RNS Number : 6126F
Arecor Therapeutics PLC
22 April 2025

Arecor Therapeutics plc
("Arecor", the "Company" or the "Group")

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

- ***Focus on high value R&D underpinned by Arestat™ technology and Company expertise positions Arecor for significant future growth and success***
- ***Significant advancements in diabetes portfolio with positive progress towards strategic partnership for AT278***
- ***Potential to unlock significant value through innovation in the oral delivery of peptides***
- ***Growing revenue stream from AT220 global royalties***
- ***Expansion of partnership portfolio and licensing of Arestat™-enhanced products***
- ***Total Group revenue of £5.1 million (2023: £4.6 million)***

Cambridge, UK, 22 April 2025 Arecor Therapeutics plc (AIM: AREC), the biopharmaceutical company advancing today's therapies to enable healthier lives, today announces its final audited results for the year ended 31 December 2024. The Annual Report and Accounts for the year ended 31 December 2024, will be posted to shareholders in due course together with the notice of the 2025 Annual General Meeting.

Sarah Howell, Chief Executive Officer of Arecor, said: *"The positive advancements within our diabetes portfolio support our confidence in the potential of AT278 to generate significant value creation for the Company and shareholders. In addition, on the back of early initial positive in vitro data, we have the opportunity to leverage our expertise to develop a novel technology platform for the oral delivery of peptides - one that could unlock substantial value in a rapidly expanding market. With our streamlined focus to fully pursue high value R&D opportunities underpinned by the Company's highly renowned and innovative drug delivery and development expertise, we are well positioned for significant future growth and success."*

Operational Highlights (including post-period events):

- **Diabetes**
  - Ultra-concentrated, ultra-rapid acting insulin candidate, AT278, met all primary and secondary endpoints, and demonstrated superiority to NovoRapid® and Humulin® R U-500, in a Phase I clinical trial in Type 2 diabetics with a high body mass index (BMI)
  - Progressing positive negotiations with insulin device companies for a strategic partnership for AT278
- **Oral delivery of peptides**
  - Research collaboration established with TRx Biosciences to develop a novel technology platform for improved oral delivery of peptides, with initial focus on a glucagon-like peptide-1 (GLP-1) receptor agonist
  - Initial positive results from formulation development phase: overcame first significant challenge of stabilising the peptide within the oral delivery matrix. A series of dog pharmacokinetic (PK) studies are on-going to inform the optimum approach to improve bioavailability. Data will be available during 2H 2025 which will define next steps
- **Partnership portfolio**
  - Arestat™-enhanced biosimilar product, AT220, generating growing royalties under a worldwide licensing agreement
  - Sanofi continues to actively progress potential pivotal registrational study for SAR447537, formerly INBRX-101 (AT292), acquired from Inhibrx, which incorporates Arestat™ technology and is under a revenue-generating license with Sanofi
  - Exclusive milestone and royalty-bearing licensing agreement signed with a wholly owned subsidiary of one of the world's largest independent chemicals marketing companies, granting rights to Arestat™-enhanced AT351
  - Growing portfolio of pre-license technology partnerships, offering upside potential from partnering

- Growing portfolio of pre-license technology partnerships, offering upside potential from partnering
- **Tetris Pharma**
  - Impairment of £3.3 million for assets relating to Tetris Pharma made in December 2024, followed by decision to cease operations during 2025

Financial Highlights:

- Total revenue of £5.1 million (2023: £4.6 million)
- Investment in Research & Development ('R&D') of £3.0 million (2023: £5.4 million)
- Sales, General & Administrative ('SG&A') expenses of £6.2 million excluding exceptional items (2023: £6.2 million)
- Loss after tax for the year of £10.2 million (2023: £8.6 million)
- Cash and short-term investments of £3.3 million at 31 December 2024 (2023: £6.8 million)
- Fundraise of £6.4 million gross, including support from two international life science healthcare investors

Analyst meeting and webcast today

Dr Sarah Howell, Chief Executive Officer, and David Ellam, Chief Financial Officer, will host a meeting and webcast for analysts and investors at 1pm BST today. Join the webcast here. A copy of the final results presentation will be released later today on the Company's website at www.arecor.com. Please contact ICR Healthcare for details on arecor@icrhealthcare.com.

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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

Chair's Statement

During the last year, Arecor has made real progress in its core value enhancing programmes against the backdrop of a challenging environment on the AIM market. As a result, the Board has had to make some important decisions but has emerged clearly focused upon two areas of high unmet need and potentially high accretive value to shareholders, specifically the ultra-concentrated insulin (AT278) and the oral delivery of peptides starting with GLP-1 receptor agonists. That need to focus also led to the decision in January to begin an orderly cessation of the non-core Tetris Pharma business, which is proceeding according to plan.

Whilst insulin has been available for the treatment of diabetes for almost a century, and the variety of insulin choices today represents many years of discovery and innovation, there are still significant areas of unfulfilled need in a market that is expanding. For many diabetes patient groups (both Type 1 and increasingly Type 2) best control is likely to be achieved through use of an insulin pump, and our

differentiated ultra-concentrated insulin, has the potential to take insulin pump technology to the next level with a new generation of miniaturised pumps. Arecor's priority in 2025 is to further innovate and disrupt by securing a partnership agreement with an insulin pump manufacturer to better serve patients - both existing pump users who will be able to increase days between replenishment, but also high insulin use patients previously unable to use a pump because their required dose is so high; this coupled with a speed of action that allows optimal algorithmic control. I firmly believe that this disruptive combination of pump technology and superior concentrated insulin will drive better patient care and will be the successful driver for introduction of our ultra-concentrated insulin to international markets.

The same formulation expertise that developed AT278 and has served multiple commercial partnerships has also advanced new research into the oral delivery of peptides. Biopharma company interest in peptides as a therapeutic modality has exploded, most notably through the success of the incretin (e.g. GLP-1 agonist) family of therapeutics to treat diabetes, obesity and other chronic conditions. Our initial focus to validate the platform is on developing an oral GLP-1 receptor agonist with superior bioavailability to the only marketed oral GLP-1 receptor agonist available today, Rybelsus® (sales of 3.4 billion in 2024). With positive in vitro data, Arecor is advancing the next stages of development with a series of dog pharmacokinetic (PK) studies on-going to inform the optimum approach to improve bioavailability. Data will be available during 2H 2025 which will define next steps. If successful, an oral GLP-1 receptor agonist with enhanced bioavailability has the potential to generate significant value and, more importantly, enable the broader application of Arecor's technology in the growing and highly valuable field of oral peptide therapeutics.

Arecor continues to be supported by a broad group of Investors. Despite challenging UK market conditions, the summer-2024 raising of £6.4 million was successfully completed in a short period of time, allowing us to enhance our shareholder base with new investors including an international specialist healthcare-focused investment firm, and we look forward to working with all of our investors whilst at the same time continuing to expand our shareholder base.

With our clear focus upon two core areas and the Board and Team aligned on the clarity of our strategy, I am confident that 2025 will be a year of significant progress for Arecor, delivering new options to patients with diabetes and competing in the exciting field of oral peptide delivery.

Andrew Richards
Non-Executive Chair

Chief Executive Officer's Review

Operational Review (including post-period events)

Progressing a unique, next-generation insulin

Arecor is focused on transforming patient care by bringing innovative medicines to market. Our commitment to pursue R&D that addresses significant unmet patient needs in high-value markets is best exemplified across our proprietary diabetes product portfolio. Diabetes is at crisis levels, with more than half a billion people living with diabetes worldwide. There remain significant unmet patient needs in diabetes care, including the need for both more rapid acting and more concentrated, rapid acting insulins, which is where Arecor is focused.

Our next-generation insulins have demonstrated clear superiority to the best insulins available to patients today and have the potential to significantly improve healthcare outcomes and reduce burden for people living with diabetes.

We continued to build strong momentum within our portfolio in 2024 through the outstanding clinical trial results achieved with our ultra-concentrated, ultra-rapid acting insulin candidate, AT278. Our lead candidate met all primary and secondary endpoints and also demonstrated superiority to NovoRapid® and Humulin® R U-500, in a Phase I clinical trial in Type 2 diabetics with a high body mass index (BMI).

This was a significant step in AT278's development, extending our confidence in its clear potential to provide a superior prandial insulin treatment option that lowers burden and improves outcomes for people living with diabetes who require high daily doses of insulin, for whom there are limited treatment options today.

With its ultra-concentrated and ultra-rapid profile, AT278 is also set to be a powerful catalyst in the development of next-generation, truly miniaturised, longer-wear insulin pumps, a key focus for patients, physicians and the industry. It is clearly demonstrated that people with diabetes who use automated insulin delivery (AID) systems, facilitating the continuous delivery of insulin to control their blood glucose levels, achieve better outcomes. Despite this, in the US, where insulin pump use is greatest, less than 40% of Type 1 diabetics and less than 10% of Type 2 diabetics use an insulin pump.

Barriers preventing the wider use of insulin pumps include the size of existing pumps, discomfort and limitations of wear-time. Major insulin pump manufacturers are targeting the development of next-generation pumps that are smaller, more discrete and can be worn for up to seven days. They are also focused on the underpenetrated Type 2 diabetes patient population. Here, the challenge with current insulins, which are only available in pumps at a concentration of 100U/mL, is that the average Type 2 diabetes patient who requires 100 units of insulin per day cannot achieve even the standard three-day wear time making the use of existing pumps impractical for the vast majority of patients.

To enable both the broad use of existing pumps for people living with Type 2 diabetes, and to catalyse the next generation of miniaturised longer-wear pumps, will require a highly concentrated yet rapid acting insulin. AT278 is the only insulin that has achieved this profile. This places Arecor in an excellent position to bring AT278 to market under a strategic partnership with an insulin pump manufacturer. This will not only greatly improve outcomes and reduce the burden of care for more people living with diabetes, but it also represents a significant commercial opportunity. The insulin pump market currently stands at approximately 5.5 billion and is estimated to grow to greater than 15.5 billion by 2032. Arecor estimates the total addressable US market opportunity for AT278 to be approximately 2.9 billion, with additional commercial upside in Europe and other territories.

Positive progress is being made towards a strategic partnership with insulin pump manufacturers to further co-develop AT278 and we anticipate generating significant valuation creation for the Company and shareholders.

Driving innovation in the oral delivery of peptides

Peptides are an increasingly important class of therapeutics to treat a wide range of chronic conditions, most recently with the rise of incretins to treat diabetes and obesity. The global peptide therapeutics market is projected to reach more than 100 billion by 2034 growing at a CAGR of 10.8%, This is driven by peptide therapeutics' strong efficacy and selectivity towards different receptors on target cells, the rise of endocrine and metabolic diseases, and technological advancements in the field. However, nearly all peptide drugs are only available as injectables. There is growing evidence that, due to its simplicity and convenience, the oral delivery of such medications improves patient compliance and adherence, thus leading to enhanced therapeutic efficacy and better outcomes. The oral delivery of peptides is extremely challenging due to their molecular characteristics resulting in very low oral bioavailability, i.e. the amount of drug that makes it to the systemic circulation. Arecor's focus is on leveraging its significant formulation and product development expertise and know-how to develop a novel proprietary technology platform for the oral delivery of peptides, with the aim of significantly improving bioavailability and unlocking oral delivery for this important class of therapeutics.

We are initially focusing our efforts on the development of an oral GLP-1 receptor agonist (semaglutide) with improved bioavailability when compared to the marketed product, Rybelsus®, which is seeing growth in the market with revenue of 3.4 billion in 2024, despite only having a bioavailability of <1%. We have partnered with TRx Biosciences, combining Arecor's Arestat™ technology and TRx Biosciences' novel lipid technology, Lipicore®, to target improved bioavailability of an oral GLP-1 receptor agonist. This collaboration continues to progress, generating promising *in vitro* data. A series of dog PK studies are on-going to inform the optimum approach to improve bioavailability. Data will be available during 2H 2025 which will define next steps

An oral GLP-1 receptor agonist with enhanced bioavailability has the potential to generate significant value in a market that has expanded rapidly given these products' efficacy in the management of obesity. Perhaps more importantly, success with Arecor's GLP-1 receptor agonist programme would validate the application of our technology in the broader and highly valuable field of oral peptide therapeutics across multiple therapeutic areas. With approximately 120 GLP-1 receptor agonists, glucose-dependent insulinotropic polypeptide (GIP) receptor agonists and dual GLP-1/GIP receptor agonists in development for diabetes and obesity alone, this field represents a significant commercial and value creation opportunity for Arecor and its

obesity alone, this field represents a significant commercial and value creation opportunity for Arecor and its shareholders.

Advancing a partnered portfolio to bring Arestat™-enhanced therapeutics to market

Continued progress within our robust portfolio of revenue-generating partnered programmes underscores the strength of Arecor's Arestat™ technology, its value to partner companies and its ability to provide near-term revenue generation and long-term value for shareholders.

AT220, the first product incorporating Arestat™ technology to be commercialised by a partner, continues to provide Arecor with a growing revenue stream from global royalties. Following its launch in late 2023, this biosimilar product is performing strongly, with momentum building and sales growth consistent with expectations.

In May 2024, Sanofi announced the completion of its acquisition of Inhibrx's assets and liabilities associated with SAR447537, formerly INBRX-101 (AT292), an Arestat™-formulated, optimised recombinant human AAT-Fc fusion protein, for the treatment of patients with emphysema due to alpha-1 antitrypsin deficiency, which is under license with Sanofi. A registration-enabling clinical trial of SAR447537 commenced in 2023 and continues to progress. Sanofi's acquisition of Inhibrx further endorses our Arestat™ platform and highlights the value of this novel therapy for patients and its future commercial potential. There is an additional milestone and subsequent commercial revenue due to Arecor under this license agreement.

During the period, Arecor added to its portfolio of technology partnerships with leading pharmaceutical and MedTech companies by establishing a research collaboration in May 2024 with Medtronic, a global leader in healthcare technology, including within the diabetes space. The collaboration, to develop an Arestat™-enhanced, highly differentiated insulin for use in Medtronic's intraperitoneal delivery insulin pump, has the potential to transform treatment for an extremely vulnerable group of diabetes patients who require intraperitoneal therapy via an implantable insulin pump system.

In December 2024, following a successful formulation study collaboration initiated in 2023 and strengthened in January 2024, Arecor signed an exclusive licensing agreement with a wholly owned subsidiary of one of the world's largest independent chemicals marketing companies which is fully dedicated to the pharmaceutical business. That agreement granted rights to our partner to further develop and commercialise AT351, an Arestat™-enhanced, differentiated ready-to-dilute (RTD) liquid formulation of the partner company's product. Arecor received an upfront milestone payment and is eligible for development, regulatory and commercial milestones, and royalties on global sales. Our partner is anticipating regulatory filing for the approval of the product within three years.

Following a product portfolio review, Hikma has communicated to Arecor its intention to return all rights associated with AT307, a novel ready-to-use formulation of an existing therapeutic product licensed to Hikma in 2023.

Post period, two further technology partnerships were established. The first with a clinical stage biopharmaceutical company to develop a novel formulation of their peptide therapy. Under the terms of the agreement, the partner will fund Arecor's development activities with the option to license rights to the new proprietary formulation and associated intellectual property to further develop and commercialise the product. The second collaboration is with a major pharmaceutical company. Here Arecor will leverage Arestat™ to develop a novel formulation of the partner's proprietary product with enhanced properties. The partner company will fully fund the formulation work with the potential for future license opportunities to follow.

Commercial collaborations such as this provide significant future upside potential for Arecor, with partners funding the initial formulation development work and with options to acquire rights to new proprietary formulations and associated intellectual property under our technology licensing model. More broadly, they ensure Arecor remains at the forefront of drug delivery innovation across the industry.

Building a robust intellectual property portfolio

Underpinning our strategy, we have a comprehensive global patent portfolio of >100 granted patents across key territories protecting both the Arestat™ technology platform as well as the enhanced versions of therapeutic medicines that we develop leveraging Arestat™. During 2024, the portfolio was bolstered with the addition of fifteen key patents granted in US, Europe, Canada, Japan, Israel, China and India, including

increased protection of Arecor's proprietary diabetes portfolio. Post-period, two additional patents were granted in Europe and US, further protecting Arecor's proprietary insulin products (AT247 and AT278) and the broader Arestat™ technology platform.

Tetris Pharma operations

In January 2025 Arecor announced its intention to cease operations within the Company's subsidiary Tetris Pharma, and a mutual agreement with Xeris BioPharma Holdings, Inc. to return Arecor's rights to Ogluo®. This strategic decision to cease Tetris Pharma operations enables Arecor to focus its efforts and resources on opportunities that offer higher potential for value creation.

Summary and outlook

The positive advancements within our diabetes portfolio support our confidence in the potential of AT278 to generate significant value creation for the Company and shareholders. In addition, on the back of early initial positive *in vitro* data, we have the opportunity to leverage our expertise to develop a novel technology platform for the oral delivery of peptides - one that could unlock substantial value in a rapidly expanding market. With our streamlined focus to fully pursue high-value R&D opportunities underpinned by the Company's highly renowned and innovative drug delivery and development expertise, we are well positioned for significant future growth and success.

Sarah Howell
Chief Executive Officer

Financial Review

Key financial performance indicators

The Company is a clinical stage biotech business with the focus on high value R&D opportunities in the areas of insulin and the oral delivery platform, with a supporting contribution from Partner revenue. The Company therefore has the primary financial KPI of cash and short-term investment balances held. For 2024, total revenue is the secondary KPI, but following the cessation of the Tetris Pharma business, for 2025 the secondary KPI will be the investment in research and development.

These KPIs focus on the strategic objective of availability of financial resources to progress the research and development activities of the Group.

	2024	2023	2022
	000's	000's	000's
Cash & Short-Term Investments	**£3,257**	**£6,752**	**£12,806**
Revenue:			
Product Revenue	£3,410	£2,941	£1,050
Partner Revenue	£1,643	£1,632	£1,353
Total Revenue	**£5,053**	**£4,573**	**£2,403**

At 31 December 2024 the Group had cash and short-term investments of £3.3 million (2023: £6.8 million including short-term investments). During 2024, net proceeds from fund-raising totalled £5.8 million, offset by net-cash used in operating activities of £9.2 million, of which £3.2 million was attributable to Tetris Pharma. It is expected that the 2025 operating cash flow in Tetris Pharma will be positive as Tetris Pharma plans to continue selling Ogluo® and other products into the second half of the year, generating cash receipts from the sell down of existing inventory which will be used for general working capital purposes. Arecor will continue to invest in its core areas of insulin and oral delivery platform technology. The Group finances its operations through share issuances and partnering revenue, and is expecting to raise additional funding by March-2026 to support further investment. See the Going Concern note 2 for further information.

Revenue recognised in the year grew to £5.1 million (2023: £4.6 million). Net Product sales of £3.4 million generated by Tetris Pharma in the year increased by £0.5 million (2023: £2.9 million), as uptake of non-Ogluo® products increased.

Cost of Sales increased by £0.2 million to £3.5 million (2023: £3.3 million). Underlying cost of sales increased by £0.6 million, primarily due to increased volume of Ogluo® product sales and cost increases, offset by a

decrease in stock provisions of £0.4 million to £0.2 million (2023: £0.6 million).

Other Operating Income totalled £0.3 million (2023: £1.1 million). The R&D Expenditure Scheme ("RDEC") income of £0.3 million was a £0.2 million increase (2023: £0.1 million) offset by a fall in grant income from £1.1 million to zero. The 2024 RDEC income includes a £0.1 million increase to the 2023 calculated income.

Research and Development ("R&D") Expenses decreased by £2.4 million to £3.0 million for 2024 (2023: £5.4 million). Clinical study costs decreased by £1.4 million to £0.5 million (2023: £1.9 million) as the AT278-104 study concluded. Payroll related costs decreased by £0.4 million to £1.0 million (2023: £1.4 million), and manufacturing costs for clinical studies decreased by £0.2 million to £0.1 million (2023: £0.3 million).

Selling, General and Administrative ("SG&A") Expenses (excluding exceptional items) were unchanged in 2024 at £6.2 million (2023: £6.2 million).

During 2024, Tetris Pharma SG&A costs totalled £2.8 million (2023: £2.6 million), an increase of £0.2 million which was mainly attributable to an increase of £0.3 million in the use of commercial consultants and contract sales organisations (from £0.2 million in 2023 to £0.5 million in 2024) as part of efforts to boost Ogluo® revenues in the UK and Germany. As Tetris Pharma closes down, we anticipate a significant decrease in SG&A expenses in 2025.

SG&A costs in Arecor Plc and Arecor Ltd decreased by £0.3 million to £3.3 million (2023: £3.6 million). The share-based compensation charge decreased by £0.4 million (from £0.5 million to £0.1 million) due to award lapses and revised assumptions, offset partly by an increase in corporate advisory costs of £0.1 million.

Exceptional Items: In December 2024, an impairment review of the assets relating to Tetris Pharma Ltd was carried out. This review concluded that all the goodwill, licenses and property, plant and equipment should be provided for in full for a total expense of £3.3 million

The loss before taxation amounted to £10.6 million (2023: £8.9 million). The R&D tax credit claim for 2023 was filed in April 2025 and the claim for 2024 will be filed as soon as the 2023 claim is closed. The 2024 taxation credit of £0.4 million (2023: £0.3 million) is due to the release of a deferred tax provision upon the impairment review of the assets relating to Tetris Pharma Ltd. The 2024 SME tax credit is zero as the £0.2 million calculated credit for 2024 was reduced by a £0.2 million correction of the 2023 calculated credit. The total tax receivable under both the RDEC and SME schemes at the end of 2024 is £0.7 million (2023: £0.5 million).

Other Balance Sheet Items:

Current trade and other receivables increased by £0.6 million to £3.8 million (2023: £3.2 million). This is primarily due to the timing of a £0.7m prepayment for Ogluo® inventory (2023: £ nil).

Intangible assets and goodwill decreased to below £0.1 million in 2024, from £3.3 million in 2023 as a result of the impairment review of the assets relating to Tetris Pharma Limited.

Trade and other payables decreased by £1.8 million to £3.1 million (2023: £4.9 million). £0.8 million of the decrease is due to lower expenditure in 2024 (primarily clinical studies and bonuses), and another £0.8 million is timing at the end of 2023 on payments for both inventory and sales rebates.

David Ellam
Chief Financial Officer

Consolidated income statement

for the year ended 31 December 2024

	Notes	31 December 2024 £000	31 December 2023 restated £000
Revenue	4	**5,053**	**4,573**
Cost of sales		**(3,510)**	**(3,322)**
Gross profit		**1,543**	**1,251**
Other operating income	5	**267**	**1,142**

Research and Development expenses		**(3,041)**	**(5,401)**
Sales, General & Administrative expenses before exceptional items		**(6,178)**	**(6,167)**
Exceptional items	6	**(3,288)**	**-**
Total Sales, General & Administrative expenses		**(9,466)**	**(6,167)**
Operating loss		**(10,697)**	**(9,175)**
Operating loss before exceptional items		**(7,409)**	**(9,175)**
Other Income		**-**	**5**
Finance income		**101**	**284**
Finance expense		**(22)**	**(15)**
Loss before tax		**(10,618)**	**(8,901)**
Loss before tax and exceptional items		**(7,330)**	**(8,901)**
Taxation credit	7	**382**	**347**
Loss for the financial year		**(10,236)**	**(8,554)**
Loss for the financial year before exceptional items		**(6,948)**	**(8,554)**
Basic and diluted loss per share (£)	8	**(0.31)**	**(0.28)**

Consolidated statement of financial position

At 31 December 2024

	Notes	31 December 2024 £000	31 December 2023 £000
Non-Current assets			
Intangible assets	9	**33**	**1,812**
Goodwill	10	**-**	**1,484**
Property, plant and equipment		**400**	**834**
Other receivables	11	**55**	**77**
Total non-current assets		**488**	**4,207**
Current assets			
Trade and other receivables	11	**3,845**	**3,189**
Current tax receivable		**654**	**458**
Cash and cash equivalents	12	**3,239**	**5,093**
Short-term investments	13	**18**	**1,659**
Inventory	14	**478**	**771**
Total current assets		**8,234**	**11,170**
Current liabilities			
Trade and other payables	15	**(3,069)**	**(4,903)**
Lease liabilities		**(121)**	**(118)**
Provisions		**(66)**	**(129)**
Total current liabilities		**(3,256)**	**(5,150)**
Non-current liabilities			
Lease liabilities		**(111)**	**(220)**
Provisions		**(6)**	**(28)**
Deferred tax		**-**	**(452)**
Total non-current liabilities		**(117)**	**(700)**
Net Assets		**5,349**	**9,527**
Equity attributable to equity holders of the Group			
Share capital	16	**378**	**306**
Share premium account	16	**34,684**	**28,976**
Share-based payments reserve	17	**1,676**	**1,518**
Other reserves		**11,455**	**11,455**
Merger relief reserve		**2,014**	**2,014**
Foreign exchange reserve		**100**	**(20)**
Retained losses		**(44,958)**	**(34,722)**
Total equity attributable to equity holders of the Group		**5,349**	**9,527**

Consolidated statement of changes in equity

for the year ended 31 December 2024

Share

	Share capital £000	Share premium £000	Other reserves £000	Merger relief reserve £000	Share-based payments reserve £000	Foreign exchange reserve £000	Retained losses £000	Total equity £000
Equity as at 1 January 2023	**306**	**28,976**	**11,455**	**2,014**	**893**	**(8)**	**(26,181)**	**17,455**
Comprehensive income for the year								
Loss for the year	-	-	-	-	-	-	(8,554)	(8,554)
Foreign exchange movements	-	-	-	-	-	(12)	-	(12)
Transactions with owners								
Reserve transfer	-	-	-	-	(13)	-	13	-
Share-based compensation	-	-	-	-	638	-	-	638
Total transactions with owners	**-**	**-**	**-**	**-**	**625**	**-**	**13**	**638**
Equity as at 31 December 2023	**306**	**28,976**	**11,455**	**2,014**	**1,518**	**(20)**	**(34,722)**	**9,527**

Consolidated statement of changes in equity

for the year ended 31 December 2024 (continued)

	Share capital £000	Share premium £000	Other reserves £000	Merger relief reserve £000	Share-based payments reserve £000	Foreign exchange reserve £000	Retained losses £000	Total equity £000
Equity as at 1 January 2024	**306**	**28,976**	**11,455**	**2,014**	**1,518**	**(20)**	**(34,722)**	**9,527**
Comprehensive income for the year								
Loss for the year	-	-	-	-	-	-	(10,236)	(10,236)
Foreign exchange movements	-	-	-	-	-	120	-	120
Transactions with owners								
Issue of shares	72	6,345	-	-	-	-	-	6,417
Share issue expenses	-	(637)	-	-	-	-	-	(637)
Share-based compensation	-	-	-	-	158	-	-	158
Total transactions with owners	**72**	**5,708**	**-**	**-**	**158**	**-**	**-**	**5,938**
Equity as at 31 December 2024	**378**	**34,684**	**11,455**	**2,014**	**1,676**	**100**	**(44,958)**	**5,349**

Consolidated statement of cash flows

for the year ended 31 December 2024

	31 December 2024	31 December 2023
	£000	**£000**
Cash flow from operating activities		
Loss for the financial year before tax	**(10,618)**	**(8,901)**
Finance income	**(101)**	**(284)**
Finance costs	**22**	**15**
Share-based payment expense	**158**	**638**
Depreciation	**307**	**390**
Amortisation	**139**	**106**
Impairment of property, plant and equipment	**163**	**-**
Impairment of intangible assets	**3,125**	**-**
Foreign exchange movements	**177**	**135**
	(6,628)	**(7,901)**

Changes in working capital

Decrease in inventories	**293**	**360**
(Increase) in trade and other receivables	**(634)**	**(1,003)**
(Decrease)/increase in trade and other payables	**(1,834)**	**1,377**
(Decrease)/increase in provisions	**(85)**	**157**
(Increase)/decrease in RDEC receivable	**(267)**	**1,169**
Net cash used in operating activities	**(9,155)**	**(5,841)**
Cash flow from investing activities		
Purchase of property, plant and equipment	**(23)**	**(151)**
Sale of property, plant and equipment	**-**	**5**
Maturity on short-term investments	**1,641**	**6,382**
Interest received	**101**	**284**
Net cash received from in investing activities	**1,719**	**6,520**
Cash flow from financing activities		
Issue of ordinary shares	**6,417**	**-**
Share issue costs	**(637)**	**-**
Repayment of loans	**9**	**38**
Capital payments on lease liabilities	**(119)**	**(203)**
Interest paid on lease liabilities	**(22)**	**(15)**
Net cash generated from financing activities	**5,648**	**(180)**
Net (decrease)/increase in cash and cash equivalents	**(1,788)**	**499**
Exchange losses on cash and cash equivalents	**(66)**	**(171)**
Cash and cash equivalents at beginning of financial year	**5,093**	**4,765**
Cash and cash equivalents at end of financial year	**3,239**	**5,093**

Notes to the financial information

1. General information

Arecor Therapeutics plc ("Arecor" or the "Company") is a public limited company registered in England and Wales at Chesterford Research Park, Little Chesterford, Saffron Walden, CB10 1XL with registered number 13331147.

The principal activity of the Company is to act as a holding company. The Company has two wholly owned trading subsidiaries; Arecor Limited and Tetris Pharma Ltd (together with the Company, the "Group"). The Group's principal activity is research and development, given the announced cessation of the Tetris Pharma operations during 2025.

2. Significant accounting policies

Basis of preparation

The results have been extracted from the audited financial statements of the Group for the year ended 31 December 2024. The results do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Whilst the financial information included in this announcement has been computed in accordance with the principles of UK-adopted international accounting standards ('IFRS'), IFRIC interpretations and the Companies Act 2006 that applies to companies reporting under IFRS, this announcement does not of itself contain sufficient information to comply with IFRS.

The Group will publish full financial statements that comply with IFRS. The auditor has reported on those accounts. Their report for the accounts of the year ended 31 December 2024 was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006. The auditor's report includes reference to the material uncertainty relating to going concern. See below for more details of the going concern assessment performed by the Board of Directors. The statutory accounts for the year ended 31 December 2023 have been delivered to the Registrar of Companies and received an unqualified auditor's report which did not draw attention to any matters by way of emphasis and did not contain statements under s498 (2) or (3) of the Companies Act 2006.

The financial information has been prepared using the historical cost convention and under the assumption that the Group operates on a going concern basis. The principal accounting policies adopted in the preparation of the consolidated financial statements are set out in the statutory accounts of Arecor Therapeutics plc for the year ended 31 December 2023. They have been consistently applied to the periods presented, unless otherwise stated.

The consolidated financial statements are presented in Great British pound sterling which is also the Group's functional currency.

New and amended accounting standards that are mandatorily effective for the current year.

The following new and amended standards and interpretations were applied during the year. They have not had a significant impact on the consolidated financial statements:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Non-current Liabilities with Covenants (Amendments to IAS 1)

Exceptional items

Exceptional items are disclosed separately in the financial statements, where it is necessary to do so to provide further understanding of the financial performance of the Group. These are items that are material, either because of their size or nature, or that are non-recurring.

Going Concern

During the year ended 31 December 2024, the Group incurred an operating loss of £10.7 million and cash used in operating activities was £9.2 million. As a clinical stage biotech Group, Arecor has incurred net operating losses since inception and expects such losses in future periods. At 31 December 2024, the Group's retained losses were £45.0 million and it held £3.3 million of cash and short-term investments.

The £9.2 million cash used in operating activities in 2024 included £3.2 million used by Tetris Pharma. The Tetris Pharma expenditure is winding down in 2025 and is expected to be below 50% of the prior year expenditure. As previously purchased inventory is sold, it is expected that Tetris Pharma will be cash positive in 2025. Research & Development expenditure totalled £3.0 million in 2024. The majority of external research and development expenditure is not committed, and the timing and extent of uncommitted expenditure afford significant flexibility in the allocation of resources.

The Group finances its operations through share issuances and partnering revenue. In the second half of 2024, the Group raised £5.8 million in net proceeds from issuances of shares.

The Group's base case cash flow forecast suggests that it could continue to operate with cash currently held until March 2026, which is less than a year from the date of approval of these financial statements. Therefore, the Group will need to raise additional funding in or before Q1 2026 under the base case. The Group also performed a worst-case analysis where revenues decreased by 15% over the period (versus the base case), suggesting that it could continue to operate with cash currently held until January 2026, requiring Arecor to raise additional funding in or before Q1 2026. While the Group has historically succeeded in securing further cash, financing from share issuances and partnering revenue is dependent on market conditions and the decisions of the Group's existing shareholders, potential investors, and existing or future potential partners. These stakeholders and potential receipts are not controlled by the Group, and material uncertainties therefore exist which may cast significant doubt on its ability to continue as a going concern. Since these options continue to represent realistic and effective sources of future financing which, despite the uncertainty, would ensure the Group and Company have sufficient funds to continue operating for at least a year, the Board has prepared the financial statements on a going concern basis.

Prior-Period restatement

Per IAS1, the Income Statement can be presented using either the 'nature of expense' method or the 'function of expense' method. These consolidated financial statements use the 'function of expense' method: however, this requires the separation of cost of sales from other expenses within the Income Statement. This separation was not shown in prior years and therefore the restatement of the prior year comparatives is a material prior-period error.

The restated Income Statement for the year ended December 2023 discloses a cost of sales of £3,322k (prior: £ nil). The sales, general and administrative expenses line is restated to £6,167k (prior: £8,913k) and the research and development expenses line is restated to £5,401k (prior: £5,977k). There was no impact to the loss before tax or the loss after tax, and no impact to the balance sheet brought forward.

Cost of sales includes all costs directly attributable to the sale of products (purchased finished goods, raw materials, packaging, and freight). They also include staff costs directly attributable to partnered formulation development revenue.

3. Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgements

Impairment of goodwill and intangible assets

As required by IAS 36 - Impairment of Assets, goodwill is reviewed and tested for impairment each year. The value in the use of the cash generating unit to which the goodwill is associated are calculated and compared to the carrying value of the assets. This requires management to estimate the present value of future cashflows by applying an appropriate discount rate on the estimated future performance of the cash generating unit. For goodwill generated on the acquisition of Tetris Pharma Ltd, a review of the carrying value of the assets has been performed and at the reporting date the goodwill was fully impaired. The key reason for impairment was that the financial performance for Tetris Pharma Ltd remained significantly below expectations and this led management to decide that volumes would not be able to be sold at levels that would make the entity profitable. On 9 January 2025, Arecor Therapeutics plc decided to cease operations within the Group's subsidiary Tetris Pharma during 2025.

The valuation of the intangibles principally reflects the license and distribution agreement for Ogluo® in the UK and Europe less any deduction required following any annual impairment review. Given the performance of Tetris Pharma Ltd mentioned above, it was decided that the intangible assets were fully impaired.

Revenue recognition for formulation development (revenue recognised from contracts with partners - over time)

The Group has identified three key areas of judgement within the partner agreements. Firstly, in relation to the number of distinct performance obligations contained within each collaboration agreement; secondly the fair value allocation of revenue to each performance obligation based on its relative stand-alone selling price; and thirdly the timing of revenue recognition based on the achievement of the relevant performance obligation.

The judgements with regards to the number of distinct performance obligations and the fair value allocation of revenue to each performance obligation, based on relative stand-alone selling price, takes place on a contract-by-contract basis across numerous contracts entered into by the Group. As these judgements take place across numerous contracts, each with different characteristics, it is not practical to provide a quantitative analysis of the impact of applying different judgements, and the Directors do not believe that disclosing a range of outcomes resulting from applying different judgements provides meaningful information to the reader of the financial statements. Consequently, no quantitative analysis has been provided for these judgements.

Key sources of estimation uncertainty

Share-based payments

During the year, the Group has granted share options to staff. These options have no other requirements than the employees continuing to be employed by the Company until the option vesting date. These options were valued using the Black-Scholes model.

The Group also granted Long-Term Incentive Plan (LTIP) options to the Leadership Team which include specific performance criteria. The fair value of these options was calculated using a Monte Carlo simulation model.

Estimates and judgements are used in the calculation of share-based payments. This includes the future volatility of the share price and the use of an appropriate interest rate. Within the active LTIP agreements, there is also a performance obligation for the signing of a significant commercial deal. Depending on the duration of the vesting period remaining, this percentage ranges from 15%-55% on a sliding scale. If this was amended to 100% for all schemes, then there would have been a further charge to the Income Statement of £148k in the year. If this was amended to 0% for all schemes, then the current charge to the Income Statement would have been reduced by £45k in the year. Management do not believe that there is a significant risk of a material adjustment in the next 12 months.

4. Revenue and operating segments

The geographic analysis of the Group's revenue is as follows:

	31 December 2024 £000	**31 December 2023 £000**
UK	**2,884**	2,893
Switzerland	**618**	488
Germany	**598**	332
Netherlands	**433**	-
Italy	**54**	274
USA	**466**	556
India	**-**	30
	5,053	**4,573**

The geographic analysis of the Group's non-current assets is as follows:

	31 December 2024 £000	31 December 2023 £000
UK	**488**	4,075
Netherlands	**-**	132
	488	**4,207**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. Information reported includes revenue, expenditure by type and department, cashflows and EBITDA for the Group.

5. Other operating income

	31 December 2024 £000	31 December 2023 £000
Grant Income	**-**	1,028
RDEC Claim	**267**	114
	267	1,142

Other operating income totalled £0.3 million (2023: £1.1 million). The Government R&D Expenditure Scheme ("RDEC") income of £0.3 million was a £0.2 million increase (2023: £0.1 million) offset by a fall in grant income from £1.0 million to zero. The 2024 RDEC income includes a £0.1 million increase to the 2023 calculated income.

6. Exceptional items

	31 December 2024 £000	31 December 2023 £000
Impairment of goodwill	**1,484**	-
Impairment of intangible assets (licences)	**1,641**	-
Impairment of property, plant and equipment	**163**	-
	3,288	-

As per the requirements of IAS 36, Impairment of Assets, the Group considers on an annual basis the carrying value of its assets against the recoverable amount.

The recoverable amount for assets relating to Tetris Pharma Ltd were determined by comparing the discounted future free cash flows of the company against the carrying value of the assets. As detailed within note 12, these key assumptions for Tetris Pharma Ltd include the level of sales and sales growth, the gross margins obtainable for Ogluo® in the different products and territories and assumptions surrounding the discount rates and terminal growth rates that drive the models. In assessing what were considered the most likely outcomes to a range of scenarios, Management is of the opinion that the non-current assets in Tetris Pharma Ltd were not recoverable and were therefore impaired in full. This impairment was recognised as a loss in through the Income Statement.

Prior to the impairment there was a deferred tax liability of £421k which related to the licences of £1,641k. This liability has been released and is recognised within the taxation line in the Income Statement.

7. Taxation

The total tax credit within the consolidated income statement is as follows:

	31 December 2024 £000	31 December 2023 £000
Loss before tax	**(10,618)**	(8,901)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.00% (2023: 23.50%)	**(2,655)**	(2,092)
Tax effects of:		
Expenses not deductible for tax purposes	**1,255**	443
Enhanced R&D relief	**(200)**	(380)
Surrender of losses at a different rate of tax from R&D tax credits	**260**	403
Prior period adjustment to R&D tax credits	**213**	40
Unrecognised deferred tax	**1,167**	1,271
Origination and reversal of timing differences	**(422)**	(32)
Total tax (credit)	**(382)**	(347)

The group is eligible for UK SME Research and Development tax credits and Research and Development Expenditure Credit

The group is eligible for UK SME Research and Development tax credits and Research and Development Expenditure Credit for the year. Tax credits relating to the SME scheme are recognised within the total tax above, and the Expenditure Credit is recognised within Other Income. Changes in the rates and available schemes for Research and Development incentives provided by the UK Government will impact the future tax charges/credits.

8. Basic and diluted loss per share

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

The diluted loss per share is considered to be the same as the basic loss per share. Potential dilutive shares are not treated as dilutive where they would result in a loss per share.

	31 December 2024	31 December 2023
	£	£
Loss per share from continuing operations	**(0.31)**	(0.28)

The loss and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	31 December 2024	31 December 2023
	£000	£000
Loss used in the calculation of total basic and diluted loss per share	**(10,236)**	(8,554)

	31 December 2024	31 December 2023
Number of shares	Number	Number
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**33,439,766**	30,622,622

9. Intangible assets

	Patents	Licenses	Software	Total
	£000	£000	£000	£000
Cost				
At 1 January 2023	150	1,933	48	2,131
Additions	-	-	-	-
At 31 December 2023	150	1,933	48	2,131
Additions	-	-	-	-
At 31 December 2024	**150**	**1,933**	**48**	**2,131**
Amortisation				
At 1 January 2023	128	83	2	213
Charge for the year	8	89	9	106
At 31 December 2023	136	172	11	319
Charge for the year	8	121	10	139
Impairment for the year	-	1,640	-	1,640
At 31 December 2024	**144**	**1,933**	**21**	**2,098**
Net book value				
At 31 December 2023	14	1,761	37	1,812
At 31 December 2024	**6**	**-**	**27**	**33**

Amortisation is recognised within administrative expenses. Impairment is disclosed within exceptional items.

Patents are amortised over the period of the patent life (0.8 years remaining). Software is amortised over 5 years (3.1 years remaining), which is considered to be the useful life.

As per the requirements of IAS 36, Impairment of Assets, the Group considers on an annual basis the carrying value of its assets against the recoverable amount. It was decided that an impairment of £1,640k (2023: £ nil) would be recognised on the sale and distribution licences that related to Tetris Pharma Ltd. The licences are included in the Tetris Pharma Ltd cash generating unit, further information regarding this is included in note 10.

10. Goodwill

	31 December 2024	31 December 2023

	2024 £000	2023 £000
Goodwill on the acquisition of Tetris Pharma Ltd	-	1,484
	-	1,484

The goodwill arising at the date of acquisition has been tested for impairment. The recoverable amount of goodwill has been calculated based on their value in use with key assumptions including sales levels and projected sales growth, the gross margins obtainable for the different products and territories and assumptions surrounding the discount rates and terminal growth rates that drive the models. The discount rates have been estimated using pre-tax Weighted Average Costs of Capital (WACC) that reflect the current market assessments of the time value of money. The primary reason for movements in these rates between years is the movement in the underlying risk-free rate (defined as the UK Government 30-year bond yield). Sales forecasts and margin expectations are the latest forecasts being used by Tetris Pharma Ltd that have been approved by the Board.

The key assumptions for the cash generating unit are as follows:

Key assumption	**31 December 2024**	**31 December 2023**
Pre-tax WACC	15%	13%
Terminal Growth	2%	2%
Revenue Growth	16%	34%
Average Gross Margin	18%	27%

Following a value in use assessment, management decided that an impairment of £1,484k (2023: £ nil) was required due to the recoverable amount being £ nil.

The key reason for impairment was that the financial performance for Tetris Pharma Ltd remained significantly below expectations and this led management to decide that volumes would not be able to be sold at levels that would make the entity profitable. The goodwill is included in the Tetris Pharma Ltd cash generating unit and it was impaired in full (£1,484k). This is recognised within exceptional items in the Income Statement.

11. Trade and other receivables

Non-current receivables	**31 December 2024 £000**	**31 December 2023 £000**
Amounts receivable from employees	**6**	27
Other receivables	**49**	50
	55	77

Current receivables	**31 December 2024 £000**	**31 December 2023 £000**
Trade receivables	**2,531**	2,268
Other receivables	**37**	102
Amounts receivable from employees	**66**	129
Accrued income	**240**	87
Accrued grant income (other operating income)	**-**	280
Prepayments	**971**	323
	3,845	3,189

12. Cash and cash equivalents

	31 December 2024 £000	**31 December 2023 £000**
Cash at bank (GBP)	**3,068**	4,299
Cash at bank (USD)	**25**	570
Cash at bank (EUR)	**146**	224
	3,239	5,093

At the reporting date all significant cash and cash equivalents were deposited in the UK with large international banks.

13. Short-term investments

	31 December 2024 £000	**31 December 2023 £000**
Short-term investments held in notice accounts	**18**	1,659
	18	1,659

14. Inventory

	31 December 2024 £000	31 December 2023 £000
Finished goods or goods for re-sale	**443**	479
Goods for packaging and packaging materials	**35**	258
Bulk pharmaceutical materials	**-**	34
	478	771

Finished goods, goods for re-sale and goods for packaging relate to pharmaceutical products sold by Tetris Pharma Ltd.

During the year £2,786k of inventory was recognised as an expense (2023: £2,746k). This included £95k (2023: £737k) recognised as an expense in relation to writing down inventory to its net realisable value, offset by a £37k reduction in the prior year provision when sales increased for inventory previously categorised as slow-moving (2023: £193k).

15. Trade and other payables

	31 December 2024 £000	31 December 2023 £000
Trade payables	**1,023**	2,246
Other tax and social security	**93**	100
Other creditors	**92**	192
Contract liabilities	**85**	232
Accruals	**1,776**	2,133
	3,069	4,903

As at 31 December 2024 amounts paid in advance of £0.1 million (2023: £0.2 million) were reported as contract liabilities. These are expected to be recognised within the next financial year.

Included within accruals at the reporting date was a balance of £ nil (2023: £0.3 million) relating to clinical study costs.

16. Share capital

	31 December 2024 Number	31 December 2024 Nominal value £000
Ordinary shares - par value £0.01		
Allotted, called up and fully paid		
Ordinary shares of £0.01	37,756,601	378
As at 31 December 2024	**37,756,601**	**378**

	31 December 2023 Number	31 December 2023 Nominal value £000
Ordinary shares - par value £0.01		
Allotted, called up and fully paid		
Ordinary shares of £0.01	30,626,986	306
As at 31 December 2023	**30,626,986**	**306**

The Company has a single class of Ordinary share that bear no rights to fixed income.

The following shares were issued in the periods presented:

	Number	Share Capital £000	Share Premium £000
As at 1 January 2024	30,626,986	306	28,976
Issue of Ordinary shares of £0.01	7,129,615	72	6,345
Share issue expenses	-	-	(637)
As at 31 December 2024	**37,756,601**	**378**	**34,684**

	Number	Share Capital £000	Share Premium £000
At 1 January 2023	30,618,183	306	28,976
Issue of Ordinary shares of £0.01 on exercise of share options	8,803	-	-
At 31 December 2023	**30,626,986**	**306**	**28,976**

17. Share-based payments

Share Options

The Company operates an All-Employee Share Option Plan (AESOP) and grants share options to eligible employees. The ordinary shares acquired on exercise of the LTIP options are subject to a holding period of a minimum of one year from the date of vesting.

	Number of options
Balance as at 1 January 2023	1,627,803
Options vested and exercised	(8,803)
AESOP options granted	86,250
LTIP options granted	190,000
Options lapsed (AESOP and LTIP)	(236,917)
Balance as at 31 December 2023	**1,658,333**
AESOP options granted	382,250
LTIP options granted	820,000
Options lapsed (AESOP and LTIP)	(588,583)
Balance as at 31 December 2024	**2,272,000**

Details of the number of share options and the Weighted Average Exercise Price (WAEP) outstanding during each period presented are as follows:

31 December 2024	**Directors Number of Options**	**WAEP £**	**Staff Number of Options**	**WAEP £**
Outstanding at the beginning of the year	799,333	0.66	859,000	1.29
Issued	386,000	0.28	816,250	0.62
Exercised	-	-	-	-
Expired	(156,333)	1.38	(432,250)	0.98
Outstanding at the year end	**1,029,000**	**0.41**	**1,243,000**	**0.96**
Number vested and exercisable at 31 December 2024	530,000		155,000	
Weighted average remaining contractual life (years)	7.8		8.4	

31 December 2023	**Directors Number of Options**	**WAEP £**	**Staff Number of Options**	**WAEP £**
Outstanding at the beginning of the year	799,333	0.66	828,470	1.43
Issued	-	-	276,250	0.80
Exercised	-	-	(8,803)	0.01
Expired	-	-	(236,917)	1.25
Outstanding at the year end	**799,333**	**0.66**	**859,000**	**1.29**

18. Ultimate controlling party and related party transactions

The Directors do not consider there to be an ultimate controlling party.

During July 2024, Sarah Howell purchased 16,666 shares, Andrew Richards purchased 27,777 shares, Alan Smith purchased 22,222 shares, Sam Fazeli purchased 27,777 shares and Christine Soden purchased 11,111 shares. All these share purchases took place at 90p per share.

19. Post balance sheet events

On 9 January 2025, Arecor Therapeutics plc decided to cease operations within the Group's subsidiary Tetris Pharma Limited during 2025. This strategic decision to cease Tetris Pharma operations will enable the Group to focus its efforts and resources on opportunities that offer higher potential for value creation. The consolidated loss after tax in Tetris Pharma Limited for 2024 was £2.1 million (2023: £2.3 million) and net assets were £1.6 million (2023: £1.7 million). These amounts exclude intercompany charges and intercompany liabilities. No estimate can be made of the financial effect of the Tetris cessation during 2025 due to the level of uncertainty.

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