

28 April 2025

Hemogenyx Pharmaceuticals plc
("Hemogenyx Pharmaceuticals" or the "Company")

Final Results

Hemogenyx Pharmaceuticals plc (LSE: HEMO), the biopharmaceutical group developing new therapies and treatments for blood diseases, announces its final audited results for the year ended 31 December 2024. The Annual Report is available to view on the Company's website at <https://hemogenyx.com/>.

Key Highlights

- The Company commenced Phase I clinical trials of its HG-CT-1 product candidate.
- Continuing development of Chimeric Bait Receptor antiviral/biodefence platform, which gained attention at major conferences.
- Successfully raised £3.9 million (before expenses) through the allotment and issue of new ordinary shares during the year ended 31 December 2024, and a further £1.3 million in early 2025.

Fuller details of these developments are contained in the full, unedited text of the final results for the year ended 31 December 2024 below.

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Chairman's Statement

The 2024 financial year was a pivotal period of transition, validation, and progress for Hemogenyx Pharmaceuticals plc. In an industry climate marked by capital constraints and macroeconomic uncertainty, we advanced boldly into clinical-stage development, made substantial progress across all our programs, and built momentum that has carried us strongly into 2025.

Our mission-to deliver innovative therapies to patients suffering from life-threatening hematologic conditions-remains at the heart of all we do. This past year has demonstrated our scientific discipline, operational resilience, and unwavering commitment to patients, partners, and shareholders.

HG-CT-1 (formerly HEMO-CAR-T)

Our lead clinical asset, HG-CT-1, is a proprietary CAR-T cell therapy designed to treat relapsed or refractory acute myeloid

leukemia (R/RAML). In June 2023, our IND submission to the U.S. Food and Drug Administration (FDA) was placed on clinical hold due to third-party vector impurities. This was addressed swiftly and transparently through a complete investigation and corrective actions.

In January 2024, the FDA lifted the clinical hold, allowing us to resume clinical development. Thereafter, we received IRB approval from MD Anderson Cancer Center, cleared all institutional onboarding, and prepared for patient enrolment.

In February 2025, we dosed our first patient in the Phase I trial of HG-CT-1, marking a historic milestone for the Company. By March, we announced that the treatment had been well tolerated, with no adverse effects observed, successfully passing the initial safety assessment. Early signals of efficacy were encouraging, and monitoring continues in accordance with protocol.

Also in March, the second patient was recruited, and manufacturing of HG-CT-1 was initiated. In April 2025, we filed our first FDA-mandated Annual IND Report, documenting our progress and setting a roadmap for continued enrolment in the year ahead.

In parallel, we expanded the clinical program through a strategic partnership with Prevail InfoWorks and Prevail Partners. This collaboration supports pediatric development and additional clinical sites in the U.S., further accelerating the program's scalability and reach.

CBR Platform

Hemogenyx's Chimeric Bait Receptor (CBR) technology has continued to evolve as both a highly promising anti-cancer and antiviral immunotherapy platform. In 2024, we made substantial strides across multiple fronts:

- We demonstrated improved efficiency in lentiviral transduction for CBR-expressing cells.
- Developed an intranasal mRNA-based delivery route potentially enabling mucosal immunity—a key advance for respiratory infections.
- Progressed IND-enabling studies, including scale-up and formulation work, while identifying central nervous system related indications.

The CBR platform also gained attention at major conferences, including the Macrophage-directed Therapies Summit and the CBD Science & Technology Symposium, where Hemogenyx Pharmaceuticals presented its preclinical progress.

CDX Antibody Program

We continued IND-enabling work for our CDX bispecific antibody for the treatment of R/R AML as well as conditioning in transplant settings. In early 2024, a new clone of the antibody was developed with improved affinity and manufacturability. This platform remains a priority for future partnering and development opportunities.

Strategic Manufacturing Partnership

In December 2024, we announced a collaboration with Kure.ai to co-develop an ultrafast CAR-T manufacturing platform tailored to HG-CT-1. This partnership has the potential to dramatically reduce production times, improve scalability, and extend our technology to broader hematologic indications, including KMT2A-rearranged Acute Lymphoblastic Leukemia.

Financing and Investor Confidence

Despite one of the most challenging biotech funding climates in recent memory, we successfully raised over £3.9 million (before expenses) in 2024 and completed three further equity financings in Q1 2025 totalling £1.33 million (before expenses). Including, in March 2025, when we welcomed a new institutional investor contributing £709,200 to support the HG-CT-1 trial. This continued access to capital reflects growing investor confidence in our science and strategy.

The milestones achieved by the Company over the last year underscore the exceptional progress we have made—advancing multiple complex programs with a level of capital efficiency that is rarely achieved in our industry. This track record is a testament to the strength of our team, our focus, and our ability to deliver meaningful results with disciplined use of resources.

Corporate Developments

In January 2025, we appointed Westend Corporate LLP as our new Company Secretary and relocated our registered office to 6 Heddon Street, London.

We also maintained transparency with regulators and stakeholders by submitting our FDA IND annual report and keeping the market updated through regular RNS announcements.

Looking Forward

We enter the second quarter of 2025 with optimism and focus. The successful first-in-human administration of HG-CT-1, promising early results, and the recruitment of the second patient firmly establish Hemogenyx as a clinical-stage company with real-world momentum.

We are deeply grateful to our shareholders for their continued support and belief in the Company, especially during a period of transformation. We strive every day to create long-term value for them and for all stakeholders.

Finally, I would like to thank our extraordinary team of scientists and advisors for their perseverance, vision, and dedication. Hemogenyx is positioned not only to progress but to lead in transforming the treatment of life-threatening blood diseases.

Board of Directors and Senior Management

Professor Sir Marc Feldmann - Non-Executive Director & Chairman - appointed 9 April 2018

Professor Sir Marc Feldmann is a pre-eminent medically trained immunologist at the University of Oxford where he was Head of the Kennedy Institute of Rheumatology until 2014 and now Emeritus Professor, and a Visiting Professor at Rockefeller University, New York. He trained in medicine at Melbourne University and then earned a Ph.D. in Immunology at the Walter & Eliza Hall Institute with Sir Gus Nossal, before working in London at the Imperial Cancer Research Fund. Sir Marc's main research interests are immunoregulation, understanding mechanisms of autoimmunity and the role of cytokines in disease, and working out how to fill unmet medical needs.

His work in London led to the generation of a new hypothesis for the mechanism of autoimmunity, linking upregulated antigen presentation and cytokine expression. Testing this hypothesis led to the discovery, with colleague Sir Ravinder Maini, of the pivotal role of TNF α (Tumour Necrosis Factor alpha) in the pathogenesis of rheumatoid arthritis. This major discovery has revolutionised therapy not only of rheumatoid arthritis but other chronic inflammatory diseases (e.g. inflammatory bowel disease, psoriasis, and ankylosing spondylitis), and helped change the perception of monoclonal antibodies from niche products to mainstream therapeutics. Anti-TNF therapeutics are the current leading drug class with 2022 sales exceeding US 42 billion.

This has led to much scientific recognition, for example election to the Royal Society and Academy of Medical Sciences in London, the National Academy of Sciences USA and the Australian Academy of Science, and multiple major International prizes including the Crafoord Prize of the Royal Swedish Academy of Sciences, the Albert Lasker Clinical Research Award (NY), the Ernst Schering Prize, the Paul Janssen Award for Biomedical Research, the Canada-Gairdner Award, and more recently the Tang prize. He was also the first recipient in biology or medicine of the EU/European Patent Office Inventor of the Year Award in the Lifetime Achievement category. In addition, Sir Marc has advised more than 20 of the largest pharmaceutical and biotech companies in the world and has mentored some of the most successful scientists, many of whom have become senior figures in the commercial pharmaceutical world. Sir Marc was knighted in the 2010 Queen's Birthday Honours, and was honoured in Australia with the knighthood equivalent, the Companion of the Order of Australia.

Sir Marc has been at the forefront of promoting effective scientific-medical-pharmaceutical interactions. He has built up a huge network of friends and collaborators who meet regularly in Oxford and who will help Hemogenyx Pharmaceuticals to grow.

Dr Vladislav Sandler - Chief Executive Officer - appointed 4 October 2017

Dr Vladislav Sandler is the Co-Founder and CEO of Hemogenyx Pharmaceuticals and a research Assistant Professor at the State University of New York (SUNY) Downstate. Dr Sandler is a widely published stem cell scientist with decades of experience in scientific research. In particular, Dr Sandler has extensive experience developing novel methods of direct reprogramming of somatic cells into functional and engraftable hematopoietic stem cells, as well as developing novel sources of pluri- and multi-potent cells.

Dr Sandler has conducted his research at many leading institutions in Russia, Israel, Canada and the United States, including at the Children's Hospital at Harvard Medical School, the Salk Institute for Biological Sciences, Harvard University and Albert Einstein College of Medicine, among others. He also led a team of scientists at Advanced Cell Technologies, Inc. and was most recently on the faculty of Weill Cornell Medical College. While at Cornell, Dr Sandler made the significant discovery that the cells that give rise to blood stem cells during mammalian development continue to exist after birth, and he developed the method of isolation of these cells from humans. As a result of this important work, Dr Sandler was awarded the inaugural

Daedalus Fund Award for Innovation at Cornell. He went on to found Hemogenyx Pharmaceuticals in order to further pursue this significant scientific discovery and his dedication to the translation of science into clinical practice.

Dr Sandler has published numerous peer-reviewed papers and has received a number of awards and fellowships for his scientific research. Dr Sandler received his PhD from the University of British Columbia. He is a member of the International Society for Stem Cell Research.

Alexis Sandler - Non-Executive Director - appointed 4 October 2017

Alexis M. Sandler is the co-founder of Hemogenyx Pharmaceuticals, for which she has served as the Chief Operating Officer. Ms Sandler is an attorney specialising in intellectual property, with over 20 years of experience representing a range of companies and institutions.

Ms Sandler is the General Counsel of The Frick Collection. A talented and respected attorney with a wide range of experience and expertise, Ms Sandler previously served for nearly a decade as in-house counsel for The Museum of Modern Art. Prior to that, she worked as the director of business and legal affairs for a major media and entertainment company, and in private practice for several prominent law firms.

Ms Sandler received her AB from Harvard University and her JD from the UCLA School of Law and is a member of the State Bar of New York and the State Bar of California.

Peter Redmond - Non-Executive Director - appointed 29 July 2015

Peter Redmond is a corporate financier with over 40 years' experience in corporate finance and venture capital. He has acted on and assisted a wide range of companies to attain a listing over many years on the former Unlisted Securities Market, the Main Market of the London Stock Exchange and AIM, whether by IPO or in many cases via reverse takeovers, across a wide range of sectors, ranging from pharmaceuticals, through technology, financial services and natural resources. In recent years has done so as a director and investor in the companies concerned.

He was a founder director of a number of investment companies listed on the Standard List of the Stock Exchange, all of which went on to complete significant reverse takeovers resulting in admission as active businesses on AIM or back onto the Standard List. In particular, he was a founder director of Silver Falcon plc, the Company into which Hemogenyx Pharmaceuticals reversed, and he took a leading role in negotiating and effecting the reverse takeover. He undertook the same role in the rescue, reconstruction and refinancing of many AIM-quoted companies that had previously run into difficulties and took a significant active part in fundraising for the above companies - in particular Standard-listed GEM Resources plc, of which he remains a director.

Directors' Strategic Report for the year ended 31 December 2023

The Directors present their Strategic Report of Hemogenyx Pharmaceuticals plc for the year ended 31 December 2024.

Introduction

This Strategic Report comprises several sections, namely: the Group's objectives, the Group's strategy and business model, a review of the Group's business using key performance indicators, and the principal risks and uncertainties facing the business.

The disclosures under s172 of the Companies Act 2006 are included in the Governance Report on page 26.

Objectives

The Group's objective is to develop breakthrough therapies for the treatment of blood and autoimmune diseases, rare cancers and of certain viral infections.

Strategy and Business Model

The Group's long-term strategy is to create a suite of products to address current problems associated with the treatment of blood disorders such as leukemia-type cancers and autoimmune diseases, with the treatment of viral infections and certain non-blood cancer conditions, and advanced methods of conditioning of blood stem-cell transplants. The latter represents an important part of the solution to treating blood-related diseases, with the opportunity to improve outcomes through reduced blood stem cell transplant rejection and relapse, and if successful potentially provides long-term cures for these diseases.

The Group's business model aims to advance its therapies through clinical proof-of-concept, taking them towards a final stage of development. This is intended to be achieved either through the Company itself taking the product into and through clinical trials or by the licensing of one or more of its therapies to partners in return for potential upfront payments, research funding support, success milestone and royalty payments.

Operational Review and Outlook

The operational review and outlook are set out in the Chairman's Statement on page 3.

Financial Review

The Group incurred a loss for the year to 31 December 2024 of £5,625,478 (31 December 2023: £6,696,493 loss).

In the year to 31 December 2024 the loss mainly arose from operational expenses pursuing the Group's objectives listed above as well as salaries, consulting and professional fees, and general administration expenses. These expenses have been met from the proceeds of equity placings that were undertaken during the period.

Cash flow and cash position

Cash used in operations totalled £3,516,813 (31 December 2023: £6,105,570).

As at 31 December 2024, the Group had a cash balance of £159,265 (31 December 2023 - £1,247,601).

Key Performance Indicators ("KPIs")

The Directors have identified the KPIs below that they feel are the most vital measurements for the Group to monitor given its current stage of development. KPIs are monitored on an annual basis to ensure that they remain the most important and relevant measure of performance and progress.

Cash management

In the year the Company undertook several fundraises in furtherance of its research and development strategy, raising a total of £3,925,000 (before expenses). As of 31 December 2024 the cash position was £159,265 (31 December 2023: £1,247,601).

The Group carefully plans expenditure with rolling cash flow forecasts and tight financial control. The Group takes a collaborative cost sharing approach with business partners and avoids long-term commitments as far as possible.

As detailed in the Future Developments and Events Subsequent to the Year End note on page 21, in January 2025 the Company successfully raised £340,000 (before expenses) through the issue of 100,000 new ordinary shares at a price of 340p per share. In February 2025 the Company raised £285,000 through the issue of convertible loan notes, which converted into 95,000 ordinary shares on 13 March 2025.

Additionally, on the 11 March 2025 the Company announced it had issued 394,000 new ordinary shares raising £709,200 (before expenses).

Intellectual property

The Group is focused on developing new drugs and cell therapy products for blood and autoimmune diseases, HSC/BM transplantation, rare cancers and certain viral infections. The Group, or its licensors, has applied for patents to protect its proprietary technology and future products, which are in varying stages of development.

The success of the Group will depend largely on the Group's ability to implement successful drug development programmes, obtain the required regulatory approvals (in various territories), protect and exploit its own intellectual property and know-how and the intellectual property and know-how licensed to it, and to generate a cash flow in accordance with the strategy of the Group. Intellectual property is protected by the Group through taking a pro-active approach to filing patents over its products and technologies, as well as the diligent maintenance and protection of such patents and licences.

The Group patent portfolio currently includes:

CDX bi-specific antibodies ("CDX")

The patent application relating to CDX bi-specific antibodies was filed by Hemogenyx Pharmaceuticals LLC in the USA on 4 April 2016 ("CDX Patent") and awarded as Patent Number US 11,021,536 B2 on 1 June 2021. The invention summarised in the patent application is a method of eliminating hematopoietic stem cells/hematopoietic progenitors ("HSC"/"HP") in a patient using bi-specific antibodies specifically binding to a protein predominantly expressed on the surface of HSC/HP and to a protein uniquely expressed on a surface of immune cells. The bound bi-specific antibodies redirect immune cells to eliminate HSC/HP. The invention relates to the required conditioning of a patient prior to a BM/HSC transplant. In this respect, the invention serves two main purposes:

- it provides adequate immunosuppression of the patient and clears sufficient niche space in the bone marrow for the transplant of HSC. This allows transplanted cells to engraft in the recipient; and
- it could potentially help to eradicate the source of malignancy.

On 4 April 2017, an international PCT (Patent Cooperation Treaty) application was filed by Hemogenyx Pharmaceuticals which includes additional claims that extend the CDX Patent set out in the provisional patent application. These claims protect specific sequences of several high-quality clones discovered and validated by the Group. The claim extension transforms the original "method" provisional patent application into a "composition of matter" PCT application. A patent was granted in China in July 2022 covering both transplant conditioning and AML treatment applications. An additional composition of matter patent application titled *Bispecific Anti-FLT3/CD3 Antibodies and Methods of Use* (covering novel sequences of the antibodies discovered and validated by the Company in collaboration with Eli Lilly & Company) was filed following completion of the Lilly collaboration agreement and was published by the World Intellectual Property Organization on 23 February 2023 as publication number WO/2023/023489.

Furthermore, on the 2 February 2024 the United States Patent and Trademark Office granted a patent to the Company entitled *Method of Eliminating Hematopoietic Stem Cells/Hematopoietic Progenitors (HSC/HP) in a Patient Using Bi-specific Antibodies*. The original patent application is issued as U.S. Patent No. 11,945,866 on 2 April 2024.

Monoclonal antibodies

In July 2019 the Group filed a composition of matter patent application entitled *Monoclonal Antibodies to Human FLT3/FLK2 Receptor Protein* in relation to newly-discovered monoclonal antibodies against a target protein expressed on the surface of hematopoietic stem cells/hematopoietic progenitors and a number of leukemias, such as acute myeloid leukemia ("AML"). The patent was granted on 31 August 2021 as Patent Number US 11,104,738. This patent covers composition of matter (sequences) of monoclonal antibodies to the human FLT3/FLK2 receptor protein that is found on the surface of acute myeloid leukaemia cells, hematopoietic (blood-forming) stem cells and progenitors ("HSC/HP"), and dendritic cells. It also covers a method of application of the Group's bi-specific CDX antibodies for conditioning patients for bone marrow transplantation.

HG-CT-1

A PCT patent application titled *Anti-FLT3 Antibodies, CARs, CAR T Cells and Methods of Use* was published by the World Intellectual Property Organization on 23 February 2023 under number WO/2023/023491, detailing the Company's Chimeric Antigen Receptor sequences including anti-FLT3 antibodies.

Hu-PHEC cell therapy

The patent relating to Hu-PHEC was filed by Cornell University in several jurisdictions on 13 November 2014. The patent was approved and issued in the United States of America on 25 February 2020 and published by the European Patent Office on 13 May 2020. The invention summarises a method of isolation and identification of post-natal hemogenic endothelial cells, as well as the provision of substantially purified populations of post-natal hemogenic endothelial cells, compositions of post-natal endothelial cells and methods to utilise post-natal hemogenic endothelial cells to regenerate the hematopoietic system in a patient.

Advanced Hematopoietic Chimeras

The provisional patent application relating to the Group's proprietary humanised mouse model, the Advanced Hematopoietic Chimera ("AHC"), is an application filed by Dr Sandler and Dr Rita Simone in the USA on 20 February 2018. The invention summarised in the patent application is mice whose hematopoietic system is at least 40% humanised and methods for preparing the same. The patent was assigned to the Group's subsidiary Immugenyx LLC on 24 May 2018. In June 2019 the Group

announced that Immugenx LLC has further refined its work to develop the Advanced peripheral blood Hematopoietic Chimera ("ApbHC") as a research and development tool. The major advantage of the ApbHC compared to other humanised mouse models known to the Group is the absence of Graft versus Host Disease, a disease that complicates and often renders impossible the efficient use of peripheral blood mononuclear cells in transplanted mice. The ApbHC can potentially be used for testing multi-specific antibodies, including its own bi-specific CDX antibody, as well as for the development and testing of new cell therapies involving immune cell programming such as CAR-T. ApbHC can also potentially be used for the modelling of autoimmune diseases, such as Systemic Lupus Erythematosus (aka Lupus), with a goal of developing fundamentally new treatments for those diseases.

Chimeric Bait Receptor ("CBR")

In March 2022, the Company filed a seminal provisional patent application protecting its rights to the intellectual property covering its CBR platform technology, a new paradigm for treating viral infections from which constructs targeting viral pathogens and potentially malignancies may be derived and for certain cancer and neurological conditions. On 7 September 2023 the Company filed patent application number WO2023168292 *Chimeric Bait Receptors and Uses Thereof* with the World Intellectual Property Organization. At the time of reporting, it remains to be reviewed and approved by national patent authorities.

Product development

The Group develops therapies for the treatment of AML, for the treatment of a range of viral conditions and certain rare cancers and conditions as well as for the improvement of bone marrow and blood stem cell transplant procedures.

HG-CT-1 is a therapy for the treatment of AML in which a patient's own T-cells, a type of immune cell, are modified to recognise and kill the patient's cancer cells. The procedure involves: isolating T-cells from the patient; modifying the isolated T-cells in a laboratory using a CAR gene construct (which allows the cells to recognise the patient's cancer); amplifying (growing to large numbers) the newly modified cells; and re-introducing the cells back into the patient.

CBR is a broad and versatile range of potential treatments based on the methodology of programming immune cells using a novel type of modifiable synthetic receptor to destroy viral pathogens. This approach can also potentially be used to programme immune cells to destroy malignant cells causing certain types of cancer and potentially also some neurological conditions.

CDX aims to treat AML as well as to replace the need for existing methods of preparation of patients for transplantation, such as chemotherapy and radiation treatments, and at the same time address the problem of finding matching stem cell donors whilst reducing the risk of blood stem cell rejection after transplantation.

The Group's lead product, HG-CT-1, is at the stage of conducting clinical trials. Its other key products, CDX antibodies, the CBR platform, and CBR, are currently in preclinical development. In addition, the Group's advanced hematopoietic chimera ("AHC") mice have been the subject of collaborations with other pharmaceutical companies to evaluate AHCs' effectiveness as platforms for disease modelling and drug discovery and are being used by the Company currently for its own product development.

The Directors monitor product development through pre-clinical results. The CDX and CAR-T products have been successfully evaluated in the Group's proprietary humanised mouse model, achieving proof of concept. Furthermore, we have achieved notable demonstrations of both CDXs and HG-CT-1's activity versus AML cells *in vitro* and *in vivo*. If successful, the Company may be able to use the CDX and/or CAR-T products to eliminate relapsed or refractory acute myeloid leukaemia ("R/R AML") in patients who qualify for bone marrow transplantation. HG-CT-1 has already entered clinical trials. The Company is also investigating the possibility of using its CDX antibodies in combination with other treatments for AML to increase their effectiveness.

A CBR construct designed to target SARS-CoV-2 has been tested *in vitro*, and *in vivo* tests against live replicating viruses are ongoing, as is work on CBR for use against certain cancers such as Non-Hodgkin Lymphoma ("NHL") certain solid tumours and neurological conditions.

Diversity

Hemogenyx Pharmaceuticals is committed to workplace diversity which includes but is not limited to gender, age, ethnicity and cultural background.

Hemogenyx Pharmaceuticals' Diversity Policy defines initiatives which assist the Company in maintaining and improving the diversity of its workforce. The table below highlights the proportion of men and women engaged by the Group:

diversity of its workforce. The table below highlights the proportion of men and women engaged by the Group.

	Men	Women
Organisation as a whole	7	9
Executive management team	2	-
Board	3	1

The board is comprised of individuals from white British and other white ethnic backgrounds.

Board of Advisors

The Group engages the services of a Board of Advisors who are highly experienced in both the clinical development of treatments and regulatory processes to commercialisation. In addition to Professor Sir Marc Feldmann, who runs the Board of Advisors in addition to his role as Chairman, the advisors are:

Dr H. Michael Shepard, Ph.D.

SCIENTIFIC ADVISOR

- Led the discovery and development of many successful cancer treatments including Herceptin/trastuzumab - annual sales exceed 6.5 billion worldwide
- Received Harvard Medical School's prestigious Warren Alpert Prize in recognition of contributions to the field of cancer treatment research
- Founded NewBiotics, Inc., acquired by Kiadis Pharma
- Founded BioLogix, acquired by Symphogen

Dr Koen van Besien M.D.

CLINICAL ADVISOR/MEDICAL DIRECTOR

- Hematology Chief and Director of the Wesley Center for Immunotherapy at University Hospitals Seidman Cancer Center
- Professor of Medicine at NYP-Weill Cornell College of Medicine
- Developed novel methods of transplantation for those patients who lack matching donors
- >200 publications in peer reviewed journals
- Editor in Chief of the journal *Leukemia and Lymphoma*

Corporate Responsibility

We have defined the scope of our Group's responsible business practices as falling within the following key focus areas:

- Health and Safety - ensuring the safety and well-being of our staff
- Environment - managing our environmental impact areas of waste, energy and water
- Employees - supporting our people to develop and flourish within the business
- Community - positive interaction with the communities in which we operate
- Ethical Standards - operating to the highest ethical standards

We remain committed to ensuring these activities become embedded in how we operate and contribute towards the success of our business. This includes not only identifying and managing business risk but exploring opportunities to add value to the business.

Greenhouse Gas Emissions

Given the nature of its activities, there is limited scope for the Group to have a major impact on environmental matters. Nevertheless, the Directors are mindful of their responsibilities in this regard and strive to seek opportunities where improvements may be made.

Climate-related Financial Disclosures

The Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations serve as a global foundation for effective reporting on the operational and financial implications of the interrelationship between climate change and business, and set out recommended disclosures structured under four core elements:

- Governance - The organisation's governance around climate-related risks and opportunities
- Strategy - The actual and potential impacts of climate-related risks and opportunities for an organisation's businesses, strategy, and financial planning

- Risk Management - The processes used by the organisation to identify, assess, and manage climate-related risks; and
- Metrics and Targets - The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

These are supported by recommended disclosures that build on the framework with information intended to help investors and others understand how reporting companies assess climate-related risks and opportunities.

The table below shows our current progress against the TCFD recommendations.

TCFD Pillar	Recommended Disclosure	Hemogenyx Pharmaceuticals Summary
Governance	<ul style="list-style-type: none"> • Board's oversight of climate-related risks and opportunities • Management's role in assessing and managing climate-related risks and opportunities 	<p>As a development stage biopharmaceutical business, the Group's operations are at a relatively small scale and so therefore is its environmental impact. Nevertheless, the Board recognises its responsibility to protect the environment (particularly as the business scales up).</p> <p>The Board has oversight of climate-related matters (which include risks and opportunities). The board is supported by the Audit Committee, which is responsible for keeping under review the adequacy and effectiveness of the Group's internal control and risk management systems, which consider climate-related risks.</p>
Strategy	<ul style="list-style-type: none"> • Climate-related risks and opportunities identification • Climate-related risks and opportunities impacts • Resilience of the organisation's strategy 	<p>Hemogenyx Pharmaceuticals is committed to a net zero and healthier planet, and this is part of the Group's strategic long-term priorities.</p> <p>The Board is committed to conserving natural resources and striving for environmental sustainability, by ensuring that its facilities (and the facilities of academic and contracted collaborators) are operated to optimise energy usage; minimising waste production; and protecting nature and people.</p> <p>As Hemogenyx Pharmaceuticals enters the next stage of its development, clinical trials, ESG will be at the heart of the Board and management's vision and strategy to enable climate-related risks and opportunities to be identified and suitably mitigated/actioned.</p> <p>The information collected will allow the Board to challenge the Group's strategy to ensure it is as resilient as possible.</p> <p>In the short-term, clinical trials are not expected to have any impact on the Company's environmental impact as research will remain small and within the same facilities it currently operates from. However, this will be continually monitored.</p>
Risk Management	<ul style="list-style-type: none"> • Identifying and assessing climate-related risks • Managing climate-related risks • Integration into overall risk management 	<p>Given the small scale of its current operations, Hemogenyx Pharmaceuticals has the ability to embed climate-related risk management systems into its overall internal control systems from an early stage of its journey, thus almost eliminating the occurrence of transition risk.</p> <p>As operations scale up in the coming years, the identification, assessment and effective management of climate-related risks and opportunities will be actively discussed during Board and management meetings.</p>
Metrics and Targets	<ul style="list-style-type: none"> • Climate-related metrics • Scope 1, Scope 2, and Scope 3 emissions. • Climate-related targets 	<p>As the Group's operations scale up, it will continue to monitor its energy use. The Group will seek to collect, structure, and effectively disclose related performance data for the material climate-related risks and opportunities identified where relevant.</p> <p>The Board will also look to adopt SASB recommended disclosures in the next 2-3 years.</p> <p>The Group already minimises business travel, and therefore energy use and emissions, through the use of Internet-based communications tools. It has a policy of preferring devices with low energy consumption where a choice is available, and switching them off when not in use.</p>

TCFD Pillar	Recommended Disclosure	Hemogenyx Pharmaceuticals Summary
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Principal Risks and Uncertainties

The Group operates in an uncertain environment and is subject to a number of risk factors. The Directors have carried out a robust assessment of the principal risks facing the Group, including those that threaten its business model, future performance, solvency or liquidity. They consider the following risk factors are of particular relevance to the Group's activities and to any investment in the Group. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

The risk factors are summarised below:

Risks relating to the Group's business strategy

The Group's business is relatively undeveloped

The operations of Hemogenyx Pharmaceuticals are at a relatively early stage and, to date, no commercial sales of its products have been made. The ability of the Group to achieve commercialisation is dependent on a number of factors, many of which are outside of the Group's control. Examples of factors outside of the Group's control are capital market conditions, FDA approval and competition.

Business strategy of the Group

The development of clinical products for new medical treatments is inherently uncertain, with high failure rates in clinical studies for both early and late-stage development products and such clinical studies can be expensive, time-consuming and complicated and there is no certainty as to the outcome of such studies. Even once clinical studies have been successfully carried out, later phase trials may not successfully replicate or improve on such outcomes.

Staffing and key personnel

The Group is reliant on a number of the key personnel, in particular Dr Vladislav Sandler who is the founder of Hemogenyx Pharmaceuticals (refer to Corporate Governance Report for further detail). Whilst the Group has endeavoured to ensure that it has contractual arrangements which include non-compete restrictions in place with such persons to lessen the risk of them ceasing to be involved with the Group, in the event that the Group was to lose the services of such individuals, its results could be adversely affected.

Costs of commercialisation

The ability of the Group to bring its products to first commercial sale will be dependent in part on the overall costs of manufacturing and the costs involved could be significant and there is no guarantee that the sale prices achievable for its products will be viable and sustainable.

Clinical studies and timelines risk

Hemogenyx Pharmaceuticals is currently progressing its product candidates through preclinical development and the first stages of clinical trials. Although encouraging results have been achieved so far, there can be no certainty that these results can be reproduced in clinical trials and as existing clinical trial progresses. The monies raised in Placings and Subscriptions support those preclinical and clinical development activities.

The development of clinical products for new medical treatments is inherently uncertain, with high failure rates in clinical studies for both early- and late-stage development products. Furthermore, such clinical studies (Phase 1, Phase 2a/2b, Phase 3) are typically expensive, complex, can take considerable time to complete and have uncertain outcomes.

Furthermore, as a result of adverse, undesirable, unintended or inconclusive results from any testing or clinical trials, the future progress, planning and potential treatment outcome of the products and clinical programmes may be affected and may potentially prevent or limit the commercial use of one, many or all of the Company's products. In addition, later phase clinical trials may fail to show the desired safety and efficacy obtained in earlier studies, and a successful completion of one stage of clinical development of an investigational clinical product does not ensure that subsequent stages of clinical development will be successful.

Failure can occur at any stage of clinical development and, as a result, enforced delays to the clinical development plan could delay or prevent commercialisation of the Company's product candidates. Various factors associated with the potential failure or delay in completing a clinical programme include, but are not limited to:

- Delays in securing clinical investigators or clinical study sites;
- Delays in securing any regulatory authority, hospital ethics committee, or institutional review board approval or approvals necessary to commence a clinical study;
- Delays or failure to recruit a sufficient number of clinical study participants in accordance with the clinical study protocol;
- Difficulty or inability to monitor subjects adequately during or after treatment;
- Inability to replicate in Phase 3 controlled studies any safety and efficacy data obtained from controlled Phase 2a/2b clinical studies;
- Difficulty or inability to secure clinical investigator compliance to follow the approved clinical study protocol; and
- Unexpected adverse events or any other safety or related issues.

Research and development risk

The Group operates in the biotechnology and bio-pharmaceutical development sectors and carries out complex scientific research. If the research or preclinical testing or clinical trials of any of Hemogenyx Pharmaceuticals' product candidates fail, meaning that these candidates will not be licensed or marketed, this would result in a complete absence of revenue from these failed candidates. Positive results from preclinical and early clinical studies do not guarantee positive results from clinical trials required to permit application for regulatory approval. Furthermore, the Group may discontinue the development of candidates if results are not positive or unlikely to further its progress towards a meaningful outcome or collaboration.

Intellectual property (IP) infringement

The Group may be subject to future litigation concerning its own IP and the IP of others. Adverse judgements in relation to its IP would likely have negative outcomes for its results of operations.

Intellectual property (IP) control

The Group is partially reliant on an exclusive, world-wide licence of a patent from Cornell University for its Hu-PHEC line of business. The exclusivity and exploitable territory for this licence depend on the Group meeting various developmental milestones.

Environmental and other regulatory requirements

The event of a breach with any environmental or regulatory requirements may give rise to reputational, financial or other sanctions against the Group, and therefore the Board considers these risks seriously and designs, maintains and reviews its policies and processes so as to mitigate or avoid these risks. Whilst the Board has a good record of compliance, there is no assurance that the Group's activities will always be compliant.

Financing

The Group's ability to develop its products through to commercial sales will depend upon the Group's ability to obtain financing primarily through a further raising of new equity capital. Although the Group has been successful in raising new equity capital, there can be no guarantee that it will be able to do so in the future. The Group may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, would raise questions over its ability to further develop its products through to commercialisation. Further, Shareholders' holdings of Ordinary Shares may be materially diluted if debt financing is not available.

Market conditions

Market conditions, including general economic conditions and their effect on exchange rates, interest rates and inflation rates, may impact the ultimate value of the Group regardless of its operating performance. The Group also faces competition from other organisations, some of which may have greater resources or be more established in a particular territory. The Board considers and reviews all market conditions to try and mitigate any risks that may arise from these.

Political and country risk

The departure of the UK from the EU is now complete and its impact on the business, whose current operations are principally in the US, has been negligible. Any further changes in international trade, tariff and import/export regulations may impose unexpected duty costs or other non-tariff barriers on the Group. The Company is monitoring matters and will seek advice, where necessary, as to how to mitigate the risks arising. The Company has not experienced and does not anticipate that there will be any impact, including on its personnel or supply chain, as a result of the on-going war in Ukraine or the situation in the Middle East save for a general increase in inflation such as of the cost of energy.

Approved by the Board on 25 April 2025

Dr Vladislav Sandler
CEO

Directors' Report for the year ended 31 December 2024

The Directors present their report with the audited financial statements of the Group for the year ended 31 December 2024.

The Company's Ordinary Shares were admitted to listing on the London Stock Exchange under the name Silver Falcon plc, on the Official List pursuant to Chapters 14 of the Listing Rules, which sets out the requirements for Standard Listings, on 9 November 2015.

On 4 October 2017 the Company's shareholders voted in favour of acquiring the biotechnology company Hemogenyx Pharmaceuticals Limited, with shares being readmitted to trading on 5 October 2017 under the name Hemogenyx Pharmaceuticals plc.

Principal Activity

The Group's principal activity is the discovery, development and commercialisation of a suite of products to address current problems associated with the treatment of blood disorders such as cancers and autoimmune diseases, and with viral infections. Hemogenyx Pharmaceuticals' distinct and complementary products include immunotherapy product candidates for the treatment of AML and other blood malignancies and potentially patient conditioning for bone marrow transplantation (the CDX bi-specific antibody and CAR-T therapy). Each of these products holds the potential to revolutionise the way diseases of the blood are treated, offering solutions that mitigate the dangers and limitations associated with the current standard of care. Additionally, the Group has two platform technologies: its Advanced peripheral blood Hematopoietic Chimeras, a form of humanised mouse used to model diseases including autoimmune conditions and to test multi-specific antibody treatments; and Chimeric Bait Receptors or CBR, a novel way to create constructs potentially capable of programming immune cells to attract and destroy a wide range of viruses and malignant (cancer-causing) cells.

The Group has two companies that are located outside of the UK. The principal laboratory of the Group is located in Manhattan, New York, USA.

Results and Dividends

The Consolidated Statement of Comprehensive Income set out on page 46 shows a loss for the year amounting to £5,625,478 (2023: £6,696,493). The Directors do not propose a dividend in respect of the year ended 31 December 2024 (31 December 2023: nil).

Directors and Directors' Interests

The Directors who held office during the year and up to the date of this report were as follows:

	Date Appointed	Date Resigned
Professor Sir Marc Feldmann	9 April 2018	-
Dr Vladislav Sandler	4 October 2017	-
Alexis Sandler	4 October 2017	-
Peter Redmond	29 July 2015	-

The Directors of the Company who held office at 31 December 2024 had the following beneficial interests in the Ordinary shares of the Company at 31 December 2024 according to the register of directors' interests:

Director	At 31 December 2024	At 31 December 2023
Professor Sir Marc Feldmann	-	-

Professor Sir Marc Feldmann	-	-
Peter Redmond*	13,991	13,991
Dr Vladislav Sandler	103,861	103,861
Alexis Sandler	187,726	187,726

* Peter Redmond holds the majority of these shares through Catalyst Corporate Consultants Ltd of which he is the sole shareholder.

At the date of this report, there have been no further changes to the Directors' beneficial interest in the Ordinary shares of the Company as disclosed in the table above.

According to the Register of Directors' Interests, no rights to subscribe for shares in or debentures of Group companies were granted to any of the Directors or their immediate families, or exercised by them, during the financial year, save for the annual grant of 10,000 ownership units in Immugenx LLC due to Dr Vladislav Sandler under the terms of his appointment as CEO and Chief Scientific Officer of that company. Grants of options are as indicated below (see Note 18 for detail on option plans):

Options				
Date of grant	Number of options at start of year	Options granted or acquired during year	Options lapsed during year	Number of options at end of year
Professor Sir Marc Feldmann				
9 Apr 2018	33,775	-	(15,002)	18,753
	33,775	-	(15,002)	18,753
Dr Vladislav Sandler				
20 August 2020	69,600	142,750	-	212,350
	69,600	142,750	-	212,350
Peter Redmond				
13 July 2020	5,500	-	-	5,500
	5,500	-	-	5,500

Qualifying Third Party Indemnity Provision

At the date of this report, the Company has a third-party indemnity policy in place for all Directors.

Substantial Shareholders

As at 31 December 2024, the total number of issued Ordinary Shares with voting rights in the Company was 3,504,539. The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at the date of approval of this report:

Party Name	Number of Ordinary Shares	% of Share Capital
Alexis Sandler	187,726	5.35

Share Capital

Details of the issued share capital, together with details of the movement in issued share capital during the year, are shown in Note 16 to the financial statements.

Share capital comprises 3,504,540 Ordinary shares (0.25%) and 1,401,815,988 Deferred shares (99.75%).

Financial Instruments

Details of the use of the Company's financial risk management objectives and policies as well as exposure to financial risk are contained in the Accounting Policies and Note 22 of the financial statements.

Future Developments and Events Subsequent to the Year End

Details of the Group's future developments and events subsequent to the year end are set out in the Chairman's Statement and Directors' Strategic Report on pages 3 and 10 respectively.

Corporate Governance

The Corporate Governance report is disclosed on page 26.

Going Concern

The Company's business activities, together with facts likely to affect its future operations and financial and liquidity positions are set out in the Chairman's Statement and Directors' Strategic Report on pages 3 and 10 respectively. In addition, Note 22 to the financial statements discloses the Company's capital risk management policy and Note 2 details further considerations made by the Directors in respect of going concern.

The Directors, having made due and careful enquiry, are of the opinion that the Company has or will have access to sufficient funding in order to execute its operations over the next 12 months, however a material uncertainty exists. The Directors have made an informed judgment, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, however this relies upon the Company raising additional capital. As a result, the Directors have adopted the going concern basis of accounting in the preparation of the annual financial statements.

Political Donations

The Group made no political donations during the year (2023: £nil).

Charitable Donations

There were no charitable donations made by the Group in the current or prior year.

Greenhouse gas emissions

The Company used less than 40,000kWh of energy in the United Kingdom during 2024 and therefore does not report on energy consumption and emissions under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Company financial statements in accordance with UK-adopted international accounting standards.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible to make a statement that they consider that the annual report and accounts, taken as a

whole, is fair, balanced, and understandable and provides the information necessary for the shareholders to assess the Group and parent company's position and performance, business model and strategy.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' Responsibility Statement Pursuant to Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed on page 1, confirms that, to the best of their knowledge and belief:

- the group and company financial statements have been prepared in accordance with UK-adopted international accounting standards, and give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Annual Report and financial statements, including the Business review, includes a fair review of the development and performance of the business and the position of the Group and parent company, together with a description of the principal risks and uncertainties that they face.

Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board on 25 April 2025

Dr Vladislav Sandler
CEO

Governance Report

Introduction

The Company recognises the importance of, and is committed to, high standards of Corporate Governance. The Company has voluntarily applied the main and supporting principles set out in the UK Code of Corporate Governance published by the Financial Reporting Council in 2018 ("the Code"). The Code has been followed to the extent practicable for a company of its size and nature. The Code can be found at <https://www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code>. The ways in which the Company has applied the Code are explained below:

- The Code requires that a smaller company should have at least two Independent Non-Executive Directors. As at 31 December 2024 the Board consisted of an Executive Director and three Non-Executive Directors. The Non-Executive Directors are interested in either ordinary shares in the Company, options over ordinary shares in the Company, or both, and cannot therefore be considered fully independent under the Code. The remuneration of the Non-Executive Directors includes options and this is contrary to best practice, and thus the Company is not in full compliance. However, the Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company, and all are considered to be independent in character and judgement.
- Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's articles of association. The terms and conditions of appointment of Non-Executive Directors will be made available upon written request.

The Board has voluntarily adopted a code for Directors' dealings based on the Model Code contained in the Listing Rules of the UK Listing Authority that was previously in force. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the code by the Directors. Compliance with the code is being undertaken on a voluntary basis and the FCA will not have the authority to (and will not) monitor the Company's voluntary compliance with it, nor to impose sanctions in respect of any failure by the Company to so comply. In addition, the Company will take all proper and reasonable steps to ensure compliance by the Founders with the Code for dealings in the Ordinary Shares.

The Company is small with a modest resource base. The Company has a clear mandate to optimise the allocation of limited resources to support its development plans. As such, the Company strives to maintain a balance between conservation of

resources to support its development plans. As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices. As the Company evolves, the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation.

Set out below are the Company's corporate governance practices for the year ended 31 December 2024.

Committees

The Company has established audit, remuneration and nomination committees.

Audit Committee

The Audit Committee has responsibility for, among other things, the monitoring of the integrity of the financial statements of the Company and its Group and the involvement of the Group's auditors in that process. It focuses in particular on compliance with accounting policies and ensuring that an effective system of external audit and financial control is maintained, including considering the scope of the annual audit and the extent of the non-audit work undertaken by external auditors and advising on the appointment of external auditors. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit Committee will meet at least three times a year at the appropriate times in the financial reporting and audit cycle.

The members of the Audit Committee are Peter Redmond, who acts as chairman of the committee, and Professor Sir Marc Feldmann.

The Group's external auditor is PKF Littlejohn LLP who has served as external auditor for ten years. The role of external auditor last went to tender in 2015 and a tender process will be undertaken in 2025 in respect of the year ended 31 December 2025. The Audit Committee closely monitors the level of audit and non-audit services that it provides to the Company and Group.

During the year to 31 December 2024 the Audit Committee considered the following key issues in relation to the Financial Statements:

Issue	Action
<ul style="list-style-type: none"> Accounting policies 	The Committee reviewed and discussed the significant accounting policies with management and the external auditor and reached the conclusion that each policy was appropriate to the Group.
<ul style="list-style-type: none"> Carrying value of investment in Hemogenyx Pharmaceuticals LLC 	The Committee reviewed the impairment assessment report prepared by management and agreed that given the reasonable expectation that the Group will achieve its milestone targets over the next 18 months no impairment to the value of the investment in Hemogenyx Pharmaceuticals LLC was required as at 31 December 2024.
<ul style="list-style-type: none"> Carrying value of licensed intangible assets 	The Committee reviewed the impairment assessment report prepared by management and agreed that given the licenses are still active and the licensing parties have not expressed a want to revoke the Company's rights no impairment to the value of licensed intangible assets, being rights to certain intellectual property of Cornell University and Eli Lilly and Company, was required as at 31 December 2024.
<ul style="list-style-type: none"> Going concern review 	The Committee considered the ability of the Group to operate as a Going Concern considering cash flow forecasts for the next 12 months and milestone achievements. It was determined by the Committee that it was reasonable to expect that the Group has or will have access to sufficient funding in order to achieve its 12-month milestone targets and that it was appropriate for the Financial Statements to be prepared on a going concern basis.
<ul style="list-style-type: none"> Review of audit and non-audit services and fees 	<p>The external auditor is not engaged by the Group to carry out any non-audit work in respect of which it might, in the future, be required to express an audit opinion.</p> <p>The Committee reviewed the fees charged for the provision of audit and non-audit services and determined that they were in line with fees charged to companies of similar size and stage of development.</p> <p>The Committee considered and was satisfied the external auditor's assessment of its own independence.</p>

Remuneration Committee

The remuneration committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The committee also makes recommendations to the Board on proposals for the granting of share awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The Remuneration Committee will meet at least twice a year.

The members of the Remuneration Committee are Peter Redmond, who acts as chairman of the committee, and Alexis Sandler.

Nomination Committee

The Nomination Committee is responsible for considering and making recommendations to the Board in respect of appointments to the Board, the Board committees and the chairmanship of the Board committees. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board with regard to any changes necessary, taking into account the skills and expertise that will be needed on the Board in the future. The Nomination Committee meets at least once a year.

The members of the Nomination Committee are Peter Redmond, who acts as chairman of the committee, Professor Sir Marc Feldmann, and Alexis Sandler.

Leadership

The Company is headed by an effective Board which is collectively responsible for the long-term success of the Company.

The role of the Board: the Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company. The Board has a formal schedule of matters reserved which is provided later in this report.

Board Meetings: the core activities of the Board are carried out in scheduled meetings of the Board. These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters which require decisions outside the scheduled meetings. During the year, the Board met formally on 12 occasions.

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations.

Matters reserved specifically for the Board: the Board has a formal schedule of matters reserved that can only be decided by the Board. The key matters reserved are the consideration and approval of:

- The Company's overall strategy;
- Financial statements and dividend policy;
- Management structure including succession planning, appointments and remuneration; material acquisitions and disposal, material contracts, major capital expenditure projects and budgets;
- Capital structure, debt and equity financing and other matters;
- Risk management and internal controls;
- The Company's corporate governance and compliance arrangements; and
- Corporate policies

Summary of the Board's work in the year: during the year, the Board considered all relevant matters within its remit, but focused in particular on the development and risk diversification of the Company.

Attendance at Board meetings

	Number held and entitled to attend	Number attended
Dr Vladislav Sandler	10	10
Professor Sir Marc Feldmann	10	2
Alexis Sandler	10	8
Peter Redmond	10	8

The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings.

The Chairman sets the Board Agenda and ensures adequate time for discussion.

Non-Executive Directors: the Non-Executive Directors bring a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets.

All directors with the exception of the CEO and Professor Sir Marc Feldmann were appointed for an initial term of 12 months. These terms were extended by mutual agreement after satisfactory performance and re-election by shareholders.

Other governance matters: all of the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director. In addition, each Director and Board committee has access to the advice of the Company Secretary.

The Company Secretary: the Company Secretary during the year was Ben Harber. Westend Corporate LLP were appointed on 1 January 2025. They are responsible for the Board complying with UK procedures.

Effectiveness

For the period under review the Board comprised a Chief Executive Officer, a Non-Executive Chairman, and two independent Non-Executive Directors. Biographical details of the Board members are set out on page 8 of this report.

The Directors are of the view that the Board and its committees consist of Directors with an appropriate balance of skills, experience, independence and diverse backgrounds to enable them to discharge their duties and responsibilities effectively.

Independence: the Non-Executive Directors bring a broad range of business and commercial experience to the Company. The Board considers each of the Non-Executive Directors to be independent in character and judgement.

Appointments: the Board is responsible for reviewing and the structure, size and composition of the Board and making recommendations to the board with regards to any required changes.

Commitments: all Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties.

Induction: all new Directors received an induction as soon as practical on joining the Board.

Conflict of interest: a Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company. The Board had satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest.

Board performance and evaluation: Hemogenyx Pharmaceuticals plc has a policy of appraising Board performance annually. Having reviewed various approaches to Board appraisal, it has concluded that for a company of its current scale, an internal process in which all Board members submit answers to a questionnaire that considers the functionality of the Board and its committees is most appropriate at this stage.

Accountability

The Board is committed to providing shareholders with a clear assessment of the Company's position and prospects. This is achieved through this report and as required in other periodic financial and trading statements.

Going concern: the Company's business activities, together with factors likely to affect its future operations, financial position, and liquidity position are set out in the Chairman's Statement and the principal risks and uncertainties sections of the Directors' Strategic Report. In addition, the Notes to the Financial Statements disclose the Company's financial risk management practices with respect to its capital structure, liquidity risk, interest rate risk, credit risk, and other related matters.

The Directors, having made due and careful enquiry, are of the opinion that the Company has or will have adequate working capital to execute its operations and has the ability to access additional financing over the next 12 months. The Directors, therefore, have made an informed judgement, at the time of approving financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a

result, the Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Internal controls: the Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirement of the Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliances and risk management. The Company has necessary procedures in place for the year under review and up to the date of approval of the Annual Report and financial statements. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company. The Directors carry out a risk assessment before signing up to any commitments.

Workforce policies and practices

The Board is responsible for ensuring that workforce policies and practices are consistent with the Group's values and support its long-term sustainable success, and that staff are able to raise any matters of concern. The Non-executive Director designated to engage with the workforce on these matters is Alexis Sandler. Ms Sandler, and in turn the Board, review the Group's policies and procedures, including anti-harassment and discrimination policies, sexual harassment reporting procedures, and procedures for reporting grievances or other concerns, and oversee the proportionate and independent investigation of any matters arising from them. These policies are provided to workers prior to the start of their work with the Group, and hard copies are posted prominently in the Group's operating premises together with other legally required notices.

Relations with stakeholders

The Company is committed to a continuous dialogue with shareholders as it believes that this is essential to ensure a greater understanding of and confidence amongst its shareholders in the medium- and longer-term strategy of the Group and in the Board's ability to oversee its implementation. It is the responsibility of the Board as a whole to ensure that a satisfactory dialogue takes place.

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making. The Board is committed to understanding and engaging with all key stakeholder groups of the Company in order to maximise value and promote long-term Company success in line with our strategic objectives. The Board recognises its duties under Section 172 and continuously has regard to how the Company's activities and decisions will impact employees, those with which it has a business relationship, the community and environment and its reputation for high standards of business conduct. In weighing all of the relevant factors, the Board, acting in good faith and fairly between members, makes decisions and takes actions that it considers will best lead to the long-term success of the Company.

During the year, the Board assessed its current activities between the Board and its stakeholders, which demonstrated that the Board actively engages with its stakeholders and takes their various objectives into consideration when making decisions. Specifically, actions the Board has taken to engage with its stakeholders in 2024 include:

- Attended the 2024 AGM and GM, and prepared to answer any questions raised by shareholders;
- Arranged meetings with certain stakeholders to provide them with updates on the Company's research and development activities and other general corporate updates;
- Made presentations at conferences and published recordings and slide decks on the Company's research and development;
- Evaluated the relationships with the Company's various collaborators through management and identified ways to strengthen relationships and arrangements with key collaborations; and
- Monitored company culture and engaged with employees on efforts to continuously improve company culture and morale.

The Board believes that appropriate steps and considerations have been taken during the year so that each Director has an understanding of the various key stakeholders of the Company. The Board recognises its responsibility to contemplate all such stakeholder needs and concerns as part of its discussions, decision-making, and in the course of taking actions, and will continue to make stakeholder engagement a top priority in the coming years.

The Board's primary shareholder contact is through Peter Redmond, the Non-Executive Director responsible for shareholder relations. The Chairman, the CEO and other Directors, as appropriate, make themselves available for contact with major shareholders and other stakeholders in order to understand their issues and concerns.

The Company plans to use the AGM as an opportunity to communicate with its shareholders. Notice of the AGM will be

issued shortly and at least 21 days before the date of the meeting. To ensure compliance with the Governance Code, the Board proposes separate resolutions for each issue, and proxy forms allow shareholders who are unable to attend the AGM to vote for or against or to withhold their vote on each resolution. The results of all proxy voting will be published on the Group's web site after the AGM. Shareholders who attend the AGM will have the opportunity to ask questions.

The Group's web site at <https://hemogenyx.com> is the primary source of information on the Group. The web site includes an overview of the activities of the Group and all recent Group announcements.

Viability statement

In accordance with the UK Corporate Governance Code published in July 2018, the Directors have assessed the prospects of the Group and concluded that it is appropriate to adopt the going concern basis of accounting based on the amount of cash on hand at the end of the year and at the time of publication of this report. The assessment of going concern is disclosed in Note 2.

The Board's assessment of the Group's current position and principal risks are disclosed in the Directors' Strategic Report on page 8 of this report.

Dr Vladislav Sandler
CEO

Directors' Remuneration Report

The Company has an established remuneration committee. The Committee reviews the scale and structure of the Directors' fees, taking into account the interests of shareholders and the performance of the Company and directors.

The items included in this report are unaudited unless otherwise stated.

Statement of Hemogenyx Pharmaceutical plc's Policy on Directors' Remuneration by the Chairman of the Remuneration Committee

As Chairman of the Remuneration Committee I am pleased to introduce our Directors' Remuneration Report. One of the Remuneration Committee's aims is to provide clear, transparent remuneration reporting for our shareholders which adheres to the best practice corporate governance principles that are required for listed organisations.

The Directors' Remuneration Policy, which is set out on page 32 of this report, will be submitted to shareholders for approval at our Annual General Meeting.

A key focus of the Directors' Remuneration Policy is to align the interests of the Directors to the long-term interests of the shareholders and aims to support a high-performance culture with appropriate reward for superior performance, without creating incentives that will encourage excessive risk taking or unsustainable company performance. This is underpinned through the implementation and operation of incentive plans.

Key Activities of the Remuneration Committee

The key activities of the Remuneration Committee are:

- to determine and agree with the Board the framework or broad policy for the remuneration of the Company's chairman, chief executive, the executive directors, the company secretary and such other members of the executive management as it is designated to consider;
- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code (the "Code") and associated guidance. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- recommend and monitor the level and structure of remuneration for senior management;
- when setting remuneration policy for directors, review and have regard to the remuneration trends across the Company, and review the on-going appropriateness and relevance of the remuneration policy;
- obtain reliable, up-to-date information about remuneration in other companies. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports,

- surveys or information which it deems necessary, within any budgetary restraints imposed by the Board;
- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
 - approve the design of, and determine targets for, any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
 - review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, company secretary and other designated senior executives and the performance targets to be used;
 - ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised; and
 - oversee any major changes in employee benefits structures throughout the Company.

Members

The Remuneration Committee comprises the following independent Non-Executive Directors:

Name	Position	Date of appointment
Peter Redmond	Chairman	5 October 2017
Alexis Sandler	Member	5 October 2017

Remuneration Components

The Company remunerates directors in line with best market practice in the industry in which it operates. The components of Director remuneration that are considered by the Board for the remuneration of directors in future years are likely to consist of:

- Base salaries
- Pension and other benefits
- Annual bonus
- Share incentive arrangements

The Executive Director has entered into a service agreement with the Company and the Non-Executive Directors have entered into letters of appointment with the Company.

All such contracts impose certain restrictions as regards the use of confidential information and intellectual property and the Executive Director's service contract imposes restrictive covenants which apply following the termination of the agreement.

The Executive Director Dr Vladislav Sandler is entitled to pay at a rate of £1,500 per day for time spent in the UK on the Company's business. In addition, Dr Sandler has a separate contract with Hemogenyx Pharmaceuticals LLC effective 1 September 2017 appointing him as CEO and Chief Scientific Officer of that company for an initial three-year term with automatic continuation and setting out his duties in relation to his day-to-day work in connection with Hemogenyx Pharmaceuticals' product candidates. Pursuant to this contract, Dr Sandler was entitled to receive 324,000 in March 2023 which rose to 389,000 in March 2024 and four weeks' holiday a year. Dr Sandler is also subject to certain non-compete and non-interference covenants in the event of its termination (subject to certain limited exceptions). Dr Sandler also has a separate contract with Immugenyx LLC effective from 1 January 2019 appointing him as CEO and Chief Scientific Officer of that company for an initial three-year term with automatic continuation and setting out his duties in relation to his day-to-day work in connection with Immugenyx's development of its AHC. Pursuant to this contract, Dr Sandler receives 64,889 (2023: 64,889) and 10,000 ownership units in Immugenyx LLC per annum. This contract has the same non-compete and non-interference covenants in the event of its termination as his contract with Hemogenyx Pharmaceuticals LLC.

Other Matters

The Company does not currently have any annual or long-term incentive schemes or any other scheme interests in place for any of the Directors.

The Company has established a workplace pension scheme but it does not presently have any employees qualifying under the auto-enrolment pension rules who have not opted out of the scheme. It makes matching contributions to a 401(k) pension plan for employees in the US of up to 4%. The Company has not paid out any excess retirement benefits to any Directors or past Directors. The Company has not paid any compensation to past Directors.

Recruitment Policy

Base salary levels will take into account market data for the relevant role, internal relativities, their individual experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

For external and internal appointments, the Board may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Payment for Loss of Office

The Committee will honour Executive Directors' contractual entitlements. Service contracts do not contain liquidated damages clauses. If a contract is to be terminated, the Committee will determine such mitigation as it considers fair and reasonable in each case. There is no agreement between the Company and its Executive Directors or employees, providing for compensation for loss of office or employment that occurs because of a takeover bid.

The Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment.

Service Agreements and Letters of Appointment

The Executive Director's service agreement had an initial term of two years and may subsequently be terminated by the Company or the Executive Director by giving 6 months' notice.

Name	Date of service agreement	Notice period by Company (months)	Notice period by Director (months)
Dr Vladislav Sandler	4 October 2017	6	6

The Non-Executive Directors of the Company do not have service contracts but are appointed by letters of appointment. Each Non-Executive Director's term of office runs for an initial period of one year unless terminated earlier upon written notice or upon their resignations.

The terms of the Non-Executive Directors' appointments are subject to their re-election by the Company's shareholders at any Annual General Meeting at which the Non-Executive Directors stand for re-election.

The details of each Non-Executive Director's current term are set out below:

Name	Date of service agreement	Current term (years)	Notice period by Company (months)	Notice period by Director (months)	Date of resignation
Alexis Sandler	4 October 2017	2	3	3	-
Peter Redmond	4 October 2017	2	3	3	-
Professor Sir Marc Feldmann	11 October 2024	1	3	3	-

Executive Directors' Remuneration (audited)

The table below sets out the remuneration received by each Executive Director for the years ended 31 December 2024 and 2023. Dr Vladislav Sandler was the highest paid Director:

	Basic salary 2023 £'000	Pension 2023 £'000	Total 2023 £'000
Executive Directors			
Dr Vladislav Sandler	389	8	397
Total	389	8	397

	Basic salary 2024 £'000	Pension 2024 £'000	Total 2024 £'000
Executive Directors			
Dr Vladislav Sandler	439	6	445
Total	439	6	445

Non-Executive Directors' Remuneration (audited)

The table below sets out the remuneration received by each Non-Executive Director during the years ended 31 December 2024 and 2023:

	Basic salary 2023 £'000	Total 2023 £'000
Alexis Sandler	60	60
Peter Redmond	50	50
Professor Sir Marc Feldmann	15	15
Total	125	125

	Basic salary 2024 £'000	Total 2024 £'000
Alexis Sandler	60	60
Peter Redmond	58	58
Professor Sir Marc Feldmann	49	49
Total	167	167

Relative importance of spend on pay

The table below illustrates the year-on-year change in total remuneration compared to distributions to shareholders and loss before tax for the financial years ended 31 December 2024 and 2023:

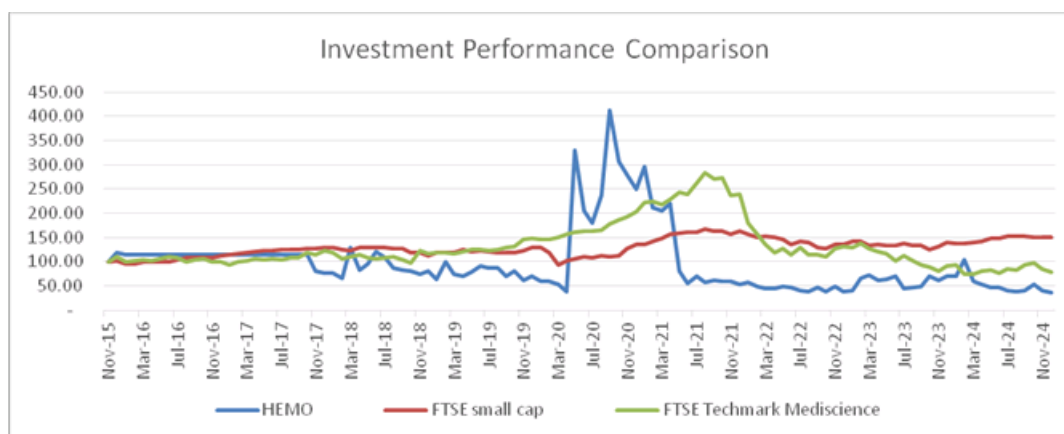
	Distributions to shareholders £	Total employee pay (including stock based compensation) £	Operational cash outflow £
Year ended 31 December 2023	-	2,151,045	6,105,570
Year ended 31 December 2024	-	2,259,424	3,516,891
Percentage change	N/A	5.0%	-42.4%

Total employee pay includes wages and salaries, social security costs, healthcare cost, 401K scheme cost and share-based payments for employees in continuing operations. Further details on Employee remuneration are provided in Note 6.

Operational cash outflow has been shown in the table above as cash flow monitoring and forecasting is an important consideration for the Remuneration Committee and Board of Directors when determining cash-based remuneration for directors and employees.

Historical share price performance comparison

The chart below compares the share price performance (based on a notional investment of £100) of Hemogenyx Pharmaceuticals plc against the FTSE SmallCap and FTSE Techmark Mediscience for the period November 2015 to December 2024 calculated on a month end spot basis. The FTSE SmallCap has been chosen to provide a wider market comparator constituting companies of an appropriate size and the FTSE Techmark Mediscience chosen due to sector relevance:



Hemogenyx Pharmaceuticals plc was listed in November 2015 (under the name Silver Falcon plc) and therefore no historical share price data exists prior to this period. There was also no data between December 2015 and October 2017 pending completion of a transaction. It is for these reasons that the historical investment performance is not reflective of the current

Group.

Consideration of shareholder views

The Board considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Approved on behalf of the Board of Directors.

Peter Redmond

Director & Remuneration Committee Chairman

25 April 2025

Independent Auditor's Report to the Members of Hemogenyx Pharmaceuticals Plc

Opinion

We have audited the financial statements of Hemogenyx Pharmaceuticals Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that the group will need to obtain additional funding in order to complete its Phase 1 clinical development of CAR-T product, together with working capital requirements. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the group's and company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and company's ability to continue to adopt the going concern basis of accounting included reviewing key assumptions and inputs used by management in their cash flow forecasts, checking mathematical accuracy, as well as discussing with management how they intend to fund the clinical trials. Furthermore, we have assessed the probability of obtaining additional sources of funds when required, along with an assessment of committed expenditure and those which are able to be deferred or tapered.

In relation to the group's and company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to:

- the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting

going concern basis of accounting; and

- the directors' identification in the financial statements of the material uncertainty related to the entity's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude or nature of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed, or influenced. We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Materiality for the group financial statements as a whole was set at £115,000 (2023: £132,000). This was calculated based on 2% of total expenses, which is unchanged from the prior year. Using our professional judgement, we have determined this to be the principal benchmark within the financial statements as it will be most relevant to stakeholders in assessing the financial performance of the group during its years of development as the group is not currently revenue generating.

Materiality for the parent company financial statements as a whole was set at £22,000 (2023: £29,000) based on 2% of total expenses, which is unchanged from the prior year. We have determined this level of materiality for the parent company to gain sufficient coverage of expenses.

Performance materiality for the group financial statements was set at £80,000 (2023: £92,400) and the parent company was set at £15,000 (2023: £20,300), being 70% of materiality for the financial statements as a whole. A benchmark of 70% for performance materiality, which is unchanged from the prior year, was applied to provide sufficient coverage of significant and residual risks.

We agreed to report to those charged with governance all corrected and uncorrected misstatements we identified through our audit with a value in excess of £5,000 (2023: £6,600) for the group financial statements and £1,000 (2023: £1,450) for the parent company financial statements. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing, and extent of our audit procedures.

The group includes the listed parent company and its US-based subsidiaries. We assessed the structure of the group, its accounting processes and controls, and the industry in which it operates in order to determine the scope of our audit work and ensure that we obtained sufficient and appropriate audit evidence on which to base our group audit opinion. Those entities of the group which were considered to be material components, being the parent company and the subsidiary Hemogenyx Pharmaceuticals LLC, were subject to full scope audit procedures by us. We did not rely on the work of any component auditors. Procedures were performed to address the assessed risks of material misstatement at component level.

As part of our planning, we assessed the risk of material misstatement including those that required significant auditor consideration at the component and group level. Procedures were then performed to address the risk identified and for the most significant assessed risks of material misstatement. The procedures performed are outlined below in the key audit matters section of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Carrying value of investments in, and loans to, subsidiary undertakings (Parent company only - Note 2, Note 13 and Note 14)	

<p>Investments held by the parent company in subsidiaries, as at 31 December 2024, totalled £8,000,000 in the Company Statement of Financial Position. Loans to those subsidiaries, as at 31 December 2024, are reported as £21,862,118.</p> <p>These are significant balances due to the parent company. If the subsidiary undertakings are unable to generate sufficient future profits in the foreseeable future, there is a risk that both the investment and loans held in those entities are overstated.</p> <p>Given the aforementioned, the carrying value of investments in and loans to subsidiary undertakings was deemed to be a key audit matter.</p>	<p>As part of our audit, we have performed the following procedures:</p> <ul style="list-style-type: none"> Reviewed and challenged the directors' assessment of the carrying value of investments and loans to subsidiary undertakings, and their conclusions thereon; Reviewed and assessed the subsidiary undertakings' financial performance and development progress to corroborate the directors' evaluation of recoverability; Reviewed and assessed the current state of development, and scientific and commercial progress of the products under development; Agreed ownership documents of all the subsidiaries in the group; and Reviewed the market capitalisation of the group to provide further assurance of the carrying value of the investments and loans to subsidiary undertakings subsequent to the year end. <p>Through the performance of the above testing, we conclude that management's assessment of the carrying value of investments in, and loans to, subsidiary undertakings is reasonable. Recoverability is dependent on successful project development through the clinical trial phase and securing regulatory approval.</p>
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Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's and parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 21;
- Directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 30;
- Directors' statement on whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities set out on page 54;
- Directors' statement that they consider the annual report and the financial statements, taken as a whole, to be fair, balanced and understandable set out on page 22;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 15;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 27; and
- The section describing the work of the audit committee set out on page 24.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, and application of our cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006, Listing Rules, the Disclosure Guidance and Transparency Rules, the UK Corporate Governance Code and compliance with US Food and Drug Administration requirements.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
 - Making inquiries of management;
 - Reviewing legal and professional fees;
 - Reviewing board and audit committee minutes; and
 - Reviewing regulated news service publications.
- We also identified the potential risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that a potential for management bias exists in relation to the carrying value of investments in, and loans to, subsidiary undertakings - parent company. See key audit matters section above.

- As in all our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Compliance with laws and regulations at the subsidiary level was ensured through inquiry of management and review of correspondence for any instances of non-compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

We were first appointed by the audit committee to audit the financial statements for the period ended 31 December 2015 and subsequent financial periods. Our total uninterrupted period of engagement is 10 years, covering the periods ended 31 December 2015 to 31 December 2024.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Thompson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Consolidated Statement of Comprehensive Income

Group - Continuing Operations	Note	Year Ended 31 December 2024	Year Ended 31 December 2023
		£	£
Revenue		-	-
Administrative and Research and Development Expenses	5	(4,737,802)	(5,820,165)
Depreciation Expense	10,11	(639,285)	(645,681)
Operating Loss		(5,377,087)	(6,465,846)
Finance Income		23,164	85,344
Finance Costs		(271,555)	(315,991)
Loss before Taxation		(5,625,478)	(6,696,493)
Income tax	8	-	-
Loss for the year		(5,625,478)	(6,696,493)
Loss attributable to:			
- Owners of Hemogenyx Pharmaceuticals plc		(5,619,181)	(6,690,678)
- Non-controlling interests		(6,297)	(5,815)
		(5,625,478)	(6,696,493)
Items that may be reclassified subsequently to profit or loss:			
Translation of foreign operations		(358,396)	903,067

Other comprehensive income for the year		(358,396)	903,067
Total comprehensive loss for the year		(5,983,937)	(5,793,426)
Attributable to:			
Owners of Hemogenyx Pharmaceuticals plc		(5,977,640)	(5,787,611)
Non-controlling interests		(6,297)	(5,815)
Total comprehensive loss for the year		(5,983,937)	(5,793,426)
Basic and diluted earnings loss per share attributable to the equity owners of the Company	9	(1.811)	(2.370)

Consolidated Statement of Financial Position

Group

	Note	31 December 2024	31 December 2023 (Restated)
		£	£
Assets			
Non-current assets			
Property, plant and equipment	10	759,408	966,423
Right of use asset	11	1,967,813	2,346,015
Security deposit		167,888	153,668
Intangible asset	12	477,403	470,173
Total non-current assets		3,372,512	3,936,279
Current assets			
Trade and other receivables	15	679,783	922,013
Cash and cash equivalents		159,265	1,247,601
Total current assets		839,048	2,169,614
Total assets		4,211,560	6,105,893
Equity and Liabilities			
Equity attributable to shareholders			
Paid-in Capital			
Called up share capital	16	35,045	11,755,660
Share premium	17	21,388,546	19,938,556
Deferred share capital	16	13,983,115	-
Other reserves	18	1,508,572	1,164,637
Reverse asset acquisition reserve		(6,157,894)	(6,157,894)
Foreign currency translation reserve		(435,955)	(77,496)
Retained Earnings		(29,423,915)	(23,804,734)
Equity attributable to owners of the Company		897,514	2,818,729
Non-controlling interests		(44,020)	(37,723)
Total equity		853,494	2,781,006
Liabilities			
Non-current liabilities			
Lease liabilities	11	2,199,413	2,583,364
Total non-current liabilities		2,199,413	2,583,364
Current liabilities			
Trade and other payables	20	734,980	379,001
Lease liabilities	11	423,673	362,522
Total current liabilities		1,158,653	741,523
Total liabilities		3,358,066	3,324,887
Total equity and liabilities		4,211,560	6,105,893

Company Statement of Financial Position

Company

	Note	31 December 2023	31 December 2023
		£	£
Assets			
Non-current assets			
Loan to subsidiaries	13	21,862,118	18,097,857

Investment in subsidiary	14	8,000,000	8,000,000
Total non-current assets		29,862,118	26,097,857
Current assets			
Trade and other receivables	15	19,463	14,820
Cash and cash equivalents		52,262	219,236
Total current assets		71,725	234,056
Total assets		29,933,843	26,331,913
<u>Equity and Liabilities</u>			
Equity attributable to shareholders			
Paid-in Capital			
Called up share capital	16	35,045	11,755,660
Share premium	17	21,388,546	19,938,556
Deferred share capital	16	13,983,115	-
Other reserves	18	1,507,468	1,163,533
Retained Earnings		(7,359,622)	(6,721,085)
Total Equity		29,554,552	26,136,664
<u>Liabilities</u>			
Current liabilities			
Trade and other payables	20	379,291	195,249
Total current liabilities		379,291	195,249
Total liabilities		379,291	195,249
Total equity and liabilities		29,933,843	26,331,913

Hemogenyx Pharmaceuticals plc has used the exemption granted under s408 of the Companies Act 2006 that allows for the non-disclosure of the Income Statement of the parent company. The after-tax loss attributable to Hemogenyx Pharmaceuticals plc for the year ended 31 December 2024 was £638,537 (2023: loss of £1,620,638).

Consolidated Statement of Changes in Equity

Group

	Called up Share Capital £	Deferred Share capital	Share Premium £	Other reserves £	Reverse acquisition reserve £	Foreign currency translation reserve £	Retained earnings £	Non- Controlling interests £	Total Equity £
As at 1 January 2023	9,797,493	-	16,808,647	921,801	(6,157,894)	(980,563)	(17,114,056)	(31,908)	3,243,520
Loss in year	-	-	-	-	-	-	(6,690,678)	(5,815)	(6,696,493)
Other Comprehensive Income	-	-	-	-	-	903,067	-	-	903,067
Total comprehensive income for the year	-	-	-	-	-	903,067	-	-	903,067
Issue of shares	1,958,167	-	3,296,458	-	-	-	-	-	5,254,625
Cost of capital	-	-	(166,549)	-	-	-	-	-	(166,549)
Issue of options	-	-	-	242,836	-	-	-	-	242,836
As at 31 December 2023	11,755,660	-	19,938,556	1,164,637	(6,157,894)	(77,496)	(23,804,734)	(37,723)	2,781,006
Loss in year	-	-	-	-	-	-	(5,619,181)	(6,297)	(5,625,478)
Other Comprehensive Income	-	-	-	-	-	(358,459)	-	-	(358,459)
Total comprehensive income for the year	-	-	-	-	-	(358,459)	-	-	(5,983,937)

income for the year	-	-	-	-	-	(358,459)	-	-	(358,459)
Issue of shares	2,262,500	-	1,662,500	-	-	-	-	-	3,925,000
Cost of capital	-	-	(212,510)	-	-	-	-	-	(212,510)
Capital									
reorganization	(13,983,115)	13,983,115	-	-	-	-	-	-	-
Issue of options	-	-	-	343,935	-	-	-	-	343,935
As at 31 December 2024	35,045	13,983,115	21,388,546	1,508,572	(6,157,894)	(435,955)	(29,423,915)	(44,020)	853,494

Company Statement of Changes in Equity

Company

	Called up Share Capital £	Deferred share capital	Share Premium £	Other reserves £	Retained earnings £	Total Equity £
As at 31 December 2022	9,797,493	-	16,808,647	920,697	(5,100,447)	22,426,390
Loss in year	-	-	-	-	(1,620,638)	(1,620,638)
Other Comprehensive Income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(1,620,638)	(1,620,638)
Issue of shares	1,958,167	-	3,296,458	-	-	5,254,625
Cost of capital	-	-	(166,549)	-	-	(166,549)
Issue of options	-	-	-	242,836	-	242,836
As at 31 December 2023	11,755,660	-	19,938,556	1,163,533	(6,721,085)	26,136,664
Loss in year	-	-	-	-	(638,537)	(638,537)
Other Comprehensive Income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(638,537)	(638,537)
Issue of shares	2,262,500	-	1,662,500	-	-	3,925,000
Cost of capital	-	-	(212,510)	-	-	(212,510)
Capital reorganization	(13,983,115)	13,983,115	-	-	-	-
Issue of options	-	-	-	343,935	-	343,935
As at 31 December 2024	35,045	13,983,115	21,388,546	1,507,468	(7,359,622)	29,554,552

Consolidated Statement of Cash Flows

Group	Note	Year Ended 31 December 2024	Year Ended 31 December 2023
		£	£
<u>Cash flows generated from operating activities</u>			
Loss before income tax		(5,625,478)	(6,696,493)
Depreciation and amortisation	10, 11	639,285	645,681
Other non-cash items		-	81
Interest income		(23,164)	(85,344)
Interest expense		271,555	315,991
Share based payments	18	343,935	242,836

Changes in right of use asset and lease liability, net	277,284	306,759
Foreign exchange loss	(626,240)	(1,485)
Increase in trade and other payables	346,521	28,579
(Increase)/Decrease in trade and other receivables	(2,637)	4,469
Decrease/(Increase) in prepaid and deposits	258,880	(866,644)
Net cash outflow used in operating activities	(4,140,059)	(6,105,570)
<u>Cash flows generated from financing activities</u>		
Proceeds from issuance equity securities, net of issue costs	3,712,490	5,088,076
Payment of lease liabilities	(635,037)	(638,765)
Net cash flow generated from financing activities	3,077,453	4,449,311
<u>Cash flows used in investing activities</u>		
Interest income	23,164	85,344
Payment of security deposit for lease	(11,611)	-
Purchase of property & equipment	(13,285)	(117,285)
Net cash flow used in investing activities	(1,732)	(31,941)
Net decrease in cash and cash equivalents	(1,064,338)	(1,688,200)
Effect of exchange rates on cash	(23,998)	403,043
Cash and cash equivalents at the beginning of the year	1,247,601	2,532,758
Cash and cash equivalents at the end of the year	159,265	1,247,601

Company Statement of Cash Flows

Company	Note	Year Ended 31 December 2024	Year Ended 31 December 2023
		£	£
<u>Cash flows generated from operating activities</u>			
Loss before income tax		(638,537)	(1,620,638)
Foreign exchange gain		(347,134)	910,832
Share based payments	18	343,935	242,836
Increase/(decrease) in trade and other receivables		(4,643)	5,585
Increase in trade and other payables		184,042	60,592
Net cash outflow used in operating activities		(462,337)	(400,793)
<u>Cash flows generated from financing activities</u>			
Proceeds from issuance of equity securities, net of issue costs		3,712,490	5,088,076
Net cash flow generated from financing activities		3,712,490	5,088,076
<u>Cash flows (used in) investing activities</u>			
Loan (to) from related parties		(3,417,325)	(4,556,312)
Net cash flow used in investing activities		(3,417,325)	(4,556,312)
Net (decrease)/increase in cash and cash equivalents		(167,172)	130,971
Effect of exchange rates on cash		198	(644)
Cash and cash equivalents at the beginning of the year		219,236	88,909
Cash and cash equivalents at the end of the year		52,262	219,236

Notes to the Financial Statements

1. General information

The Group's business is clinical-stage biotechnology focused on the discovery, development and commercialisation of innovative treatments relating to the treatment of blood cancers, certain solid cancers, autoimmune diseases, and viral infections. The products under development are designed to address a range of problems that occur with current standard of care treatments.

The Company's registered office is located at 6 Heddon Street, London, W1B 4BT, and the Company's shares are listed on the main market of the London Stock Exchange.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with UK-adopted international accounting standards and with requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements comprise the financial statements of Hemogenyx Pharmaceuticals plc and its subsidiaries as at 31 December 2024. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Hemogenyx Pharmaceuticals plc owns the majority of the shareholdings and has operational control over all its subsidiaries. Please refer to Note 14 for information on the consolidation of Hemogenyx Pharmaceuticals LLC.

Hemogenyx Pharmaceuticals plc has used the exemption granted under s408 of the Companies Act 2006 that allows for the non-disclosure of the Income Statement of the parent company. The after-tax loss attributable to Hemogenyx Pharmaceuticals plc for the year ended 31 December 2024 was £638,537 (2023: loss of £1,620,638).

Research and development expenditure

(i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is expensed in profit or loss as incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to, and has sufficient resources to, complete development and to use or sell the asset. No development costs have been capitalised to date.

(ii) Clinical trial expenses

Clinical trial-related expenses are a component of the Company's research and development costs. These expenses include fees paid to contract research organisations, clinical sites, and other organisations who conduct development activities on the Company's behalf. The amount of clinical trial expenses recognised in the period related to clinical agreements is based on estimates of the work performed using an accrual basis of accounting. These estimates incorporate factors such as patient enrolment, services provided, contractual terms, and prior experience with similar contracts.

Intangibles

Research and development

Research expenditure is written off as incurred. Development costs are capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the Group intends to and has sufficient resources to complete development and to use or sell the asset, and it is able to measure reliably the expenditure attributable to the intangible asset during its development.

The Group's view is that capitalised assets have a finite useful life and to that extent they should be amortised over their respective unexpired periods with provision made for impairment when required. Assets capitalised are not amortised until the associated product is available for use or sale. Amortisation is calculated using the straight-line method to allocate the costs of development over the estimated useful economic lives. Estimated useful economic life is assessed by reference to the remaining patent life and may be adjusted after taking into consideration product and market characteristics such as fundamental building blocks and product life cycle specific to the category of expenditure.

Intellectual property (IP)

IP assets (comprising patents, know-how, copyright and licences) acquired by the Group as a result of a business combination are initially recognised at fair value or as a purchase at cost and are capitalised.

Internally generated IP costs are written off as incurred except where IAS 38 criteria, as described in research and development above, would require such costs to be capitalised.

The Group's view is that capitalised IP assets have a finite useful life and to that extent they should be amortised over their respective unexpired periods with provision made for impairment when required. Capitalised IP assets are not amortised until the Group is generating an economic return from the underlying asset and as such no amortisation has been incurred to date as the products to which they relate are not ready to be sold on the open market. When the trials are completed and the products attain the necessary accreditation and clearance from the regulators, the Group will assess the estimated useful economic like and the IP will be amortised using the straight-line method over their estimated useful economic lives.

Fixed assets

All property and equipment are stated at historical cost less accumulated depreciation or impairment value. Cost includes the original purchase price and expenditure that is directly attributable to the acquisition of the items to bring the asset to its working condition. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful economic life. Right of Use assets are depreciated over their expected useful economic life on the same basis as owned assets, or where shorter, the lease term. Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The following rates are used:

Computer equipment	33%	Straight-line
Leasehold improvements	12.5%	Straight-line
Property & equipment	20% - 50%	Straight-line

Impairment of non-financial assets

The Group is required to review, at least annually, whether there are indications (events or changes in circumstances) that non-financial assets have suffered impairment and that the carrying amount may exceed the recoverable amount. If there are indications of impairment, then an impairment review is undertaken. An impairment charge is recognised within operating costs for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and the value-in-use. In the event that an intangible asset will no longer be used, for example, when a patent is abandoned, the balance of unamortised expenditure is written off.

Impairment reviews require the estimation of the recoverable amount based on value-in-use calculations. Non-financial assets relate typically to investments in related parties and in-process development and patents and require broader assumptions than for developed technology. Key assumptions taken into consideration relate to technological, market and financial risks and include the chance of product launch taking into account the stage of development of the asset, the scale of milestone and royalty payments, overall market opportunities, market size and competitor activity, revenue projections, estimated useful lives of assets (such as patents), contractual relationships and discount rates to determine present values of cash flows.

Investments

Equity investments in subsidiaries are held at cost, less any provision for impairment.

Going concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption.

The Company successfully raised £3.93 million (before expenses) through the allotment and issue of new ordinary shares during the year ended 31 December 2024, and a further £340 thousand in early 2025. These proceeds were raised in order to facilitate the progression of the Company's HG-CT-1 product candidate into clinical trials and to enable the Company to continue development of product candidates for the treatment of viral infections and cancers based on its CBR platform.

Funding will be required by the Company to complete Phase I clinical development.

The Company cannot be certain that such additional funding will be available on acceptable terms, or at all. To the extent that the Company raises additional funds by issuing equity securities, the Company's stockholders may experience dilution. Any debt financing, if available, may involve restrictive covenants. If the Company is unable to raise additional capital when required or on acceptable terms, it may have to (i) significantly delay, scale back or discontinue the development and/or commercialisation of one or more product candidates; (ii) seek collaborators for product candidates at an earlier stage than otherwise would be desirable and on terms that are less favourable than might otherwise be available; or (iii) relinquish or otherwise dispose of rights to technologies, product candidates or products that it would otherwise seek to develop or commercialise on unfavourable terms.

The Directors are of the opinion that the Company has adequate working capital to execute its operations for the present time and is confident in its ability to access additional financing over the next 12 months, however a material uncertainty exists. The Directors, therefore, have made an informed judgement, at the time of approving these financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, however this relies upon the Company raising additional capital. The Directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

Trade and other receivables and payables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Other payables measured at amortised cost are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. The payables are classified as current payables if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current payables.

The payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Foreign currencies

Functional and presentation currency

The Company's presentation currency is the British Pound Sterling ("£"). The functional currency for the Company, being the currency of the primary economic environment in which the Company operates, is the British Pound Sterling. The individual financial statements of each of the Company's wholly owned subsidiaries are prepared in the currency of the primary economic environment in which it operates (its functional currency).

The financial statements of Hemogenyx Pharmaceuticals LLC, Immugenyx LLC and Hemogenyx-Cell SPRL have been translated into Pound Sterling in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*. This standard requires that assets and liabilities be translated using the exchange rate at period end, and income, expenses and

cash flow items are translated using the rate that approximates the exchange rates at the dates of the transactions (i.e. the average rate for the period). The foreign exchange differences on translation of Hemogenyx Pharmaceuticals LLC, Immugenyx LLC and Hemogenyx-Cell SPRL are recognised in other comprehensive income (loss).

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss.

Share capital

Ordinary Shares are classified as equity. Equity instruments issued by the Hemogenyx Pharmaceuticals Group are recorded at the proceeds received, net of direct issue costs.

Cash

Cash consists of cash bank deposit balances.

Share-based payments

The Group has applied the requirements of IFRS 2 *Share-based Payment* for all grants of equity instruments.

The Group issues equity-settled share-based payments to the directors, senior management and employees ("Employee Share Options"), to corporate finance advisers for assistance in raising private equity, and to its Scientific Advisory Board members ("Non-employee Share Options"). In 2021, the Group adopted the "Hemogenyx Pharmaceuticals plc 2021 Equity Incentive Plan with Non-Employee Sub-Plan" (the "EIP") for the grant of options, restricted shares, and restricted share units to employees, directors and consultants of the Company and its subsidiaries over ordinary shares in the capital of the Company, which was approved by the Company's shareholders at the 2022 AGM. Equity-settled share-based payments are measured at fair value at the date of grant for Employee Share Options and the date of service for Non-employee Share Options. The fair value determined at the grant date or service date, as applicable, of the equity-settled share-based payments is expensed, with a corresponding credit to equity, on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. At each subsequent reporting date, the Group calculates the estimated cumulative charge for each award having regard to any change in the number of options that are expected to vest and the expired portion of the vesting period. The change in this cumulative charge since the last reporting date is expensed with a corresponding credit being made to equity. Once an option vests, no further adjustment is made to the aggregate amount expensed.

The fair value is calculated using the Black Scholes method for both Employee and Non-employee Share Options as management views the Black Scholes method as providing the most reliable measure of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability exercise restrictions and behavioural considerations. The market price used in the model is the issue price of Company shares at the last placement of shares immediately preceding the calculation date. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitation of the calculations used.

Taxation

Current tax

Current taxation is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using rates that have been enacted, or substantially enacted, by the balance sheet date. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the relevant taxation authorities.

Deferred tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss;

- in respect of taxable temporary differences associated with investment in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes related to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise, income tax is recognised in the statement of comprehensive income.

Financial Assets and Liabilities

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company currently does not use derivative financial instruments to manage or hedge financial exposures or liabilities.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise Trade and Other Receivables and Cash and Cash Equivalents in the Statement of Financial Position.

Impairment of Financial Assets

The Company and Group assess at each reporting date whether a financial asset is impaired and will recognise the impairment loss immediately through the consolidated statement of comprehensive loss.

Interest Bearing Loans and Borrowings

Borrowings are initially recognised at the fair value of consideration received less directly attributable transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate method. Where borrowings are provided by shareholders at an interest rate discounted to market rates, the difference on initial fair value is taken to equity as a capital contribution.

Where the Group has entered into a hybrid instrument whereby there is a debt instrument and an embedded derivative financial liability, the fair value of the debt instrument less the fair value of the derivative financial liability is equal to loan recognised on initial measurement.

IFRS 16, Leases

IFRS 16 requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. IFRS 16 includes an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting remains substantially unchanged. IFRS 16 provides updated guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts); under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use asset and lease liability are both based on the present value of lease payments due over the term of the lease, with the asset being depreciated in accordance with IAS 16 *Property, Plant and Equipment* and the liability increased for the accretion of interest and reduced by lease payments.

Segmental reporting

The Group's operations are located in New York, USA with the head office located in the United Kingdom. The main assets of the Group, cash and cash equivalents, are held primarily in the United Kingdom and the United States, while the fixed assets and right of use assets are held in the United States. The Board ensures that adequate amounts are transferred internally to allow all companies to carry out their operations on a timely basis.

The Group currently has one reportable segment - a biotechnology company focused on the discovery, development and commercialisation of innovative treatments relating to blood and immune system disorders and viral infections.

New Accounting Standards and Interpretations issued and applied in the Financial Statements

(a) New and amended standards mandatory for the first time for the financial periods beginning on or after 1 January 2024

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the year ended 31 December 2024 but did not result in any material changes to the financial statements of the Group or Company.

b) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IAS 21 (Amendments)	The Effects of Changes in Foreign Exchange Rate	1 January 2025
IFRS 18	Presentation and Disclosure in Financial Statements	TBC
IFRS 7 and 9 (Amendments)*	Financial Instruments: Disclosures - Classification and Measurement	TBC

** Subject to endorsement*

The Group is evaluating the impact of the new and amended standards above, which are not expected to have a material impact on future Group financial statements.

3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgements are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The principal areas in which judgement is applied are as follows:

Valuation of stock options

Management uses the Black Scholes model to value the share options. The model requires use of assumptions regarding volatility, risk free interest rate and a calculation of the value of the option at the time of the grant. Please see Note 18 for details.

Intangible assets impairment

When there is an indicator of a significant and permanent reduction in the value of intangible assets, an impairment review is carried out. The impairment analysis is principally based on estimated discounted future cash flows. The determination of the assumptions is subjective and requires the exercise of considerable judgement about the outcome of research and development activity, probability of technical and regulatory success, amount and timing of projected future cash flow or changes in market conditions. Any changes in key assumptions could materially affect whether an impairment exists. See Note 12 for further details.

Valuation of investment in and long-term loans to subsidiaries

Management has assessed the recovery profile of the Parent Company loans granted to subsidiaries and noted the research and development timetable would mean that repayment of the amounts loaned would not commence in the short to medium term and accordingly the loans were considered to be long-term. Management has assessed the recoverability of the loans to subsidiaries and its investment in subsidiaries using the same metrics and assumptions. The determination of the assumptions is subjective and requires the exercise of considerable judgement about the outcome of research and development activity, probability of technical and regulatory success, amount and timing of projected future cash flow or changes in market conditions. Any changes in key assumptions could materially affect whether an impairment exists. Several factors such as the progression of the Phase I trial of HG-CT-1 gives management comfort that no impairment indicators exist over both balances.

4. Segment Information

The Group has one reportable segment, the discovery, development, and commercialisation of innovative treatments relating to blood and immune system disorders and viral infections, and administrative functions in the United Kingdom, and therefore the segmental information is the same as that presented in the primary statements.

The following tables present expenditure and certain asset information regarding the Group's geographical segments for the year ended 31 December 2024 and 2023:

	Year Ended 31 December 2024	Year Ended 31 December 2023
	£	£
SEGMENT ASSETS		
United Kingdom		
- Non-current	-	-
- Current	71,725	234,056
United States		
- Non-current	3,372,512	3,936,279
- Current	693,790	1,915,093
Belgium (Discontinued operation)		
- Non-current	-	-
- Current	19,532	20,465
Total		
- Non-current	3,372,512	3,936,279
- Current	785,047	2,169,614
CAPITAL EXPENDITURE		
United Kingdom	-	-
United States	13,285	117,285
Belgium (Discontinued operation)	-	-
	13,285	117,285

Capital expenditure consists of the purchase of property, plant and equipment.

The Group also had a subsidiary in Liège, Belgium that was dissolved on 30 March 2022.

The loss arising from this discontinued operation was £2,671 (2023: £2,890).

5. Expenses by nature

	Group Year Ended 31 December 2024	Group Year Ended 31 December 2023
	£	£
Laboratory expenses	236,722	90,632
Consumable equipment and supplies	1,301,692	1,692,203
Contractors & consultants	286,556	336,804
Travel	39,303	30,863
Staff Costs	2,259,424	2,151,045
Insurance	118,065	123,344
Other	137,870	135,746

Other	157,827	155,170
Legal and professional fees	707,818	352,230
Foreign exchange loss / (gain)	(349,607)	907,298
Total Administrative Expenses	4,737,802	5,820,165

6. Employees

	Group	Group	Company	Company
	Year Ended 31 December 2024	Year Ended 31 December 2023	Year Ended 31 December 2024	Year Ended 31 December 2023
	£	£	£	£
Wages and salaries	1,749,625	1,736,928	146,250	115,000
Social security	115,778	124,005	4,484	8,660
Share based payments	343,935	242,836	343,935	242,836
Pension contributions	50,086	47,276	-	-
	2,259,424	2,151,045	494,669	366,496

Average number of people (including Executive Directors) employed:

	Group	Group	Company	Company
	Year Ended 31 December 2024	Year Ended 31 December 2023	Year Ended 31 December 2024	Year Ended 31 December 2023
Research & development	14	12	-	-
Administration	2	5	3	3
	16	17	3	3

7. Auditor's remuneration

	Group	Group
	Year Ended 31 December 2024	Year Ended 31 December 2023
	£	£
Fees payable to the Company auditor:		
Audit of the financial statements of the Group and Company	55,000	52,500
	55,000	52,500

8. Income tax

	Group	Group
	Year Ended 31 December 2024	Year Ended 31 December 2022
	£	£
Current Tax:	-	-
Tax on loss on ordinary activities	-	-
Loss on ordinary activities before tax	(5,625,478)	(6,696,493)
Analysis of charge in the year:		
Loss on ordinary activities multiplied by weighted average tax rate for the group of 25.78% (2023: 25.78%)	(1,450,248)	(1,726,356)
Disallowed items	91,216	172,329
US R&D credit and timing differences	243,230	231,595
Tax losses carried forward	1,115,802	1,322,432
Current tax credit	-	-

Weighted average tax rate is calculated by reference to the tax rates effective in each of the jurisdictions. The tax rates effective at 31 December 2024 are 25% and 28% in the UK and the USA respectively.

The Group has accumulated tax losses arising in the UK of approximately £4,512,000 (31 December 2023: £3,529,000) that

The Group has accumulated losses carried forward in the US of approximately £1,122,000 (31 December 2023: £1,031,000) available under current rules until 2037. Of the total Federal net operating losses, the amounts incurred after 2017 of approximately £9,000,000 will carry forward indefinitely. No deferred tax asset has been recognised against these losses.

The Group has tax losses carried forward in the US of approximately 21,122,000 (31 December 2023: 18,031,000) available under current rules until 2037. Of the total Federal net operating losses, the amounts incurred after 2017 of approximately 9,000,000 will carry forward indefinitely. No deferred tax asset has been recognised against these losses. Sections 382 and 383 of the US Internal Revenue Code, and similar state regulations, contain provisions that may limit the tax loss carried forward available to be used to offset income in any given year upon the occurrence of certain events, including changes in the ownership interests of significant stockholders. In the event of a cumulative change in ownership in excess of 50% over a three-year period, the amount of the NOL carry forwards that the Company may utilise in any one year may be limited.

9. Earnings per share

The calculation of the basic and fully diluted earnings per share is calculated by dividing the loss for the year from continuing operations attributable to equity owners of the Group of £5,977,640 (2023: £5,787,611) by the weighted average number of ordinary shares in issue during the year of 3,301,431 (2023: 2,822,841).

Dilutive loss per Ordinary Share equals basic loss per Ordinary Share as, due to the losses incurred in 2024 and 2023, there is no dilutive effect from the subsisting share options. See Note 18 for details of stock options and warrants outstanding.

10. Property and equipment

Group	Property, plant & equipment £	Computer equipment £	Leasehold Improvements £	Total £
Cost				
31 December 2021	430,171	19,728	644,155	1,094,054
Additions	417,897	11,161	1,553	430,611
Foreign exchange movement	26,011	2,065	76,463	104,539
Disposals	(1,666)	-	-	(1,666)
31 December 2022	872,413	32,954	722,171	1,627,538
Additions	103,948	13,337	-	117,285
Foreign exchange movement	(41,424)	(1,810)	(34,518)	(77,753)
Disposals	-	-	-	-
31 December 2023	934,937	44,480	687,653	1,667,070
Additions	13,285	-	-	13,285
Foreign exchange movement	14,657	684	10,574	25,915
Disposals	-	-	-	-
31 December 2024	962,879	45,164	698,227	1,706,270
Accumulated depreciation and impairment losses				
31 December 2021	297,309	8,858	-	306,167
Depreciation	116,493	8,129	75,226	199,848
Foreign exchange movement	54,693	677	42,900	98,270
31 December 2022	468,495	17,664	118,127	604,285
Depreciation	126,281	10,577	88,543	225,401
Foreign exchange movement	(78,160)	(1,796)	(49,083)	(129,039)
31 December 2023	516,616	26,444	157,587	700,647
Depreciation	136,088	9,015	85,475	230,578
Foreign exchange movement	10,356	595	4,227	15,637
31 December 2024	663,519	36,054	247,289	946,862
Carrying amounts				
31 December 2021	132,862	10,870	644,155	787,887
31 December 2022	403,918	15,290	604,044	1,023,252
31 December 2023	418,321	18,036	530,066	966,423
31 December 2024	299,360	9,110	450,938	759,408

11. Leases

The Group follows IFRS 16 with respect to its leases, whereby the Group recognises right-of-use assets and lease liabilities for all leases on its balance sheet. One of the US subsidiaries has an agreement for the lease of laboratory facilities to which IFRS 16 has been applied.

The key impacts on the Statement of Comprehensive Income and the Statement of Financial Position are as follows:

Group & Company

	Right of use asset £	Lease liability £	Income statement £
Carrying value at 31 December 2021	9,242	(10,152)	
Additions	3,249,244	(3,249,244)	-
Depreciation	(366,302)	-	(366,302)
Interest	-	(274,802)	(274,802)
Lease payments	-	106,321	-
Foreign exchange movements	77	5,042	(4,965)
Carrying value at 31 December 2022	2,892,261	(3,422,835)	
Additions	-	-	-
Depreciation	(420,280)	-	(420,280)
Interest	-	(315,991)	(315,991)
Lease payments	-	638,765	-
Foreign exchange movements	(125,966)	154,175	28,210
Carrying value at 31 December 2023	2,346,015	(2,945,886)	0
Additions	-	-	-
Depreciation	(408,707)	-	(408,707)
Interest	-	(271,555)	(271,555)
Lease payments	-	635,037	-
Foreign exchange movements	30,505	(40,682)	(10,177)
Carrying value at 31 December 2024	1,967,813	(2,623,086)	

12. Intangible assets

On 15 January 2015, the Company entered into an Exclusive License Agreement with Cornell University to grant to the Company patent rights to patent PCT/US14/65469 entitled *Post-Natal Hematopoietic Endothelial Cells and Their Isolation and Use* and rights to any product or method deriving therefrom. The Company paid Cornell University USD 347,500 for such licence rights.

In October 2021, the Company entered into a licence with Eli Lilly & Company to use a patented product derived from jointly-developed intellectual property in the CDX antibody for a term ending on the latest of (a) the twelfth (12th) anniversary of the date of First Commercial Sale of a particular Licensed Product in a particular country; (b) the first day on which there is not at least one Licensed Patent having a Valid Claim Covering the manufacture, use, or sale of such Licensed Product in such country; or (c) the expiration of the last-to-expire Data Exclusivity Period for such Licensed Product in such country. The Company paid £181,743 or 250,000 as an up-front payment and will make milestone payments of up to 1 million through to Phase II clinical trials. Lilly is also eligible to receive substantial additional milestone payments based on the achievement of prespecified milestones, as well as tiered single-digit royalties on sales and a percentage of any cash payments received in respect of any sublicense of the licensed intellectual property. Through December 31, 2024, the Company has not incurred any development or sales-based payment obligations to the licensor.

Cost	Intellectual Property £
31 December 2022	441,493
Additions	-
Exchange movements	28,680
31 December 2023	470,173
Additions	-
Exchange movements	7,230
31 December 2024	477,403

The carrying value of intangible assets is reviewed for indications of impairment whenever events or changes in circumstances indicate that the carrying value may exceed the recoverable amount. The products to which they relate are not ready to be sold on the open market. When the trials are completed and the products attain the necessary accreditation and clearance from the regulators, the Group will assess the estimated useful economic life and the IP will be amortised using the straight-line method over their estimated useful economic lives. The directors are of the view that no impairment is required as the test results to date have been very positive and these products are now being moved on towards the clinical trial phase. Accordingly, the directors continue to believe that the products will eventually attain the necessary accreditation and clearance from the regulators and so no impairment has been considered necessary.

Amortisation will be charged to operating costs in the Statement of Comprehensive Income when the Group achieves

Amortisation will be charged to operating costs in the Statement of Comprehensive Income when the Group achieves product sales.

13. Loan to subsidiary

	Company Year Ended 31 December 2024 £	Company Year Ended 31 December 2023 £
Hemogenyx Pharmaceuticals LLC	21,861,622	18,097,368
Immugenyx LLC	496	592
	21,862,118	18,097,960

Hemogenyx Pharmaceuticals plc has made cumulative loans to Hemogenyx Pharmaceuticals LLC of US 21,514,889 (£21,861,622) as at 31 December 2024 (31 December 2023: US 22,998,308 (£18,097,368)) and Immugenyx LLC of US 752 (£601) as at 31 December 2024 (31 December 2023: US 752 (£592)). The loans are interest free and will be repaid when Hemogenyx LLC's operational cash flow allows. Management has undertaken an impairment assessment of the loan as at 31 December 2024 and has determined that there was no impairment required due to continued progress of the product candidates. The interest rate and impairment assessment are reviewed on an annual basis.

14. Investment in subsidiary

Name	Address of the registered office	Nature of business	Proportion of ordinary shares held directly by parent (%)	Proportion of ordinary shares held ultimately by parent (%)
Hemogenyx UK Limited	6 Heddon Street, London, W1B 4BT	Holding Company	100	-
Hemogenyx Pharmaceuticals LLC	9 East Lookeman Street, Suite 3A, Dover, Kent, Delaware, USA, 19901	Biomedical sciences	-	100
Immugenyx LLC	c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, Delaware, USA, 19808	Biomedical sciences	-	88.9

The remaining shares in Immugenyx LLC are held by Dr Vladislav Sandler and by a prior employee, Carina Sirochinsky, as part of their compensation under their respective roles as CEO and Director of Operations. Ms Sirochinsky's role as Director of Operations ended on the termination of her employment on 1 July 2021. Dr Sandler and Ms Sirochinsky receive(d) 10,000 and 1,000 shares respectively for each year of employment from January 2019. At 31 December 2024, Hemogenyx Pharmaceuticals LLC, Dr Sandler, and Ms Sirochinsky each own 510,000, 50,000, and 2,500 shares in Immugenyx LLC, respectively.

15. Trade and other receivables

	Group Year Ended 31 December 2024 £	Group Year Ended 31 December 2023 £	Company Year Ended 31 December 2024 £	Company Year Ended 31 December 2023 £
VAT receivable	4,089	4,064	4,089	4,064
Trade and other receivables	3,768	1,074	2,519	-
Prepayments	671,926	916,875	12,855	10,757
Total trade and other receivables	679,783	922,013	19,463	14,820

There are no material differences between the fair value of trade and other receivables and their carrying value at the year-end. No receivables were past due or impaired at the year end.

16. Called up share capital

Capital Reorganisation

The Company carried out a subdivision and reclassification of the Existing Ordinary Shares by 1:2 so that each Existing Ordinary Share was subdivided and reclassified into 1 new ordinary share of £0.000025 each (the New Ordinary Shares) and 1 deferred share of £0.009975 each (the Deferred Shares) (the Subdivision), followed by a consolidation of the New Ordinary Shares by 400:1 so that every 400 New Ordinary Shares will be consolidated into 1 New Ordinary Share of £0.01 each (the Consolidation, together with the Subdivision, the Capital Reorganisation).

The Deferred Shares will have no right to vote or participate in the capital of the Company (save as set out under the 'New Articles') and the Company will not issue any certificates or credit CREST accounts in respect of them. The Deferred Shares will not be admitted to trading on any exchange. The rights of the New Ordinary Shares and the Deferred Shares will be set out in the New Articles proposed to be adopted by the Company. The purpose of the Capital Reorganisation is to reduce the nominal value of the Existing Ordinary Shares and to reduce the number of shares in issue.

Group & Company	Number of ordinary shares	£
As at 31 December 2022	979,749,321	9,797,493
Issue of shares - placement 2 Feb 2023	162,250,000	1,622,500
Issue of shares - placement 27 Sept 2023	11,066,667	110,667
Issue of shares - placement 4 Dec 2023	22,500,000	225,000
As at 31 December 2023	1,175,565,988	11,755,660
Issue of shares - placement 7 Mar 2024	72,750,000	727,500
Issue of shares - placement 11 Mar 2024	86,000,000	860,000
Issue of shares - placement 12 Mar 2024	7,500,000	75,000
Issue of shares - placement 1 Nov 2024	60,000,000	600,000
Capital reorganisation	(1,398,311,448)	(13,983,115)
As at 31 December 2024	3,504,540	35,045

During 2022, the Company did not issue any ordinary shares.

During 2023, the Company issued 195,816,667 ordinary shares.

During 2024, the Company issued 226,250,000 ordinary shares.

Group & Company	Number of deferred shares	£
As at 31 December 2022	-	-
No shares issued during 2022	-	-
As at 31 December 2023	-	-
Capital reorganisation	1,401,815,988	13,983,115
As at 31 December 2024	1,401,815,988	13,983,115

17. Share premium

Group & Company	£
As at 31 December 2022	16,808,647
Issue of shares - placement 2 Feb 2023	2,433,750
Issue of shares - placement 27 Sept 2023	553,333
Issue of shares - placement 4 Dec 2023	309,375
Cost of capital	(166,549)
As at 31 December 2023	19,938,556
Issue of shares - placement 7 Mar 2024	727,500
Issue of shares - placement 11 Mar 2024	860,000
Issue of shares - placement 12 Mar 2024	75,000
Issue of shares - placement 1 Nov 2024	-
Cost of capital	(212,510)
As at 31 December 2024	21,388,546

18. Other reserves

Group:	Year ended 31 December 2024	Year ended 31 December 2023
	£	£
As at start of year	1,164,637	921,801
Charge for the year - employees	343,935	242,836
As at end of year	1,508,572	1,164,637

Company:	Year Ended 31 December 2024	Year Ended 31 December 2023
	£	£
As at start of year	1,163,533	920,697
Charge for the year - employees	343,935	242,836
As at end of year	1,507,468	1,163,533

The expense recognised for employee and non-employee services during the year is shown in the following table:

Group and Company:	Year Ended 31 December 2024	Year Ended 31 December 2023
	£	£
Expense arising from equity-settled share-based payment transactions	343,935	242,836
Total expense arising from share-based payment transactions	343,935	242,836

Employee Plan

Under the Employee Plan ("EMP") share options are granted to directors and employees at the complete discretion of the Company. The fair value of the options is determined by the Company at the date of the grant. Options granted vest in tranches on each of the following events/dates:

- (i) Admission to the LSE ("Admission");
- (ii) On the date falling six (6) months after Admission;
- (iii) On the date falling twelve (12) months after Admission; and
- (iv) On the date falling twenty-four (24) months after Admission

On the provision that the option holder remains an employee of the Group.

Options granted to most other option holders from 4 January 2018 onwards vest in equal tranches of 12.5% every three months from the date of grant, until fully vested.

The fair value of the options is determined using the Black Scholes method as stated in Note 2. The contractual life of each option granted is between two and five years. There are no cash settlement alternatives.

Options are settled when the Company receives a notice of exercise and cash proceeds from the option holder equal to the aggregate exercise price of the options being exercised.

As part of the EMP, certain share options have been granted to a Director of the Company which contain vesting conditions that are contingent on the authorisation of the FDA to commence clinical trials.

Non-Employee Plan

Under the Non-Employee Plan ("NEMP") share options are granted to non-employees at the complete discretion of the Company. The exercise price of the options is determined by the Company at the date of the grant. The options vest at the date of the grant.

The fair value of the options is determined using the Black Scholes method as stated in Note 2 and not the value of services provided as this is deemed the most appropriate method of valuation. In all cases non-employee option holders received cash remuneration in consideration for services rendered in accordance with agreed letters of engagement. The contractual life of each option granted ranges from two to five years. There are no cash settlement alternatives. Volatility was determined by calculating the volatility for three similar listed companies and applying the average of the four volatilities calculated.

Options are settled when the Company receives a notice of exercise and cash proceeds from the option holder equal to the aggregate exercise price of the options being exercised.

2021 Equity Incentive Plan with Non-Employee Sub-Plan

Under the 2021 Equity Incentive Plan with Non-Employee Sub-Plan" (the "EIP") share options, restricted shares, and restricted share units may be granted to employees, directors and consultants of the Company and its subsidiaries at the discretion of the Company in an aggregate amount up to 188 shares. This was increased to 563 shares in April 2023. The fair value of awards made under this plan is determined in the same way as for the EMP and NEMP described above.

A schedule of options granted since inception for all plans is below:

	Number options
Employees, including directors*	260,817
Members of the Scientific Advisory Board	31,205
Total	292,022

* Details of options held by individual directors are disclosed in the Directors' Report.

In October 2022, the expiration date of options to acquire 12,016 ordinary shares (which were scheduled to expire in October 2022) was extended by two years by the Board of Directors of the Company. The Company recognised this transaction as a modification of a share-based instrument for financial reporting purposes. The change in the fair value of the stock option before and after the modification amounted to approximately 5,400, which was recorded as part of expense related to share-based payment transactions. The fair value was determined using the Black Scholes model using the assumptions noted below.

Group & Company:	2024 Number	2024 Weighted Average Exercise Price, pence	2023 Number	2023 Weighted Average Exercise Price, pence
Outstanding at the beginning of the year	219,747	13.6	88,249	18.4
Granted during the year	-	-	142,750	10.8
Lapsed during the year	(18,753)	14.0	(11,252)	14.0
Extended during the year	-	-	-	-
Outstanding at end of year	200,995	14.1	219,747	13.6
Exercisable at end of year	200,995	14.1	219,747	13.6

The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 is 2.58 years (2023: 4.73 years). The weighted average fair value of options granted during the year was nil (2023: 10.8 pence).

The following table lists the inputs to the models used for the two plans for the years ended 31 December 2024 and 31 December 2023:

	April 2023 (EMP)
Expected volatility %	92
Risk-free interest rate %	3.75
Expected life of options (years)	3
WAEP - pence	10.8
Expected dividend yield	-
Model used	Black Scholes

19. Capital and reserves

The nature and purpose of equity and reserves are as follows:

Share capital comprises the nominal value of the ordinary issued share capital of the Company.

Share premium represents consideration less nominal value of issued shares and costs directly attributable to the issue of new shares.

Deferred share capital represents shares which do not carry voting rights, dividends, distributions or redemption.

Other reserves represents the value of options in connection with share-based payments, warrants connected with share

placements issued by the Company, and the value of the deemed embedded derivative connected with the Convertible Note liability.

Reverse asset acquisition reserve is the reserve created in accordance with the acquisition of Hemogenyx Pharmaceuticals LLC on 5 October 2017.

Foreign currency translation reserve is used to recognise the exchange differences arising on translation of the assets and liabilities of foreign branches and subsidiaries with functional currencies other than Pounds Sterling, as well as the revaluation of intercompany loans.

Retained earnings represent the cumulative retained losses of the Company at the reporting date.

20. Trade and other payables

Current	Group Year Ended 31 December 2024 £	Group Year Ended 31 December 2023 £	Company Year Ended 31 December 2024 £	Company Year Ended 31 December 2023 £
Trade and other payables	683,284	301,707	327,595	117,956
Accruals and deferred income	51,696	77,294	51,696	77,293
Total	734,980	379,001	379,291	195,249

21. Related party disclosures

There were no related party disclosures other than Directors' remuneration as disclosed in the Remuneration Report section of the Directors' Report. There are no key management personnel other than the Directors and the Company Secretary.

22. Financial instruments

The Group's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities.

Fair value of financial assets and liabilities

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amount for cash, accounts receivable, and accounts payable and accrued liabilities on the statement of financial position approximate their fair value because of the limited term of these instruments. The fair value of deferred payment approximates its fair value. The investment is carried at cost as it is not traded on an active market.

Financial risk management objectives and policies

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity and funding risk
- Market risk

The following table sets out the amortised costs categories of financial instruments held by the Company as at the year ended 31 December 2024 and year ended 31 December 2023:

	Group Year Ended 31 December 2024 £	Group Year Ended 31 December 2023 £	Company Year Ended 31 December 2024 £	Company Year Ended 31 December 2023 £
<u>Assets</u>				
Trade and other receivables, except prepayments	7,856	5,138	-	-
Cash and cash equivalents	150,265	1,247,601	52,262	210,236

Cash and cash equivalents	1,27,600	1,252,739	52,262	219,236
	167,121	1,252,739	52,262	219,236
<u>Liabilities</u>				
Trade and other payables	(683,284)	(301,707)	(327,595)	(119,249)
Lease liabilities	(2,623,086)	(2,945,886)	-	-
	(3,306,370)	(3,247,593)	(327,595)	(119,249)

a) Credit risk

The Group had receivables of £0 owing from customers (31 December 2023: £0). All bank deposits are held with Financial Institutions with a minimum credit rating of B.

b) Liquidity and funding risk

The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The Group takes liquidity risk into consideration when deciding its sources of funds. The principle liquidity risk facing the business is the risk of going concern which has been discussed in Note 2.

c) Market risk

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. The borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

The Company has floating rate financial assets in the form of deposit accounts with major banking institutions; however, it is not currently subjected to any other interest rate risk.

Based on cash balances as above as at the statement of financial position date, a rise in interest rates of 1% would not have a material impact on the profit and loss of the Company and such is not disclosed.

In relation to sensitivity analysis, there was no material difference to disclosures made on financial assets and liabilities.

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

	Group Year Ended 31 December 2024 £	Group Year Ended 31 December 2023 £	Company Year Ended 31 December 2023 £	Company Year Ended 31 December 2023 £
<u>Financial Assets</u>				
Cash and cash equivalents	159,265	1,247,601	52,262	219,236

Foreign currency risk

The Group operates internationally and has monetary assets and liabilities in currencies other than the functional currency of the operating company involved.

The Group seeks to manage its exposure to this risk by ensuring that where possible, the majority of expenditure and cash of individual subsidiaries within the Group are denominated in the same currency as the functional currency of that subsidiary.

The Group has not entered into any derivative instruments to manage foreign exchange fluctuations.

The following table shows a currency of net monetary assets and liabilities by functional currency of the underlying companies for the years ended 31 December 2024 and 31 December 2023:

31 December 2024
Functional Currency

Currency of net monetary assets/(liabilities)	Pound Sterling £	US Dollars £	Euro £	Total £
Pounds Sterling	39,303	-	-	39,303
US Dollars	12,959	87,471	-	100,430
Euros	-	-	19,532	19,532
Total	52,262	87,471	19,532	159,265

31 December 2023
Functional Currency

Currency of net monetary assets/(liabilities)	Pound Sterling £	US Dollars £	Euro £	Total £
Pounds Sterling	206,397	-	-	206,397
US Dollars	12,839	1,007,900	-	1,020,739
Euros	-	-	20,465	20,465
Total	219,236	1,007,900	20,465	1,247,601

Capital risk management

The Group defines capital as the total equity of the Company. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Fair value of financial assets and liabilities

There are no material differences between the fair value of the Group's financial assets and liabilities and their carrying values in the financial statements.

23. Commitments

Licences

Milestone and royalty payments that may become due under licence agreements are dependent on, among other factors, clinical trials, regulatory approvals and ultimately the successful development of new drugs, the outcomes and timings of which are uncertain.

For the licence from Cornell University to the patent of the Hu-PHEC technology, the Group's minimum future payments contingent upon meeting certain development, regulatory and commercialisation milestones total £855,301 (1,035,000) plus £413,189 (500,000) on receipt of marketing approval from each additional market excluding the United States of America and the European Union. Upon commencement of commercial production, the Group will pay a royalty between 2 to 5% on all net sales. Through 31 December 2024, none of the requirements to make such payments have been met. In addition, the Group pays an annual licence maintenance fee of up to £61,978 (75,000) until commercial sales are achieved.

For the licence to Eli Lilly and Company's ("Lilly") contributions to the intellectual property in the CDX bispecific antibody, future payments will be contingent upon meeting certain similar development, regulatory and commercialisation milestones and so do not meet the definition of commitments pending further developments. This licence is subject to an up-front payment to Lilly of 250,000 and milestone payments of up to 1 million through to Phase II clinical trials. Lilly is also eligible to receive substantial additional milestone payments based on the achievement of prespecified milestones, as well as tiered single-digit royalties on sales. In addition, the Company will pay Lilly a percentage of any cash payments received in respect of any sublicense of the licensed intellectual property.

Leases

In August 2021, Hemogenyx LLC entered into a lease for a 9,357 square foot purpose-built laboratory for eight years beginning on 1 April 2022. The lease contains escalating monthly payments ranging from approximately 64,300 to 76,500

per month over the lease term. The Group paid a security deposit of £156,114 (188,005) during the year ended 31 December 2021 for such facility lease.

Service agreements

In December 2021, Hemogenyx Pharmaceuticals LLC entered into a service agreement to establish Research Cell Banks (RCBs) for production of the Company's proprietary recombinant protein(s) encoded by cDNAs. From 31 December 2021 through 31 December 2022, Hemogenyx Pharmaceuticals LLC has paid £199,956 (CHF 214,063) under this agreement. Under the terms of the agreement, Hemogenyx Pharmaceuticals LLC may pay up to CHF 590,000 at its discretion in aggregate, inclusive of the amounts already paid.

In December 2021, Hemogenyx Pharmaceuticals LLC entered into service agreements with another party to produce components of the Company's CAR-T product candidate. Under the terms of the agreement, Hemogenyx Pharmaceuticals LLC must pay an aggregate of £1,970,911 (2,109,957) in milestone payments during the term of production. From 31 December 2021 through 31 December 2024, Hemogenyx Pharmaceuticals LLC has paid £2,244,287 (2,868,121) under these agreements.

In September 2023, Hemogenyx Pharmaceuticals entered into a Master Services and Contract Agreement for a third party to provide clinical services and technologies for the forthcoming Phase I clinical trials for an initial term of 38 months, paying an aggregate of £1,979,753 (2,530,057). This includes an upfront payment of £772,097 (986,713) and monthly instalments over 38 months of £32,639 (41,712) commencing in April 2024. From April 2024 through 31 December 2024, Hemogenyx Pharmaceuticals LLC has paid £261,115 (333,696) under the agreement.

Share options

As detailed further in Note 18, certain share options contain contingent vesting conditions.

24. Ultimate controlling party

The Directors have determined that there is no controlling party as no individual shareholder holds a controlling interest in the Company.

25. Prior period error: lease liability classification (IFRS 16)

During the year ended 31 December 2024, the Group identified a classification error in the presentation of lease liabilities under IFRS 16 Leases in the prior year's consolidated financial statements. While the total lease liability was correctly recognised, an amount of £89,438 that should have been presented as a current liability as at 31 December 2023 was incorrectly classified as non-current.

As a result, the comparative amounts in the consolidated statement of financial position have been restated to reflect the correct classification. The impact of this restatement as at 31 December 2023 is as follows: current lease liabilities increased by £89,438 from £273,084 to £362,522, and non-current lease liabilities decreased by £89,438 from £2,672,802 to £2,583,364. There was no impact on total lease liabilities, net assets, or the consolidated statement of profit or loss and other comprehensive income, including basic and diluted earnings per share, for the year ended 31 December 2023.

There was also no impact on the statement of financial position as at 1 January 2023, as the error arose during the year ended 31 December 2023. Accordingly, no restatement was required at the beginning of the earliest comparative period.

26. Subsequent events

In January 2025 the Company raised £340,000 through the issue of 100,000 new ordinary shares at a price of 340p per share. One institutional investor was also granted 50,000 warrants exercisable at a price of 500p each for a period of 12 months from 1 March 2025.

In February 2025 the Company raised £285,000 through the issue of convertible loan notes ("CLNs") and the loan note holders also received a one-for-one warrant, exercisable at a price of £4.00 per share for each share held upon the CLN conversion date. The CLNs converted into 95,000 ordinary shares on 13 March 2025.

In February 2025, the Company terminated its Exclusive License Agreement with Cornell University.

In March 2025 the Company raised £709,200 through the issue of 394,000 new ordinary shares at a price of 180p per share. The investor was also granted a one-for-two warrant, exercisable at a price of £3.50 per share for each share subscribed

27. Copies of the annual report

Copies of the annual report will be available on the Company's web site at <https://hemogenyx.com> and from the Company's registered office 6 Heddon Street, London, W1B 4BT.

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