

**Arecor Therapeutics plc**

("Arecor" or "the Company")

**TRADING AND FUNDING UPDATE**

**Cambridge, UK, 10 June 2024:** Arecor Therapeutics plc (AIM: AREC), the biopharmaceutical group advancing today's therapies to enable healthier lives, today provides a trading and funding update.

As announced at the time of the Company's results for the year ended 31 December 2023, the Company requires additional funding, noting that the Company is not yet profitable and there are inherent uncertainties in the timing and quantum of revenue growth. The Company stated that it had a reasonable expectation of raising funds in the period to 31 December 2024 (although this was not guaranteed) and that, if needed, it could apply a number of cost mitigations.

Since announcement of the Company's results, the Company has identified that its working capital requirements have accelerated primarily as a result of the timing of potential pipeline revenue and an increase in costs. The Company is examining potential cost mitigation in the near term. In the absence of significant cost mitigation, funding is now expected to be required in Q3 2024. The Company continues to review all revenue and cost assumptions and will update shareholders in due course as appropriate.

Notwithstanding the working capital requirements which are highly dependent on timing and quantum of revenue and actual costs incurred, the Company currently expects that revenue for 2024 remains in line with consensus market expectations, however this remains dependent on revenue growth across all areas of the business including new potential licensing deals, increased Tetris Pharma sales and royalties from AT220, the timing and magnitude of which are not all fully within the Company's control.

Additionally, since announcement of the Company's highly positive results for its ultra-concentrated ultra-rapid acting insulin, AT278, which demonstrated superiority in a phase I clinical trial in overweight and obese people with type 2 diabetes, the Board has concluded that the optimal value inflection for AT278 and value for shareholders is likely to be achieved through conducting an insulin pump study which should provide sufficient data for potential licensing partners, to further demonstrate the potential of AT278 to disrupt the market by enabling the next generation of truly miniaturised, longer-wear insulin pumps, a key focus for patients, physicians and the industry. The Company has not committed to any costs in connection with this study, however, believes that these data would optimally position this product for strategic partnering.

**Sarah Howell, Chief Executive Officer of Arecor, said:** "We believe the growth potential for the Company remains compelling with a number of revenue and significant partnership opportunities. We are focussed on addressing the funding requirements for the business to deliver this growth and to capture the value of our platform and insulin assets."

This announcement contains inside information for the purposes of the retained UK version of the EU Market Abuse Regulation (EU) 596/2014 ("UK MAR").

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**Notes to Editors**

**About Arecor**

Arecor Therapeutics plc is a globally focused biopharmaceutical company transforming patient care by bringing innovative medicines to market through the enhancement of existing therapeutic products. By applying our innovative proprietary technology platform, Arestat™, we are developing an internal portfolio of proprietary products in diabetes and other indications, as well as working with leading pharmaceutical and biotechnology companies to deliver therapeutic products. The Arestat™ platform is supported by an extensive patent portfolio.

For further details please see our website, [www.arecor.com](http://www.arecor.com)

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