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N4 Pharma PLC
28 September 2023

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N4 Pharma Plc

("N4 Pharma" or the "Company")

Acquisition of Controlling Interest in Nanogenics Limited

Placing to raise £350,000

N4 Pharma Plc (AIM: N4P), the specialist pharmaceutical company developing Nuvec®, a novel delivery system for oncology, gene therapy and vaccines, is pleased to announce the acquisition of a controlling interest, through a subscription for new ordinary shares, in Nanogenics Limited ("Nanogenics"), a company with a complementary lipid and peptide-based delivery system called Liptide®, which it is using to develop a novel siRNA product targeting an unmet clinical need in the ophthalmology market.

The acquisition has been funded by a placing of 35,000,000 new ordinary shares of 0.4p each in the Company (the "Placing Shares") at an issue price of 1p per Placing Share (the "Placing") raising £350,000 (before expenses).

Highlights

- Subscription for new shares in Nanogenics to acquire a 71.25% interest for £250,000, reducing to a 63.75% interest as management hit strategic milestones
- Nanogenic's lead product candidate, ECP105 uses the Liptide® platform to deliver a proprietary siRNA sequence to silence a fibrotic gene thereby enhancing the recovery of patients in post-glaucoma surgery
- In 2020, more than 75 million people worldwide were affected by glaucoma and the total glaucoma treatment market size exceeded $5.5 billion in 2021 and is expected to have over 3.2% CAGR from 2022 to 2028[1]
- Investment in an early-stage siRNA product at an attractive valuation which meets an unmet clinical need with the opportunity to target other anti-fibrotic markets (liver and lung)
- Expected technical synergies from developing Liptide® alongside Nuvec®

Use of Proceeds

£250,000 of the funds raised will be used to subscribe for an initial economic interest of 71.25% in Nanogenics, reducing to 63.75% upon future shares vesting to Nanogenics' management for meeting key strategic milestones. In addition, the Company is providing a loan facility of £50,000 to Nanogenics (the loan being a 2-year discretionary loan at base rate repayable before any dividends are paid out by Nanogenics). The remainder of the funds raised will be used to cover transaction costs.

Information on Nanogenics

Nanogenics (www.nanogenics.co.uk) has developed a proprietary siRNA sequence to silence the fibrotic gene Myocardin Related Transcription Factor B ("MRTF-B"). The company is developing a product, named ECP105, for the recovery of post-surgical treatment of glaucoma. In glaucoma treatment, surgery is used to lower intraocular pressure for patients who have failed to respond to medication. The surgery creates a reservoir (bleb) under the surface of the eye. The natural response of the body is to try and 'heal' this drain causing fibrosis at the surgery site. This fibrosis often leads to failure of the surgery and even with adjunctive anti-fibrotic therapy, failure rates of surgery remain as high as 50% and patients are frequently required to undergo further surgery. The current preventative measure for this fibrosis is to use untargeted, cytotoxic anti-fibrotic drugs like Mitomycin C (a chemotherapy drug) which have a poor safety profile and are used off-label in the US market.

Nanogenics has already undertaken an initial proof of concept *in-vivo* study which has demonstrated that a single dose of ECP105 can match the anti-fibrotic effect of Mitomycin C but does not have the cytotoxic side effects, so unlike Mitomycin C, it can be dosed repeatedly. Nanogenics will use the proceeds received as part of the investment by the Company to repeat this study using a novel formulation containing its proprietary siRNA sequence as preparation for discussions with the FDA and MHRA to approve a GLP toxicity regulatory study and first in human clinical trials.

Nigel Theobald, Chief Executive Officer of N4 Pharma Plc, commented:

"We have been investigating potential assets to add to the Company for some time. The RNA sector is an exciting one with a lot of investor and commercial interest. The addition of the Liptide® delivery system and siRNA sequence adds significant potential value to our business. As well as glaucoma, the MRTF-B gene is also responsible for fibrosis of the liver and lung, two large areas into which Nanogenics could develop its portfolio.

"Non-viral, non-lipid delivery systems are high in demand in the gene therapy space and we now have two such delivery systems and expect considerable technical synergies in developing programmes using both Nuvec® and Liptide®. We are very excited about securing this material interest in Nanogenics on, what we consider to be, very favourable commercial terms and we look forward to seeing Liptide® develop in parallel to Nuvec® and the resulting increase in newsflow having two assets under development will bring."

Application for Admission

The Placing has been conducted utilising the Company's existing share authorities. Application has been made for the Placing Shares to be admitted to trading on AIM ("Admission") and it is expected that Admission will take place and that trading will commence on AIM at 8.00 a.m. on or around 3 October 2023. Once issued, the Placing Shares will rank *pari passu* with the Company's existing ordinary shares.

Total Voting Rights

Following Admission, the enlarged issued share capital of the Company will comprise 268,780,349 ordinary shares of 0.4 pence each ("Ordinary Shares"). The Company does not hold any Ordinary Shares in treasury. Consequently, 268,780,349 is the figure which may be used by shareholders as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

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About N4 Pharma

N4 Pharma is a specialist pharmaceutical company developing a novel delivery system for oncology, gene therapy and vaccines using its unique silica nanoparticle delivery system called Nuvec®.

N4 Pharma's business model is to partner with companies developing novel antigens in these fields to use Nuvec® as the delivery vehicle for these antigens. As these products progress through pre-clinical and clinical programs, N4 Pharma will seek to receive upfront payments, milestone payments and ultimately royalty payments once products reach the market.

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[1] https://www.gminsights.com/industry-analysis/glaucoma-treatment-market

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