RNS Number : 6987L
N4 Pharma PLC
06 June 2025

6 June 2025

N4 Pharma plc

("N4 Pharma" or the "Company")

Final Results
Posting of Annual Report and Notice of AGM

N4 Pharma plc (AIM: N4P), the UK biotech developing Nuvec®, its proprietary gene delivery system to enable advanced therapies for cancer and other diseases, is pleased to announce its audited results for the year ended 31 December 2024.

The Annual Report and Accounts and Notice of the Company's Annual General Meeting ("AGM") have been posted to shareholders.The AGM will be held at 11.00 am on 30 June 2025 atArch Law Limited Huckletree Bishopsgate, 8 Bishopsgate, London, EC2N 4BQ.

The Annual Report and Accounts and the Notice of AGM will be available on the Company's website: https://www.n4pharma.com/.

Operational highlights

- Focus on developing RNA therapeutic products utilising the Company's proprietary Nuvec® platform andbuilding-out a cohesive data pack to secure commercial partnerships and collaborations.

- Successful completion of *in vitro* profiling of N4 101, an oral anti-inflammatory product for the treatment of Inflammatory Bowel Disease (IBD), demonstrating key benefits of the Nuvec® delivery platform in December 2024.

- Positive *in vivo* results from ongoing studies at the University of Queensland showed, for the first time, the successful oral delivery of a Nuvec® capsule into the intestine of mice, where it released its plasmid DNA payload to produce localised protein expression, in April 2024.

- Application made to the FDA for orphan drug designation in respect of ECP105, utilising the Liptide® platform, for the prevention of scarring following glaucoma surgery in July 2024.

- Positive results from collaboration with SRI International ("SRI") demonstrating the ability for Nuvec® to target its payload to specific cells in August 2024.

- Appointment of Mike Palfreyman as an independent Non-Executive Director in September 2024.

- New patent filed for N4 101 oral IBD product in December 2024.

Post period end

- Appointment of Dr Alastair Smith as an independent Non-Executive Director andDavid Templeton retired as a Director in January 2025.

- Successful placing and subscription raising gross proceeds of £1,750,000 in April 2025.

- Positive results from first*in vivo* efficacystudy for N4 101 using an industry standard animal model of IBD showing a marked decrease in inflammation withboth single anddual-loaded Nuvec® particles compared with controls across all key indicators of colitis, including Disease Activity Index (DAI), colon length, and body weight loss and a clear increase in efficacy using Nuvec® particles targeted using mannose.

- World-class Senior Leadership Team established with leading expert consultants in drug development and research, commercial strategy, and pharmaceutical manufacturing in May 2025.

Financial summary

- Revenue increased to £7,282 (31 December 2023: £1,953).
- Operating loss for the year was £1,221,101 (31 December 2023: £1,424,594 loss). Expenditure was broadly in line with the budget and decreased compared to the prior year.
- Cash at year-end of £625,972 (31 December 2023: £1,027,112 loss), supported by gross fundraising of £630,000 in June 2024.

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

"N4 Pharma delivered strong technical and operational progress during the year. The Company has a clear strategic focus on advancing our Nuvec® RNA delivery platform. Nuvec® continues to generate compelling pre-clinical data and meets key performance criteria needed to address the core challenge in RNA therapeutics - safe and effective delivery.

"Following our successful fundraising, we have initiated an expanded work programme to strengthen the commercial data package around Nuvec®, to secure licensing agreements with third parties. This work is being driven by a high-calibre operational team and will be delivered over the next 12 to 18 months.

"The Company awaits the outcome of the FDA's consideration of our application for Orphan Drug Designation for ECP105 in order to finalise our decision-making on the strategy for this product.

"Nuvec® represents a significant opportunity to create long-term value. We remain committed to unlocking its full commercial potential to deliver shareholder value as we execute our strategy and build momentum."

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.

- Ends -

For more information please contact:

N4 Pharma plc Nigel Theobald, CEO Luke Cairns, Executive Director	Via N4 Pharma Investor Hub:investors.n4pharma.com
Submit your questions directly to the management team via the N4 Pharma Investor Hub	https://investors.n4pharma.com/link/XyM4ZP
SP Angel CorporateFinance LLP *Nominated Adviser and Joint Broker* Matthew Johnson/Jen Clarke (Corporate Finance) Vadim Alexandre/Abigail Wayne/Rob Rees (Corporate Broking)	Tel: +44 (0)20 3470 0470
Turner Pope Investments (TPI) Limited *Joint Broker* Andy Thacker James Pope	Tel: +44 (0)20 3657 0050
Northstar Communications Limited *Investor Relations* Sarah Hollins	Tel: +44 (0)113 730 3896

About N4 Pharma

N4 Pharma is a pre-clinical biotech company developing Nuvec®,its proprietary gene delivery system, to enable advanced therapies for cancer and other diseases.

RNA therapeutics are set to impact the treatment of a wide range of diseases and Nuvec® has several key advantages for RNA gene delivery including the ability to deliver multiple RNA therapies in a single particle, ease of manufacturing,protection of the RNA payload to allow for oral delivery, no unwanted immune response and excellent stability and storage.

N4 Pharma is building out its preclinical data set and working towards first-in-human clinical data to support significant licensing deals for its Nuvec® platform with gene therapy partners.

N4 Pharma's lead programme, N4 101, is an oral anti-inflammatory product for IBD which serves as a proof-of-concept programme showcasing all the benefits of the Nuvec® platform.

For further information on the Company visitwww.n4pharma.comor sign up athttps://investors.n4pharma.com/auth/signup.

Chairman's Statement

Overview

N4 Pharma plc ("N4 Pharma" or the "Company"), is the Parent Company for N4 Pharma UK Limited ("N4 UK") and Nanogenics Limited ("Nanogenics") and together form the Group (the "Group").

N4 Pharma plc is a pre-clinical biotech company developing Nuvec®,its proprietary drug delivery system, to enable advanced therapies for cancer and other diseases.

RNA therapeutics are set to impact the treatment of a wide range of diseases and Nuvec® has several key advantages for RNA delivery including the ability to deliver multiple RNA therapeutics in a single particle, ease of manufacturing,protection of the RNA payload to allow for oral delivery, no unwanted immune response and excellent stability and storage.

N4 Pharma is building out its preclinical data set and working towards first-in-human clinical data to support significant licensing deals for its Nuvec® platform with pharmaceutical partners and, longer term, building its own novel therapeutic pipeline.

N4 Pharma's lead programme, N4 101, is an oral anti-inflammatory product candidate for IBD, which serves as a proof-of-concept programme showcasing all the benefits of the Nuvec® platform.

The Board has not presented a Strategic Report for the year. All relevant information on the strategy and performance of the Group is included in this Chairman's Statement, the Directors' Report and the Corporate Governance Statement.

Results Summary

During the financial year ended 31 December 2024, £7,282 of revenue was generated by the Group (31 December 2023: £1,953).

The Group's operating loss for the year was £1,221,101 (31 December 2023: £1,424,594 loss). Expenditure was broadly in line with the budget and decreased compared to the prior year.

Cash at the year-end was £625,972 (31 December 2023: £1,027,112), supported by the Group's gross fundraise of £630,000 during the year. The cash position has increased significantly following the successful placing and subscription to raise £1,750,000 (before costs) in April 2025. Following this fundraising, N4 Pharma's strong cash position enables the Group to greatly accelerate its work programme during the rest of this year and into 2026.

Operational Review

N4 Pharma has continued to generate further pre-clinical proof of concept data to add to the significant body of data accumulated in the prior periods, in respect of the potential use of Nuvec® by the Company in its proprietary drug pipeline and by potential partners under license arrangements. During 2024, the Company's focus was to develop its own lead products utilising the Nuvec® and a second platform, Liptide®, designed to address unmet clinical needs, whilst

continuing to develop and expand a cohesive data pack with which to attract partners and collaborators to monetise these platform technologies.

The first product, using Nuvec®, N4 101, has the potential to deliver an oral inhibitor for the treatment of inflammation-related Gastro-intestinal disorders, including Inflammatory Bowel Disease ("IBD") and Ulcerative Colitis ("UC"). The second product opportunity, via our investment in Nanogenics Ltd, is exploring the use of Liptide® to deliver a product for the prevention of scarring following surgery to treat glaucoma. Since the fundraising earlier this year, the Company has decided to focus its resources on Nuvec®, which the Board regard as the main value driver for the Company, and specifically on generating sufficient marketing data to support the securing of significant commercial agreements for third parties to use the Nuvec® platform to deliver their own RNA therapeutics. In parallel, the Company awaits the outcome of the orphan drug designation application for ECP105 as outlined in more detail below.

As part of this work, N4 Pharma has expanded the Board and, more recently, appointed a new Senior Leadership Team of expert consultants focused on delivering the Nuvec® commercial data room and partnerships, details of which are set out below.

Nuvec®

N4 Pharma has now demonstrated several benefits ofNuvec®, including the following:

- Its unique spikey surface structure allows the binding of DNA/RNA;
- It is relatively straightforward to manufacture and scale up;
- In contrast to Lipid Nanoparticles, which are known to evoke an immune response, the data to date indicated that Nuvec® does not elicit an immune response at the doses used;
- The addition of specific peptides and other ligands enables targeting to specific cells and tissues;
- The therapeutic payload can be protected from enzymatic digestion and pH exposure;
- It is a simple process to load multiple siRNAs onto the same nanoparticle for combination therapies;
- There is quick and efficient cellular uptake and endosomal release, enabling delivery of large numbers of RNA copies into each cell; and
- It is capable of oral delivery of oligonucleotides, including siRNA, mRNA and DNA.

In April 2024, the Company announced that, through its research program with the University of Queensland ("UQ"), it had undertaken further testing, *in vivo*, to show the successful delivery of a Nuvec® capsule into the intestine of mice, where it released its plasmid DNA payload to produce localised protein expression. This work has reinforced the potential of Nuvec® as an oral delivery system for multiple nucleotide payloads. Oral delivery, allowing gastro-intestinal disorders, including cancer, to be targeted, is very challenging for other nucleic acid delivery techniques.

In this experiment, an enterically-coated capsule containing PEGylated Nuvec® loaded with plasmid DNA expressing ovalbumin was administered on day one and subsequent capsules on day three, day six, day nine, with a booster capsule at day 21. Protein expression was measured to be significantly higher in the upper gastrointestinal tract of the subject than in controls (DNA alone and non-PEGylated DNA loaded Nuvec®) up until day 25. In addition, a significantly higher ovalbumin antibody response was measured at day 36 in the PEGylated Nuvec® sample compared to the control.

Following this work, the Company undertook further *in vitro* profiling studies with Nuvec® for the now named N4 101 proof-of-concept programme for an oral anti-inflammatory product for the treatment of IBD.In these *in vitro* experiments, mouse macrophage cells were used to establish the ability of Nuvec® delivered RNA to:

1. Reduce the production of TNF-alpha, which is a chemical produced by the immune system that causes inflammation, and
2. Increase the expression of IL-10, which is a molecule that has an anti-inflammatory role.

In the treatment of an inflammatory condition such as IBD, a reduction in TNF-alpha production and an increase in IL-10 is desirable.

Functionalisation of particles with mannose is known to enable targeting to macrophages, the cells that are believed to cause the problems associated with IBD. Cells were exposed to Nuvec®, with and without functionalisation with mannose that binds to the CD206 mannose receptor, which is expressed on the surface of macrophages.

Cells were treated separately in one experiment with Nuvec® loaded with an siRNA designed to reduce TNF-alpha production and in a separate experiment with Nuvec® loaded with an mRNA designed to increase IL-10 production. The mannose receptor-targeted Nuvec® siRNA treatment significantly reduced the production of TNF-alpha and showed faster and greater reduction compared to non-targeted Nuvec®. Targeted particles carrying the mRNA showed a faster and greater increase in IL-10 expression than non-targeted particles. These data demonstrate the ability to target active RNA therapeutics to a specific cell type using Nuvec® - an important goal for RNA therapeutics developers.

In a separate experiment, both the siRNA and mRNA were loaded on the same mannose-targeting Nuvec® particle in a controlled ratio. A qualitatively similar reduction in TNF-alpha and increase in IL-10 was observed in the single-loaded versions, showing that Nuvec® can be dual loaded with different molecules and can deliver active RNA therapies to the same cell simultaneously.

Following the successful completion of *in vitro* profiling in December 2024, the Company recently completed its first *in vivo* study using an industry-standard mouse model of IBD. The study explored the therapeutic potential of orally administered Nuvec® particles loaded with siRNA alone and combined with mRNA.

Over a nine-day dosing period, mice with chemically induced acute IBD received single (siRNA) or dual (siRNA and mRNA) Nuvec®-loaded formulations with the Nuvec® particles modified to specifically target cells involved in gut inflammation. Samples were collected for analysis on day 15.

Key highlights from the study included:

- Reduction in inflammation: both single anddual-loaded Nuvec® particles demonstrated marked improvements compared with controls across all key indicators of colitis, including Disease Activity Index (DAI), colon length, and body weight loss.
- Marked increase in efficacy achieved with targeting: both the single and dual loaded Nuvec® combined with a targeting agent performed better and showed an even greater reduction in the inflammatory marker TNF alpha than the untargeted therapies.

- Sustained therapeutic effect: six days after the final administration, both single and dual-loaded targeted Nuvec® particles showed a near complete reduction in TNF alpha levels in intestinal tissues.
- Effective oral delivery:the study also provides clear *in vivo* evidence that Nuvec® particles successfully deliver therapeutic nucleic acid cargos (siRNA and mRNA) to the gut via oral administration, resulting in the sustained anti-inflammatory effects observed.

On the back of these strong data, the Company is moving into optimisation studies with a view to building a commercial data room to allow N4 Pharma to secure its first significant commercial deals for Nuvec®, which would represent a major value inflection point. The Company's plans for Nuvec® for the remainder of this financial year and beyond are detailed below under Summary and Outlook.

In addition to using mannose to target macrophages, the Company has also been exploring alternative cell and tissue targeting approaches withSRI International ("SRI"). These include investigating the binding chemistries of various ligands to Nuvec® and their functional utility in targeting specific cell types. Given the positive *in vivo* results seen using mannose as a targeting ligand, the Company is currently focused on this approach.

Nanogenics' Glaucoma product - ECP105

ECP105 represents a simple and effective anti-fibrotic therapeutic approach which maximises and increases surgical success in the treatment of Glaucoma by reducing post-surgical scarring whilst avoiding exposing patients to the risk of cytotoxic medication. Using Liptide® as a delivery system, ECP105 contains a siRNA sequence to silence the fibrotic gene MRTF-B without cytotoxic side effects.

One of the strategic decisions taken during the period was to apply for orphan drug designation in respect of ECP105, for which the Company submitted an application to the U.S. Food and Drug Administration ("FDA") in early July 2024, for the prevention of scarring following glaucoma surgery. Obtaining orphan drug status in the USA is expected to bring substantial cost and time savings on the development work, and if approved, seven years of exclusivity as well as making it attractive for potential investors and/or acquirers. There have been various exchanges of information with the FDA, and the application is still in progress.

Given that the application outcome could significantly influence ECP105's strategic direction, either unlocking the benefits outlined above or, if the market proves larger, substantially increasing the target market's value, the Board has decided to prioritise Nuvec® in the short term to strengthen its position for future commercial discussions. As soon as there is definitive clarification on ECP105's orphan drug designation, the Company will take a view as to which direction would be most beneficial for Nanogenics and ECP105.

Board and Management

In September 2024, the Company welcomed Dr Mike Palfreyman to the Board as a Non-Executive Director. Mike has more than four decades of successful drug discovery and development experience in several therapeutic areas with two major pharmaceutical companies (Marrion Meryl Dow, now Sanofi, and Beecham Pharmaceuticals, now GSK) and has co-founded and developed several biotechnology companies including, among others, Co-Founder of Scriptgen (Anadys) Pharmaceuticals which was sold to Roche in 2011 for US$230 million and Co-Founder and CSO of

Amorsa Therapeutics, Inc. developing novel treatments for depression and pain where he oversaw a successful US$180 million exit.

In January 2025, David Templeton retired and stepped down from the Board. As stated at the time, on behalf of all Directors, we would like to thank him for his contributions over the years and wish him well for the future.

At the same time, the Company welcomed Dr Alastair Smith to the Board as a Non-Executive Director. Alastair was the founder and former Chief Executive Officer of Avacta Group plc ("Avacta"), an AIM-quoted biotech company established as a spin-out from Leeds University in 2005 and listed on the London Stock Exchange AIM market in 2006.

Over his tenure, Avacta grew into a leading biotech company comprising two divisions: a clinical-stage oncology drug company advancing its proprietary pre|CISION^{TM} tumour targeting platform and a diagnostics business executing an M&A-led growth strategy in Europe focused on healthcare professionals.

As announced on 27 May 2025, the Company's newly configured Board is now supported by the formation of a Senior Leadership Team, reporting to Nigel Theobald, Chief Executive Officer,comprising leading expert consultants in drug development and research, commercial strategy, and pharmaceutical manufacturing. The team is made up as follows:

Dr Fiona McLaughlin - Head of Research and Development

Dr Fiona McLaughlin is a highly experienced oncology drug developer and independent consultant, bringing over 25 years of experience in research and translational drug development in the pharmaceutical and biotech sectors, having led teams from early research through to clinical development. Fiona started her career at GSK and has subsequently held leadership positions in multiple biotech companies, including CSO of Avacta Therapeutics, VP New Opportunities at Algeta ASA (now Bayer), VP Translational Research at Antisoma plc and Director of Pre-clinical Development at BTG plc (now part of Boston Scientific). She is also a non-executive director of Hox Therapeutics.

Fiona received a PhD from the Haematology Department at Cambridge University and has a BSc in Biochemistry from Glasgow University.

Mark Edbrooke - Head of Strategy

Mark Edbrooke, PhD is an independent scientific consultant with a broad experience in pharmaceutical research and development. During 25 years at GlaxoSmithKline, he ran a transnational functional genomics department, and then set up and led GSK's therapeutic nucleic acid unit. He then joined AstraZeneca's Oncology Division for three years, working with Ionis and Moderna. Mark currently has a portfolio of clients, including UK and US-based investment companies, UK and European-based universities, and small biotechs, including being Head of Translational Research at Argonaute RNA Ltd., and on the Senior Advisory Board for Deep Genomics.

Dr Simon Bennett - Commercial Director

Dr Simon Bennett is an independent consultant with over 28 years of experience in the bio-pharma industry. Over the last 15 years, Simon has worked with more than 70 clients of all sizes, from technology startups to Big Pharma, largely supporting business development and licensing, as well as technology scouting and fundraising. Simon has been involved in over 80 commercial deals and mentors and advises early-stage businesses and management teams, primarily in specialty pharma and biotech. Before moving into industry in 1997, Simon was a Wellcome Trust Research Fellow at the University of Oxford.

Dr Margaret Courtney - Head of Chemistry, Manufacturing and Controls (CMC)

Dr Margaret Courtney is an independent consultant with over 25 years of experience in transitioning active substances and drug products from the research laboratory into clinical studies and commercialisation. Margaret has worked in management positions in small biotech companies to large pharmaceutical organisations, and following on from her pharmacy degree and doctoral studies, has developed specific expertise in drug delivery systems. Currently, she is working with a range of clients and providing CMC strategic advice as well as selection and management of contract organisations.

Intellectual Property

The Company has the exclusive worldwide rights for therapeutic uses in humans and animals for technology developed by The University of Queensland ("UQ"). During2023,this technology had patents granted in Europe, Australia, Japan, China, and the US and in January 2024, the patent was also granted in India.

The Company has also filed its own patent on using Nuvec® to enhance the performance of viral vectors, which is now entering the national phases of patent execution.

In December 2024, the Company filed a new patent for its oral anti-inflammatory IBD product, which is in early pre-clinical development with the UK patent office.

Summary and Outlook

RNA therapeutics is a rapidly growing area of drug development with significant interest from large pharmaceutical companies and biotechs globally. The key challenge for all of these companies lies in delivering the drug safely and intact to the right tissues; this delivery challenge has not yet been solved. Nuvec® demonstrates all the key performance criteria to become the delivery platform of choice for the RNA therapeutics industry.

As the Company looks forward, we are therefore consolidating our efforts onto the Nuvec® platform. In the near term, our focus is to secure partnership agreements to monetise Nuvec® through licensing deals to get Nuvec® into third-party drug pipelines and, in the longer term, our strategy is to drive even greater value by developing our own pipeline of novel RNA therapeutics differentiated by the Nuvec® platform.

To deliver both of these opportunities, the Company needs to expand the commercial data pack supporting Nuvec®'s performance claims. This work has been made possible by the recent fundraise and is being executed over the coming 12-18 months with the support of the world-class operational leadership team that has been assembled.

The Company awaits the outcome of the FDA's consideration of our application for Orphan Drug Designation for ECP105 in order to finalise our decision-making on the strategy for this product.

Nuvec® has the potential to deliver a very significant increase in shareholder value, and on behalf of the Board, I would like to thank all of our shareholders for their continued patient support and look forward to providing further updates on our progress.

By order of the Board

Chris Britten
Chairman

5 June 2025

N4 Pharma plc

Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

	Notes	2024	2023
		£	£
Revenue		7,282	1,953
Gross profit		**7,282**	**1,953**
Research and development costs		(390,387)	(619,392)
General and administration costs		(837,996)	(717,980)
Costs of purchase of investments		-	(89,175)
Loss for the year before tax	4	(1,221,101)	(1,424,594)
Taxation	5	101,112	147,816
Loss and total comprehensive loss for the year after tax		(1,119,989)	(1,276,778)
Total comprehensive loss for the year is attributable to:			
Equity owners of N4 Pharma Plc		(1,058,622)	(1,269,331)
Non-controlling interest		(61,367)	(7,447)
		(1,119,989)	**(1,276,778)**

Loss per share attributable to owners of the parent	11		
Weighted average number of shares:			
Basic		340,386,906	242,889,938
Diluted		340,881,486	242,889,938
Basic loss per share		**(0.31)**	**(0.52)**
Diluted loss per share		**(0.31)**	**(0.52)**

All results were derived from continuing operations.
The notes are an integral part of the Financial Statements

N4 Pharma plc
Consolidated Statement of Financial Position as at 31 December 2024

	Notes	2024 £	2023 £
Assets			
Non-current assets			
Goodwill	6	-	61,210
		-	61,210
Current assets			
Trade and other receivables	7	149,797	187,045
Cash and cash equivalents		625,972	1,027,112
		775,769	1,214,157
Total assets		775,769	1,275,367
Liabilities			
Current liabilities			
Trade and other payables	8	(28,796)	(26,224)
Accruals		(95,571)	(55,502)
Total liabilities		(124,367)	(81,726)
Net current assets		651,402	1,132,431
Total assets less current liabilities		651,402	1,193,641
Net assets		**651,402**	**1,193,641**

Equity			
Share capital	10	9,849,946	9,345,946
Share premium	10	14,940,829	14,874,469
Share option reserve	10	114,775	107,385
Reverse acquisition reserve	10	(14,138,244)	(14,138,244)
Merger reserve	10	279,347	279,347
Retained earnings	10	(10,399,006)	(9,341,267)
Non-controlling interest	14	3,755	66,005
Total equity		**651,402**	**1,193,641**

The Financial Statements were approved by the Board of Directors on 5 June 2025 and signed on its behalf:

Nigel Theobald

N4 Pharma plc
Company Statement of Financial Position as at 31 December 2024

	Notes	2024 £	2023 £
Assets			
Non-current assets			
Investments	6	106,614	478,843
		106,614	478,843
Current assets			
Trade and other receivables	7	17,082	20,625
Intercompany loan receivable	7	20,000	-
Cash and cash equivalents		563,810	697,850
		600,892	718,475
Total assets		707,506	1,197,318
Liabilities			
Current liabilities			
Trade and other payables	8	(8,019)	(2,146)
Accruals		(48,079)	(38,835)
Total liabilities		(56,098)	(40,981)
Total assets less current liabilities		651,408	1,156,337

Net assets		**651,408**	**1,156,337**
Equity			
Share capital	10	9,849,946	9,345,946
Share premium	10	14,940,829	14,874,469
Share option reserve	10	114,775	107,385
Merger reserve	10	279,347	279,347
Retained earnings	10	(24,533,489)	(23,450,810)
Total equity		**651,408**	**1,156,337**

The Company recorded a loss of £1,082,579 for the year (31 December 2023: £8,636,550).

The Company Financial Statements were approved by the Board of Directors on 5 June 2025 and signed on its behalf:

Nigel Theobald

N4 Pharma plc
Consolidated Statement of Changes in Equity for the year ended 31 December 2024

Year ended 31 December 2024	**Share capital**	**Share premium**	**Share option reserve**	**Reverse acquisition reserve**	**Merger reserve**	**Retained earnings**
	£	**£**	**£**	**£**	**£**	**£**
Balance at 1 January 2024	**9,345,946**	**14,874,469**	**107,385**	**(14,138,244)**	**279,347**	**(9,341,267**
Total comprehensive loss for the year	-	-	-	-	-	(1,058,622
NCI shares gifted back	-	-	-	-	-	883
Share issue	504,000	126,000	-	-	-	
Share issue costs	-	(59,640)	-	-	-	
Share based payment charge	-	-	7,390	-	-	
At 31 December 2024	**9,849,946**	**14,940,829**	**114,775**	**(14,138,244)**	**279,347**	**(10,399,006**

Year ended 31 December 2023	**Share capital**	**Share premium**	**Share option reserve**	**Reverse acquisition reserve**	**Merger reserve**	**Retaine earning**
	£	**£**	**£**	**£**	**£**	**£**
Balance at 1 January 2023	**9,205,946**	**14,698,569**	**103,954**	**(14,138,244)**	**279,347**	**(8,061,41**

Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	
Shares in subsidiary issued to NCI	-	-	-	-	-	(10,52
Total comprehensive loss for the year	-	-	-	-	-	(1,269,33
Share issue	140,000	210,000	-	-	-	
Share issue costs	-	(34,100)	-	-	-	
Share based payment charge	-	-	3,431	-	-	
At 31 December 2023	**9,345,946**	**14,874,469**	**107,385**	**(14,138,244)**	**279,347**	**(9,341,26**

N4 Pharma plc

Company Statement of Changes in Equity for the year ended 31 December 2024

Year ended 31 December 2024	**Share capital**	**Share premium**	**Share option reserve**	**Merger reserve**	**Retain earnin**
	£	**£**	**£**	**£**	**£**
Balance at 1 January 2024	**9,345,946**	**14,874,469**	**107,385**	**279,347**	**(23,450**
Total comprehensive loss for the year	-	-	-	-	(1,082
Share issue	504,000	126,000	-	-	
Share issue costs	-	(59,640)	-	-	
Share based payment charge	-	-	7,390	-	
At 31 December 2024	**9,849,946**	**14,940,829**	**114,775**	**279,347**	**(24,533**

Year ended 31 December 2023	**Share capital**	**Share premium**	**Share option reserve**	**Merger reserve**	**Retain earnin**
	£	**£**	**£**	**£**	**£**
Balance at 1 January 2023	**9,205,946**	**14,698,569**	**103,954**	**279,347**	**(14,814**
Total comprehensive loss for the year	-	-	-	-	(8,636
Share issue	140,000	210,000	-	-	
Share issue costs	-	(34,100)	-	-	
Share based payment charge	-	-	3,431	-	
At 31 December 2023	**9,345,946**	**14,874,469**	**107,385**	**279,347**	**(23,450**

N4 Pharma plc

Consolidated Statement of Cash Flows for the year ended 31 December 2024

	2024	**2023**

	Notes	£	£
Operating activities			
Loss after tax		(1,119,989)	(1,276,778)
Share based payment charge		7,390	3,431
Taxation credit		(101,112)	(147,816)
Impairment of Goodwill		61,210	-
Operating cash outflow before changes in working capital		**(1,152,501)**	**(1,421,163)**
Movements in working capital:			
(Increase)/decrease in trade and other receivables		(9,456)	44,230
Increase in trade, other payables and accruals		42,641	3,838
Cash used in operations		(1,119,316)	(1,373,095)
Taxation credit received		147,816	163,997
Net cash flows used in operating activities		**(971,500)**	**(1,209,098)**
Investing activities			
Net cash on acquisition of Subsidiary		-	781
Net cash flows from investing activities		**-**	**781**
Financing activities			
Proceeds of ordinary share issue		630,000	350,000
Costs of share issue		(59,640)	(34,100)
Net cash flows from financing activities		**570,360**	**315,900**
Net decrease in cash and cash equivalents		**(401,140)**	**(892,417)**
Cash and cash equivalents at beginning of the year		1,027,112	1,919,529
Cash and cash equivalents at year end		**625,972**	**1,027,112**

N4 Pharma plc

Company Statement of Cash Flows for the year ended 31 December 2024

	2024 £	2023 £

Operating activities		
Loss after tax	(1,082,579)	(8,636,650)
Interest receivable	(334,180)	(305,416)
Share based payment charge	7,390	3,431
Impairment of investment in subsidiaries	372,129	866,004
Impairment of loan to subsidiary	734,180	6,459,000
Operating cash outflow before changes in working capital	**(303,060)**	**(1,613,631)**
Movements in working capital:		
Decrease/(increase) in trade and other receivables	3,543	1,277,116
Increase in trade and other payables	15,117	7,135
Cash used in operations	(284,400)	(329,380)
Net cash flows used in operating activities	**(284,400)**	**(329,380)**
Investing activities		
Acquisition of investment	-	(250,000)
Loan to subsidiaries	(420,000)	(800,000)
Net cash flows used in investing activities	**(420,000)**	**(1,050,000)**
Financing activities		
Proceeds of ordinary share issue	630,000	350,000
Costs of share issue	(59,640)	(34,100)
Net cash flows from financing activities	**570,360**	**315,900**
Net decrease in cash and cash equivalents	**(134,040)**	**(1,063,480)**
Cash and cash equivalents at beginning of the year	697,850	1,761,330
Cash and cash equivalents at year end	**563,810**	**697,850**

Notes to the Consolidated Financial Statements for the year ended 31 December 2024

1. Accounting policies

1.1 Reporting entity

N4 Pharma Plc (the "Company"), is the holding Company for N4 Pharma UK Limited ("N4 UK"), and Nanogenics Limited ("Nanogenics"), and together form the Group (the "Group"). N4 Pharma UK Limited is a specialist pharmaceutical companyengaged in the development of mesoparticulate silica delivery systems to improve the cellular delivery and potency of vaccines. The nature of the business is not deemed to be impacted by seasonal fluctuations and as such performance is expected to be consistent.

Nanogenics is a specialist pharmaceutical companyengaged in the development of a Liptide platform to deliver a proprietary siRNA sequence to silence a fibrotic gene. The nature of the business is not deemed to be impacted by seasonal fluctuations and as such performance is expected to be consistent.

The Company was incorporated and registered in England and Wales on 6 July 1979 as a public limited company and its shares are admitted to trading on AIM (LSE: N4P). With effect from 15 May 2025 the Company's registered office was changed from 6th Floor, 60 Gracechurch Street, London, EC3V 0HR to C/o Arch Law Limited, Huckletree Bishopsgate, 8 Bishopsgate, London, EC2N 4BQ.

The Consolidated and Company Financial Statements have been prepared in accordance with UK-adopted International Financial Reporting Standards and applied to the Company Accounts in accordance with the provisions of the Companies Act 2006.

The Consolidated and Company Financial Statements are presented in Great British Pounds ("GBP" or "£"), rounded to the nearest £.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Consolidated Financial Statements.

The Company has taken advantage of the exemption granted by Section 408 of the Companies Act 2006 from presenting its own Statement of Comprehensive Income. The loss incurred by the Company is disclosed under the Company Statement of Financial Position.

1.2 Measurement convention

The Consolidated Financial Statements are prepared on the historical cost basis, except for the following items:

- Share-based payments related to investment acquisition are measured at fair value shown in the Merger Reserve.
- Share-based payments related to employee costs are measured at fair value at the date of grant shown in the Statement of Comprehensive Income.
- Share-based payments related to share issue costs are measured at fair value at the date of grant shown in Share Premium.
- The associated Share Options and Warrants are measured at fair value at the date of grant using the Black Scholes model (see note 9).

1.3 Going concern

These Consolidated Financial Statements have been prepared on the basis of accounting principles applicable to a going concern.

The Group currently has no significant source of operating cash inflows, other than royalty, and has incurred net operating cash outflows after tax for the year ended 31 December 2024 of £971,500 (2023: £1,209,098 outflow). At 31 December 2024, the Group had cash balances of £625,972 (2023: £1,027,112) and a surplus in net working capital (current assets, including cash, less current liabilities) of £651,402 (2023: £1,132,431).

The Group prepares regular business forecasts and monitors its projected cash flows, which are reviewed by the Board. Forecasts are adjusted for reasonable sensitivities that address the principal risks and uncertainties to which the Group is exposed, thus creating a number of different scenarios for the Board to challenge. In those cases, where scenarios deplete the Group's cash resources too rapidly, consideration is given to the potential actions available to management to mitigate the impact of one or more of these sensitivities, in particular the discretionary nature of costs incurred by the Group, in order to ensure the continued availability of funds.

As the Group did not have access to bank debt and funding is reliant on issues of shares in the Parent Company, the Board had derived a mitigation plan for the scenarios modelled as part of the going concern review. The outcome of which was the issuance of shares to raise gross proceeds of £1,750,000 by the Parent Company on 1 April 2025 providing sufficient working capital to allow the Group to meet its obligations and fund value enhancing studies for a period of at least 12 months from the signing of these Financial Statements. On this basis, the Board are satisfied with the adoption of the going concern basis in preparing the financial statements.

1.4 Basis of consolidation

The Group financial statements consist of the financial statements of the Company together with the entities controlled by the Company (its subsidiaries), N4 UK and Nanogenics.

The financial statements for N4 UK and Nanogenics are made up to 31 December 2024. Where necessary, adjustments are made to the financial statements of N4 UK and Nanogenics to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the Group's financial statements from the date that control commences until the date that control ceases.

1.5 Revenue

The Group generates license fees for the licencing of its intellectual property. Fee income is recognised on the accruals basis.

1.6 Expenses

Research and development

Research costs are charged against the Consolidated Statement of Comprehensive Income as they are incurred. Certain development costs will be capitalised as intangible assets when it is probable that the future economic benefits will flow to the Group. Such intangible assets will be amortised on a straight-line basis from the point at which the assets are ready for use, over the period of the expected benefit, and are reviewed for impairment at each year end date. Other development costs are charged against the Consolidated Statement of Comprehensive Income as incurred since the criteria for their recognition as an asset is not met.

The criteria for recognising expenditure as an asset are:

- §It is technically feasible to complete the product;
- §Management intends to complete the product and use or sell it;
- §There is an ability to use or sell the product;
- §It can be demonstrated how the product will generate probable future economic benefits;
- §Adequate technical, financial and other resources are available to complete the development, use and sale of the product; and
- §Expenditure attributable to the product can be reliably measured.

The costs of an internally generated intangible asset comprise all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Directly attributable costs include employee costs incurred on technical development, testing and certification, materials consumed and any relevant third-party cost. The costs of internally generated developments are recognised as intangible assets and are subsequently measured in the same way as externally acquired intangible assets. However, until completion of the development project, the assets are subject to impairment testing only.

To date, the criteria for recognition of an internally generated intangible asset have not been met as explained in note 1.16.

General and administration costs are recognised on an accruals basis in the Consolidated Statement of Comprehensive Income.

1.7 Taxation

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Consolidated Statement of Financial Position date.

Deferred tax

Deferred tax is recognised in respect of all taxable temporary differences that have originated but not reversed at theConsolidated Statement of Financial Position date.

Taxable temporary differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Consolidated Financial Statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.8 Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into GBP at the rate of exchange ruling at the Consolidated Statement of Financial Position date. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Foreign exchange gains and losses are included in the Consolidated Statement of Comprehensive Income.

1.9 Earnings per share

The Group presents basic and diluted earnings or loss per share data for its ordinary shares. Basic earnings/loss per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings/loss per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise of share options granted.

1.10 Operating segments

The Group operated in one business segment, that of the development and commercialisation of medicines via its delivery system called Nuvec® and its liptide platform called ECP105.

The Directors consider that there are no identifiable business segments that are subject to risks and returns different to the core business. The information reported to the Directors, for the purposes of resource allocation and assessment of performance, is based wholly on the overall activities of the Group.

1.11 Presentation and classification of financial instruments issued by the Group

In accordance with IAS 32, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these Consolidated Financial Statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

1.12 Non-derivative financial instruments

Non-derivative financial instruments comprise investments, trade and other receivables, cash and cash equivalents and trade and other payables.

Investments

Investments are investments held in subsidiaries accounted for at cost less provision for impairment under IAS 27.

1.12 Non-derivative financial instruments *(Continued)*

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost less provisions for expected credit losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and comprise of cash at bank. Any overdrafts are shown within borrowings in current liabilities.

1.13 Impairment

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Consolidated Statement of Comprehensive Income.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generated units are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (Group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.14 Share based payment arrangements

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

Share-based payment transactions, other than those with employees, are measured at the value of goods or services received where this can be reliably measured. Where the services received are not identifiable, their fair value is determined by reference to the grant date fair value of the equity instruments provided. Should it not be possible to measure reliably the fair value of identifiable goods and services received, their fair value shall be determined by reference to the fair value of the equity instruments provided measured over the period of time that the goods and services are received.

The expense is recognised in the Consolidated Statement of Comprehensive Income or capitalised as part of an asset when the goods are received or as services are provided, with a corresponding increase in equity.

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employeesbecome unconditionally entitled to the awards. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no "true-up" for differences between expected and actual outcomes.

1.15 Adoption of new and revised International Financial Reporting Standards

The following IFRS standards, amendments or interpretations became effective during the year ended 31 December 2024 but have not had a material effect on this Consolidated Financial Information:

Standard	Effective date
Amendments to IAS 1 Presentation of Financial Statements (Amendments to Classification of Liabilities as Current or Non-current)	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements (Amendment to Non-current liabilities with covenants)	1 January 2024
Amendments to IFRS 16Leases (Amendment, Lease Liability in a Sale and Leaseback)	1 January 2024
Amendments to IAS 7 and IFRS 7 in respect of Supplier Finance Arrangements	1 January 2024

All new standards and amendments to standards and interpretations effective for annual periods beginning on or after 1 January 2024 that are applicable to the Group have been applied in preparing these Consolidated Financial Statements.

The standards and interpretations that are issued and relevant to the Group, but not yet effective, up to the date of issuance of the Consolidated Financial Statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard	Effective date
Amendments to IAS 21The Effects of Changes in Foreign Exchange Rates (Amendments) - Lack of exchangeability	1 January 2025

1.15 Adoption of new and revised International Financial Reporting Standards (Continued)

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, have not been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed.

Standard	Effective date
Amendments to IFRS 9 and IFRS 7Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS18Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS19Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Directors are continuing to assess the potential impact that the adoption of the standards listed above will have on the Consolidated Financial Statements for the year ended 31 December 2024.

The Board are currently assessing the impact of these new amendments on the Group's financial reporting for future periods. However, the Board does not expect any of the above to have a material impact on future reporting except for IFRS 18 which is expected to result in changes in the presentation of certain primary financial statements. A full assessment will be performed once the standard is adopted in the UK.

1.16 Use of estimates and judgements

The preparation of Consolidated Financial Statements in conformity with IFRSs requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses during the period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, the Directors have decided the following estimates and assumptions are material to the carrying amounts of assets and liabilities recognised in the Consolidated Financial Statements.

Critical judgements

Research and development expenditure

The key judgements surrounding the Research & Development expenditure is whether the expenditure meets the criteria for capitalisation. Expenditure will only be capitalised when the recognition criteria is met and is otherwise written off to the Consolidated Statement of Comprehensive Income. The recognition criteria include the identification of a clearly defined project with separately identifiable expenditure where the outcome of the project, in terms of its technical feasibility and commercial viability, can be measured or assessed with reasonable certainty and that sufficient resources exist to complete a profitable project. In the event that these criteria are met, and it is probable that future economic benefit attributable to the product will flow to the Group, then the expenditure will be capitalised.

Impairment of investments and intercompany debtors

N4 UK has sustained losses and the Statement of Financial position is in deficit. The recoverability of the intercompany debtor and the cost of investment is dependent on the future profitability and success of the entity, which is in a research phase and has not therefore generated any revenue to date. Having considered research progress during the year and future prospects of N4 UK, the Directors consider that there are indicators of impairment in respect of these balances. This is a significant judgement. Further detail is given in Note 13.

2. Risk management

Overview

The Group has exposure to the following risks:

- Credit risk;
- Liquidity risk;
- Tax risk;
- Market risk; and
- Operational risk
- Regulatory and legislative risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and its management of capital. Further quantitative disclosures are included throughout these Consolidated Financial Statements.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the risk management framework and developing and monitoring the Group's risk management policies. Key risk areas have been identified and the Group's risk management policies and systems will be reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's bank deposits and receivables. See Note 12 for further detail. The risk of non-collection is considered to be low. This risk is deemed low at present due to the Group not generating material revenue but is a consideration for future risks.

There is an intercompany debtor balance between the Company and N4 UK. The recoverability of this debtor is dependent on the future profitability of the entity. As N4 UK has sustained losses and the Statement of Financial Position is in deficit it is currently not in a position to repay this amount and this therefore poses a credit risk to the Company, but not to the Group.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors cash flow on a monthly basis through forecasting to help mitigate this risk.

Tax risk

Any change in the Group's tax status or in taxation legislation or its interpretations could affect the value of the investments held by the Group or the Group's ability to provide returns to shareholders or alter post-tax returns to shareholders.

Market risk and competition

The Group operates as a specialist pharmaceutical Company engaged in the development of mesoparticulate silica delivery systems to improve the cellular delivery and potency of vaccines and development of a Liptide platform to deliver a proprietary siRNA sequence to silence a fibrotic gene for the treatment of glaucoma. The Group is entering into a market with existing competitors and the prospect of new entrants entering the current market. There is no guarantee that current competitors or new entrants to the market will not appeal to a wider portion of the Group's target market or command broader band awareness.

In addition, the Group's future potential revenues from product sales will be affected by changes in the market price of pharmaceutical drugs and could also be subject to regulatory controls or similar restrictions.

Market risk is monitored continuously by the Group and the Board reacts to any changes in market conditions as and when they arise.

Operational risk

The Group is at an early stage of development and is subject to several operational risks. The commencement of the Group's material revenues is difficult to predict and there is no guarantee the Group will generate material revenues in the future. The Group has a limited operational history upon which its performance and prospects can be evaluated and faces the risks frequently encountered by developing companies. The risks include the uncertainty as to which areas of pharmaceuticals to target for growth.

Operational risk is managed by adapting the future plans of the Group based on results and feedback from employees, suppliers and contractors.

Regulatory and legislative risk

The operations of the Group are such that it is exposed to the risk of litigation from its suppliers, employees and regulatory authorities. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though monetary consequences may not be significant.

Any changes to regulations or legislation are reviewed by the Board on a regular basis and the Group applies any that are relevant accordingly.

Changes to legislation, regulations, rules and practices may change and is often the case in the pharmaceutical industry which is highly regulated and susceptible to regular change. Any changes may have an adverse effect on the Group's operations.

Regulatory and legislative risk will become more significant once the current research generates revenue.

Protection of intellectual property

The Group's ability to compete significantly relies upon the successful protection of its intellectual property, in particular its licenced and owned patent applications for Nuvec® and ECP105. The Group seeks to protect its intellectual property through the filing of worldwide patent applications, as well as robust confidentiality obligations on its employees. However, this does not provide assurance that a third party will not infringe on the Group's intellectual property, release confidential information about the intellectual property or claim technology which is registered to the Group.

Capital management

The Group has no loans or borrowings and has sufficient resources, in the view of the Directors, to meet its working capital requirements for the next 12 months.

The Group manages its capital through the preparation of detailed forecasts, and tracks actual receipts and outlays against the forecasts on a regular basis, to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders.

The capital structure of the Group consists of cash and cash equivalents and equity comprising, capital, reserves and accumulated losses.

1. Employees and directors

The average monthly number of employees during the year was 4 (2023: 5). The Directors of the Group are employed by both the Company and N4 UK and as such are included in the employee figure. Total Directors' remuneration is detailed in Note 13 of these Consolidated Financial Statements.

There are no employees other than the Directors (2023: none).

Group

	2024 £	2023 £
Wages and Salaries	207,467	214,000
Social security costs	17,761	17,778
	225,228	231,778

Company

	2024 £	2023 £
Wages and Salaries	67,315	89,907
Social security costs	2,056	2,056
	69,371	91,963

4. Expenses by nature

	2024 £	2023 £
Administrative expenses include the following:		
Fees payable to the Group's auditor for the audit of the Group and Company Financial Statements	35,000	26,985
Fee payable for audit of subsidiaries	-	10,015
Impairment of goodwill	61,210	-
Salary costs	225,227	231,778

Taxation

	2024 £	2023 £
Current tax		
Research and development tax credit receivable for the current period	(101,112)	(147,816)
	(101,112)	(147,816)
Deferred tax		

Origination and reversal of temporary differences	-	-
Tax in Statement of Comprehensive Income	(101,112)	(147,816)

The tax charge for the year can be reconciled to the loss in the Consolidated Statement of Comprehensive Income as follows:

	2024 £	2023 £
Loss before taxation	(1,068,299)	(1,276,778)
Tax at the UK corporation tax rate of 25% (2023: 25%)	(267,181)	(319,195)
Net Research and development tax credits	(101,112)	(147,816)
Changes in unrecognised deferred tax asset	267,181	319,195
Adjustments in respect of prior periods	-	-
Tax credit for the year	(101,112)	(147,816)

At the year end the Group had trading losses carried forward of £11,356,029 (2023: £11,357,986) for use against future profits. There are no other factors which may impact future tax charges. A deferred tax asset has not been recognised on unrelieved trading losses as the timing, extent and availability of future profits is not yet certain.

6. Investments

Investment in subsidiaries

Cost	N4 Pharma UK	Nanogenics Limited	Total
	£	£	£
Balance at 31 December 2022	1,094,747	-	1,094,747
Additions	-	250,000	250,000
Impairment	(866,004)	-	(866,004)
Balance at 31 December 2023	228,743	250,000	478,743
Impairment	(135,174)	(236,955)	(372,129)
Balance at 31 December 2024	93,569	13,045	106,614

In respect of the Company's investment in its subsidiaries of £106,614 (2023: £478,743) an impairment charge of £372,129 has been recorded to reflect the Board's assessment that, given the early stage of the development of the subsidiaries' R&D projects, and therefore the uncertainty over future cash flows, the best estimate of the recoverable amount is based on the subsidiaries' respective net assets at the reporting date.

Details of the Company's subsidiaries at 31 December 2024 are as follows:

	Registered Office	Principal activity	Proportion of ownership

			and voting rights held
N4 Pharma UK Limited	The Mills, Canal Street, Derby, DE1 2RJ	Delivery of vaccines and therapeutics	100%
Nanogenics Limited	6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR	Research and experimental development on biotechnology	71.21%

During the year, minority shareholders in Nanogenics Limited gifted back 301 shares back to the company. Therefore, the Group's interest in Nanogenics increased from 70.82% to 71.21% in the year.

Goodwill

	2024 £	2023 £
At 1 December	61,210	-
Additions	-	61,210
Impairment	(61,210)	-
At 31 December	-	61,210

At the year end the Group held goodwill of £nil (2023: £61,210) in respect of the 2023 acquisition of Nanogenics Limited.

As required by IAS 36, the Board performed an impairment assessment based on the greater of value in use or fair value less costs to sell. In light of the early stage of development of Nanogenics' R&D portfolio and therefore the limited predictability of any future cash flows arising from commercialisation of the portfolio, the Board elected to impair the goodwill in full. An impairment charge of £61,210 was recognised in the Consolidated Statement of Comprehensive Income.

Trade and other receivables

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Prepayments	15,130	10,613	11,572	9,916
VAT receivable	25,714	24,972	5,510	10,709
R&D tax credits receivable	101,112	147,816	-	-
Other debtors	7,841	3,644	-	-
	149,797	187,045	17,082	20,625

The carrying value of trade and other receivables is considered to approximate to their fair value.

The Company's loans to subsidiaries were as follows:

	2024	2023
	£	£
At 1 December	7,648,026	6,542,610
Brought forward credit loss provision	(7,648,026)	-
Additional loans made	420,000	800,000
Interest charged	334,179	305,416
Addition to credit loss provision	(734,179)	(7,648,026)
At 31 December	20,000	-

The Company funds the activities of its subsidiaries through loans. The Company held a loan receivable from N4 Pharma UK Limited at year end of £6,859,000 (2023: £6,459,000). Additional funds of £400,000 were advanced during the year. Interest is charged at 5% and so interest income of £334,179 was recorded in the Company's income statement in the year. In forming an assessment of expected credit losses, based on the maturity at the year end of 31 December 2025, the Board determined that a 100% provision should be raised against loan capital and accrued interest in light of the limited predictability of the timing of future cash flows.

During the year the Company made loans to Nanogenics Limited of £20,000. The loan is repayable in September 2025 and if not repaid on that date it can be converted to equity of Nanogenics by reference to the lower of £100 per share or the most recent amount paid by N4 Pharma plc to subscribe for shares in that company.

8. Trade and other payables

	Group 2024	Group 2023	Company 2024	Company 2023
	£	£	£	£
Trade payables	23,324	20,202	6,871	961
Other payables	5,472	6,022	1,148	1,185
	28,796	26,224	8,019	2,146

The carrying value of trade and other payables is considered to approximate to their fair value.

Share-based payments

Options

TheCompany has the ability to issue options to Directors to compensate them for services rendered and incentivize them to add value to the Group's longer-term share value. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined is charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the vesting period based on the Group's estimate of the number of shares that will vest.

The vesting period is defined as the period in which the options are unable to be exercised. The period commences on the date the options are issued. For the options

to vest, the holder must remain an employee of the group throughout the vesting period. Once the vesting period is complete the options may be exercised on any date up to the lapse date.

Cancellations of equity instruments are treated as an acceleration of the vesting period and any outstanding charge is recognised in full immediately.

Fair value is measured using a Black Scholes pricing model. The key assumptions used in the model at the grant date were adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations.

As at 31 December 2024, there were 22,046,513 (2023: 7,046,513) options in existence over ordinary shares of the Company. Options in existence during the current and/or previous financial year are as follows:

Name	Date of Grant	Ordinary shares under option	Vesting Date	Expiry Date	Exercise Price £
2015 Options					
Gavin Burnell	14.10.15	1,351,210	14.10.15	14.10.25	0.0280
Luke Cairns	14.10.15	675,302	14.10.15	14.10.25	0.0280
2017 Options					
Luke Cairns	03.05.17	717,143	03.05.20	03.05.27	0.0700
David Templeton	03.05.17	717,143	03.05.20	03.05.27	0.0700
Paul Titley	03.05.17	717,143	03.05.20	03.05.27	0.0700
2019 Options					
John Chiplin	21.05.19	717,143	21.05.22	21.05.29	0.0355
Christopher Britten	21.05.19	717,143	21.05.22	21.05.29	0.0355
2020 Options					
David Templeton	18.05.20	717,143	18.05.23	18.05.30	0.0480
Luke Cairns	18.05.20	717,143	18.05.23	18.05.30	0.0480
2024 Options					
Nigel Theobold	27.11.24	2,000,000	27.11.25	27.11.34	0.0075
Michael Palfreyman	27.11.24	1,000,000	27.11.25	27.11.34	0.0075
Christopher Britten	27.11.24	1,000,000	27.11.25	27.11.34	0.0075
Luke Cairns	27.11.24	1,000,000	27.11.25	27.11.34	0.0075
Nigel Theobold	27.11.24	2,000,000	27.11.26	27.11.34	0.0075
Michael Palfreyman	27.11.24	1,000,000	27.11.26	27.11.34	0.0075
Christopher Britten	27.11.24	1,000,000	27.11.26		
Luke Cairns	27.11.24	1,000,000	27.11.26	27.11.34	0.0075
Nigel Theobold	27.11.24	2,000,000	27.11.27	27.11.34	0.0075
Michael Palfreyman	27.11.24	1,000,000	27.11.27	27.11.34	0.0075

Christopher Britten	27.11.24	1,000,000	27.11.27	27.11.34	0.0075
Luke Cairns	27.11.24	1,000,000	27.11.27	27.11.34	0.0075
Total options		22,046,513			

Warrants

As part of the placing in June 2024 which raised £630,000 before fees and expenses, the Company issued 7,560,000 warrants at an exercise price of 0.5p per warrant to the Company's brokers on the transaction as part of their fees.

The warrants entitle holders to subscribe for new ordinary shares at any time in the period of three years following the grant of the warrants. The expiry date for the warrants is 6 June 2027.

Fair value is measured using a Black Scholes pricing model.

An amount of £6,840 was recognised in the year ended 31 December 2024 in the Share Option Reserve in relation to the warrants. There was no amount in the year ended 31 December 2023 in the Share Option Reserve in relation to the warrants.

The weighted average remaining life of warrants at year end was 2.0 years (2023:1.9 years)

The weighted average exercise price of warrants ar the year end was 0.9p (2023:2p)

The number of warrants exercisable at year end was 10,722,000 (2023: 3,162,000)

The number of options exercisable at year end was 7,046,513 (2023: 7,046,513)

Capital and reserves

Issued, allotted and fully paid	**2024**	**2023**
	£	**£**
394,780,349Ordinary Shares of 0.4p each *(2023:* 268,780,349*)*	1,579,121	1,075,121
137,674,431 Deferred Shares of 4p each	5,506,977	5,506,977
279,176,540 Deferred Shares of 0.99p each	2,763,848	2,763,848
	9,849,946	9,345,946

All ordinary shares rank equally in all respects, including for dividends, shareholder attendance and voting rights at meetings, on a return of capital and in a winding-up.

Authorised ordinary shares at 31 December 2024 totalled 394,780,349 (2023:334,682,497).

During the year 126,000,000 new ordinary shares of 0.4p each were issued through a placing in June 2024 at a share price of 0.5p per share.

The 137,674,431 deferred shares of 4p, have no right to dividends nor do the holders thereof have the right to receive notice of or to attend or vote at any general meeting of the Company. On a return of capital or on a winding up of the Company, the holders of the deferred shares shall only be entitled to receive the amount paid up on such shares after the holders of the ordinary shares have received their return on capital.

The 279,176,540 deferred shares of 0.99p shall be entitled to receive a special dividend, which is payable upon the repayment to the Company of any amount owed under certain loan agreements, after which the Company shall, in priority to any distribution to any other class of share, pay to the holders of the Special Deferred Shares an aggregate amount equal to the amount repaid pro rata according to the number of such shares paid up as to their nominal value held by each shareholder. They shall be entitled to no other distribution save for a special dividend and shall not be entitled to receive notice of or attend or vote at a general meeting of the Company. On a return of capital on a winding up of the Company, they shall only be entitled to receive the amount paid up on such shares up to a maximum of 0.9 pence per share after the holders of the Ordinary Shares and the Deferred Shares have received their return on capital.

Reserves

The equity structure presented in the Consolidated Financial Statements reflects the equity structure of the Group, including the equity instruments issued as part of the Reverse Takeover transaction which occurred in 2017 and followed accounting treatment in accordance with IFRS 3.

The reverse acquisition reserve and the merger reserve are derived as part of the Reverse Takeover transaction and the balances within these reserveshave had no movement since the point of the Reverse takeover in 2017.

Share premium reserve

The share premium reserve comprises the excess of consideration received over the par value of the shares issued, plus the nominal value of share capital at the date of redesignation at no par value.

Share option reserve

The share option reserve comprises the fair value of options granted, less the fair value of lapsed and expired options.

Retained earnings

Retained earnings comprises of accumulated results to date.

11. Earnings per share

The calculation of basic loss per share at 31 December 2024 was based on the loss of £1,058,622 (2023: £1,269,331), and a weighted average number of ordinary shares outstanding of 340,386,906 (2023: 242,889,938), calculated as follows:

	2024 £	2023 £
Losses attributable to ordinary shareholders	(1,058,622)	(1,269,331)
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	268,780,349	233,780,349
Effect of shares issued during the year	71,606,557	9,109,589
Weighted average number of shares at 31 December	340,386,906	242,889,938

	2024 pence per share	*2023 pence per share*
Basic loss per share	(0.31)	(0.52)

Diluted loss per share

As the Group reported a loss for the year, there is no dilutive effect of options and warrants in issue. Therefore Diluted Earnings Per Share is the same as Earnings Per Share for both the current and comparative period.

	2024 pence per share	*2023 pence per share*
Diluted loss per share	(0.31)	(0.52)

12. Risk management and analysis

(a) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables and cash and cash equivalents. The carrying amount of cash, cash equivalents and term deposits represents the maximum credit exposure on those assets. The cash and cash equivalents are held with UK banks and financial institution counterparties which are rated by S&Pat least A-2.

There is an intercompany debtor balance between the Company and N4 UK. The recoverability of this debtor is dependent on the future profitability of the entity. As N4 UK has sustained losses and the Statement of Financial Position is in deficit it is currently not in a position to repay this amount and this therefore poses a credit risk to the Company, but not to the Group.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the reporting date of the Group was £760,639(2023: £1,203,544), being the total of the carrying amount of financial assets, shown in the Consolidated Statement of Financial Position.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.
The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

Group:

Financial liabilities	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6-12 months**	**1 -2 years**
	£	£	£	£	£
31 December 2024					
Trade and other payables	28,796	28,796	28,796	-	-
31 December 2023					
Trade and other payables	26,224	26,224	26,224	-	-

Company:

Financial liabilities	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6-12 months**	**1 -2 years**
	£	£	£	£	£
31 December 2024					
Trade and other payables	8,019	8,019	8,019	-	-
31 December 2023					
Trade and other payables	2,146	2,146	2,146	-	-

(c) Currency risk

The Group does not have significant exposure to foreign currency risk at present. The Group does not have any monetary financial instruments which are held in a currency that differs from that entity's functional currency.

(d) Interest rate risk

Profile
At the reporting date the interest rate profile of interest-bearing financial instruments was:

	Carrying amount	
Group:	**2024 £**	**2023 £**
Variable rate instruments		
Cash and cash equivalents	625,972	1,027,112

	Carrying amount

Company:	2024 £	2023 £
Variable rate instruments		
Cash and cash equivalents	563,810	697,850

Related parties

Key management personnel

The below remuneration relates to key management personnel, there are no key management personnel employed by the Group in addition to the Directors.

	2024 £	2023 £
Short-term employee benefits	207,467	214,000
Social security costs of short-term employee benefits	17,761	17,778
Share based payments	550	3,431
	225,778	235,209

Directors' remuneration

The below remuneration relates to the Directors of the Group.

2024	*Remuneration*		
Director	*Cash-based payments*	*Share-based payments*	*Totals*
	£	*£*	*£*
Nigel Theobald	*82,500*	*220*	*82,720*
David Templeton	*49,500*	*-*	*49,500*
Luke Cairns	*44,000*	*110*	*44,110*
Christopher Britten	*24,000*	*110*	*24,110*
Michael Palfreyman	*7,467*	*110*	*7,557*
	207,467	*550*	*208,017*

Directors' remuneration

2023	*Remuneration*		
Director	*Cash-based payments*	*Share-based payments*	*Totals*
	£	*£*	*£*
Nigel Theobald	*82,500*	*-*	*82,500*
David Templeton	*49,500*	*1,715*	*51,215*
Luke Cairns	*44,000*	*1,716*	*45,716*
Christopher Britten	*24,000*	*-*	*24,000*
John Chiplin	*14,000*	*-*	*14,000*
	214,000	*3,431*	*217,431*

No contributions are paid by the Group to a pension scheme on behalf of the Directors.

Nigel Theobald is the Group's highest paid director (2023: Nigel Theobald). His remuneration in each year is disclosed above.

N4 Pharma Plc made loans to its subsidiaries in the year. Details are given in Note 7.

There are no further related party transactions identified.

There is no ultimate controlling party of the Company or Group.

14. Non-controlling interest

Below is financial information for Nanogenics given that it has non-controlling interest that is material to the group. The amounts disclosed are before inter-company eliminations and the prior period comparative relates to results after 27 September 2023.

Statement of Financial Position	2024 £	2023 £
Current Assets	47,365	239,833
Current liabilities	(34,320)	(13,633)
Current Net assets	13,045	226,200
Accumulated NCI	3,756	66,005

Statements of Comprehensive Income	2024 £	2023 £
Revenue	7,282	1,953
Expenses	(235,164)	(27,475)
R&D Tax credit	14,727	-
Loss for the period	(213,155)	(25,522)
Loss allocated to NCI	(61,367)	(7,447)

15. Subsequent events

On 1 April 2025 the Company announced a placing and subscription for 437,500,000 new ordinary shares at an issue price of 0.4p to raise gross proceeds of £1,750,000. Each share carries one warrant, exercisable at 0.8p for a period of three years from the second admission date.

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