant and equipment		**12,859**	500	650
Purchase of intangible assets		**-**	-	(163,672)
Interest received		**32,360**	22,074	37,786
Proceeds on change in subsidiary shareholding		**-**	-	720
Net cash used in investing activities		**(458,969)**	(515,354)	(405,388)
Cash flows from financing activities				
Proceeds from borrowings		**50,000**	-	50,000
Proceeds from share issue		**-**	-	18,208,411
Share issue cost		**-**	-	(1,061,524)
Net cash from financing activities		**50,000**	-	17,196,887

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2016

(Decrease) / increase in cash and cash equivalents	**(7,600,078)**	(5,837,997)	6,160,308
Cash and cash equivalents at beginning of the period	**23,239,047**	16,867,198	16,867,198
Exchange gains on cash and cash equivalents	**292,886**	28,480	211,541
Cash and cash equivalents at end of the period	**15,931,855**	11,057,681	23,239,047

1. ACCOUNTING POLICIES

Basis of preparation

The interim results, which are unaudited, have been prepared on the basis of the accounting policies expected to apply for the financial year to 31 December 2016 and in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRSs) as endorsed by the European Union. The accounting policies applied in the preparation of these interim results are consistent with those used in the financial statements for the year ended 31 December 2015.

The financial information for the year ended 31 December 2015 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for the year ended 31 December 2015 have been filed with the Registrar of Companies. The Independent Auditor's Report on the Report and Financial Statements for the year ended 31 December 2015 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Going Concern

The Directors have prepared and reviewed financial forecasts. After due consideration of these forecasts and current cash resources the Directors consider that NetScientific has adequate financial resources to continue in operational existence for the foreseeable future (being at least twelve months from the date of this report), and for this reason the financial statements have been prepared on a going concern basis.

2. OTHER COSTS

	Unaudited Six months ended 30 June 2016 £	Unaudited Six months ended 30 June 2015 £	Audited Year ended 31 December 2015 £
Restructure costs (i)	**-**	-	538,934
Provision against recoverability of loan	**-**	-	176,677
Share-based payments	**140,530**	92,758	170,868
	140,530	92,758	886,479

(i) Represents redundancy costs associated with the restructure of the management team and review of portfolio to focus on core projects.

3. INVESTMENTS

a) Associates

On 26 February 2016, the Group's subsidiary company Wanda, Inc. subscribed for 35.9% of the issued share capital of Oncoverse LLC, a San Francisco digital health company. The price paid for the shares subscribed far was US$500,000, in cash.

b) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate line of business or area of operation that has been disposed of or is held for sale. The results of operations disposed during the period are included in the consolidated income statement up to the date of disposal and are presented in the consolidated income statement as a single line which comprises the post-tax profit or loss of the discontinued operations along with the post-tax gain or loss recognised on disposal of the operations. When an operation is classified as a discontinued operation, the comparative consolidated income statement is presented as if the operation had discontinued from the start of the comparative period.

Discontinued operations in the prior year have been restated to include the results of discontinued operations that have become discontinued in the current year.

4. DISCONTINUED OPERATIONS

Following a review of the Group's strategy and portfolio to focus on core projects, certain subsidiaries were disposed of during the period.

The results of the discontinued operations, which have been included in the consolidated income statement, were as follows.

	Unaudited Six months ended 30 June 2016 £	Unaudited Six months ended 30 June 2015 £	Audited Year ended 31 December 2015 £
Revenue	**-**	12,845	53,344
Cost of sales	**-**	(36)	(21,937)
Gross profit	**-**	12,809	31,407
Other operating income	**86,606**	348,024	404,001
Research and development costs	**-**	(589,125)	(1,149,716)
General and administrative costs	**(32,220)**	(381,602)	(390,153)
Impairment of intangible assets	**-**	-	(190,631)
Gain / (Loss) from operations	**54,386**	(609,894)	(1,295,092)
Finance income	**-**	5	5
Finance expenses	**-**	(28,010)	(51,260)
Share of loss of associates and joint venture	**-**	(345,823)	(399,656)
Gain / (Loss) before taxation	**54,386**	(983,722)	(1,746,003)
Attributable tax credit	**-**	22,940	14,411
Gain / (Loss) after tax	**54,386**	(960,782)	(1,731,592)
Gain on sale of associates and joint venture	**-**	-	214,331
Loss on divestment of subsidiaries	**(312,742)**	-	(508,046)
Attributable tax expense	**-**	-	-
Loss from sale of discontinued operations after tax	**(312,742)**	-	(293,715)
Loss for the period	**(258,356)**	(960,782)	(2,025,307)

4. DISCONTINUED OPERATIONS (Continued)

Subsidiaries disposed of during the six months ended 30 June 2016:

Name	**Country of incorporation or registration**	Proportion of ownership interest at 31 December 2015*	Proportion of ownership interest held by non-controlling interests at 31 December 2015*
Triventis Health LLC	USA	55%	45%
SwissScientific SA	Swiss	100%	-

* Interests were unchanged at time of disposal.

Subsidiaries disposed of during the year ended 31 December 2015:

Name	**Country of incorporation or registration**	Proportion of ownership interest at 31 December 2014*	Proportion of ownership interest held by non-controlling interests at 31 December 2014*
MOF Technologies Limited	UK	51%	49%
RoboScientific Limited	UK	80%	20%
Nearfield Communications Limited	UK	100%	-
Watermass Limited	UK	100%	-
Advanced BioSensors, Inc.	USA	37%	63%%
Advanced Cardiotech, Inc.	USA	87.5%	12.5%
Cardio-Scientific, Inc.	USA	100%	-
Moftek, Inc.	USA	100%	-
Qlida Diagnostics, Inc.	USA	51.2%	48.8%
Morphodyne SA	Swiss	60%	40%

* Interests were unchanged at time of disposal.

Associates disposed of during the year ended 31 December 2015:

Name			
DName-iT NV	Belgium	38%	62%
Frontier BioSciences Limited	UK	-	-

Joint venture disposed of during the year ended 31 December 2015:

Name			
Butterfly BioSciences LLC	USA	50%	50%

5. LOSS PER SHARE

The basic and diluted loss per share is calculated by dividing the loss for the financial period by the weighted average number of ordinary shares in issue during the period. Potential ordinary shares from outstanding options at 30 June 2016 of 3,522,161 (30 June 2015: 2,642,916; 31 December 2015: 3,081,936) are not treated as dilutive as the entity is loss making.

	Unaudited Six months ended 30 June 2016 £	Unaudited Six months ended 30 June 2015 £	Audited Year ended 31 December 2015 £
Loss attributable to equity holders of the Company			
Continuing operations	**5,270,917**	3,919,645	9,490,774
Discontinued operations	**264,878**	713,456	1,351,150
Total	**(5,535,795)**	(4,633,101)	(10,841,924)
Number of shares			
Weighted average number of ordinary shares in issue	**51,075,695**	35,902,020	38,228,552

INDEPENDENT REVIEW REPORTS TO NETSCIENTIFIC PLC
FOR THE SIX MONTHS ENDED 30 JUNE 2016

Introduction
We have been engaged by the Company to review the interim financial information in the interim results for the six months ended 30 June 2016 which comprises the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 5.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities
The interim results, including the financial information contained therein, is the responsibility of and has been approved by the directors. The Directors are responsible for preparing the interim results in accordance with the rules of the London Stock Exchange for companies trading securities on AIM which require that the interim results be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable such accounts.

Our responsibility
Our responsibility is to express to the Company a conclusion on the interim financial information in the interim results based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on AIM and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the interim financial information in the interim results for the six months ended 30 June 2016 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

BDO LLP
Chartered Accountants and Registered Auditors
Southampton
United Kingdom

27 September 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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