APTMER GROUP PLC
(Incorporated and registered in England and Wales with registered number 09061413)

Placing of 9,202,094 New Ordinary Shares at 117p each

and

Admission to trading on AIM

SPARK Advisory Partners Limited

Liberum Capital Limited

Nominated Adviser

Broker and Bookrunner

The Directors and Proposed Directors, whose names appear on page 9 of this Document, and the Company accept responsibility, both individually and collectively, for the information contained in this Document. To the best of the knowledge and belief of the Company and the Directors and Proposed Directors (having taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

SPARK, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser to the Company. It will not be responsible to any person other than the Company for providing the protections afforded to its clients or for advising any other person on the contents of any part of this Admission Document. The responsibilities of SPARK as the Company’s nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or any Director or Shareholder or to any other person, in respect of any decision to acquire Ordinary Shares in reliance on any part of this Admission Document or otherwise. SPARK is not making any representation or warranty, express or implied, as to the contents of this Admission Document.

Liberum, which is authorised and regulated in the United Kingdom by the FCA, is acting as broker and bookrunner to the Company in connection with the Placing and Admission. Liberum is acting exclusively for the Company and for no-one else in connection with the Placing and Admission. Liberum will not regard any other person (whether or not a recipient of this Admission Document) as its customer in relation to the Placing and Admission and will not be responsible to any other person for providing the protections afforded to customers of Liberum or for providing advice in relation to the Placing, Admission or any transaction or arrangement referred to in this Admission Document.

Prospective investors should rely only on the information contained in this Admission Document. No person has been authorised to give any information or to make any representations other than as contained in this Admission Document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors, Proposed Directors, SPARK or Liberum.

Neither the issue of this Document nor any issue or sale of Ordinary Shares made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information in it is correct as of any subsequent time.
IMPORTANT INFORMATION

General
The distribution of this Admission Document in certain jurisdictions may be restricted by law and therefore persons into whose possession this Admission Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities laws of any such jurisdiction.

This Admission Document does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Admission Document is not for distribution in or into the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand or Japan. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) nor under the applicable securities legislation of any state of the United States of America or any province or territory of Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand or Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exemptions, be offered or sold directly or indirectly in or into the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand or Japan or to, or for the account or benefit of, US persons or any national, resident or citizen of the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand or Japan. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Investors should rely only on the information in this Admission Document. No person has been authorised to give any information or to make any representations other than those contained in this Admission Document and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors, the Proposed Directors, SPARK or Liberum. No representation or warranty, express or implied, is made by SPARK, or Liberum as to the accuracy or completeness of such information, and nothing contained in this Admission Document is, or shall be relied upon as, a promise or representation by SPARK or Liberum as to the past, present or future. Neither the delivery of this Admission Document nor any issue or sale of Ordinary Shares made under it shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Group since the date hereof or that the information contained herein is correct as of any time subsequent to the earlier of the date hereof and any earlier specified date with respect to such information.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person regarding the Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Any reproduction or distribution of this Admission Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares is prohibited.

As required by the AIM Rules for Companies, the Company will update the information provided in this Admission Document by means of a supplement to it, if it is noted that this Admission Document contains any mistake or substantial inaccuracy. This Admission Document and any supplement thereto will be made public in accordance with the AIM Rules for Companies.

The contents of this Admission Document are not to be construed as legal, financial, business or tax advice. This Admission Document does not constitute a recommendation concerning the proposed Placing. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial, business or tax advice in relation to any purchase or proposed purchase of Ordinary Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold shares under applicable investment legislation or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Ordinary Shares for an indefinite period of time. The price and value of the Ordinary Shares and any income from them can go down as well as up and investors may not get back the full amount invested on disposal of the
Ordinary Shares. Past performance is not a guide to future performance. Prospective investors who intend to subscribe for Ordinary Shares in the Placing should ensure that they fully understand and accept the risks of an investment in Ordinary Shares.

Certain risks to, and uncertainties for, the Group are specifically described in Part III of this Admission Document entitled “Risk Factors”. Such risks and uncertainties as set out in the Risk Factors section of this Admission Document do not necessarily comprise all the risks and uncertainties faced by the Group. If one or more of these risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results, financial condition, performance or achievements may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

This Admission Document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Group, the Directors, the Proposed Directors, SPARK or Liberum or any of their representatives that any recipient of this Admission Document should subscribe for or purchase any of the Ordinary Shares.

Prior to making any decision as to whether to subscribe for or purchase any Ordinary Shares, prospective investors should read the entirety of this Admission Document and, in particular, the section entitled “Risk Factors” in Part III of this Admission Document.

Investors should ensure that they read the whole of this Admission Document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination (or the examination of the prospective investor’s lawyers, financial advisers or tax advisers) of the Group and the terms of this Admission Document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on this Admission Document and the prospective investor’s (or such prospective investor’s lawyers, financial advisers or tax advisers) own examination of the Company.

Investors who subscribe for or purchase Ordinary Shares will be deemed to have acknowledged that: (i) they have not relied on SPARK or Liberum or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this Admission Document for their investment decision; and (ii) they have relied only on the information contained in this Admission Document, and no person has been authorised to give any information or to make any representation concerning the Company or the Ordinary Shares (other than as contained in this Admission Document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by or on behalf of the Company, the Directors, the Proposed Directors, SPARK or Liberum.

None of the Company, the Directors, the Proposed Directors, SPARK or Liberum or any of their representatives is making any representation to any subscriber or purchaser of Ordinary Shares regarding the legality of an investment by such subscriber or purchaser.

SPARK and/or Liberum and/or any of their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to the Company, for which they would have received customary fees. SPARK or Liberum and any of their respective affiliates may provide such services to the Company and any of its affiliates in the future.

Notice to US persons
This Admission Document does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this Admission Document is not for distribution in or into the United States of America. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) nor under the applicable securities legislation of any state of the United States of America and, subject to certain exceptions, may not be offered or sold within the United States. The New Ordinary Shares are being sold outside of the United States in offshore transactions in reliance on Regulation S.

Neither the United States Securities and Exchange Commission, nor any securities commission or other regulatory authority of the United States or any State or District has approved or disapproved of, or in any
Market, Industry and Economic data

Certain information regarding market size, market share, market position, growth rates and other industry data pertaining to the Group and its business contained in this Admission Document consist of the Directors’ and Proposed Directors’ estimates based on data compiled by professional organisations and on data from other external sources.

Where information contained in this Admission Document has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, as far as the Group is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Group makes no representation or warranty as to the accuracy or completeness of such information as set out in this Document. Such third-party information has not been audited or independently verified.

In some cases, there is no readily available external information (whether from trade and business organisations and associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Group to rely on internally developed estimates and market forecasts. Although the Group believes its internal estimates and forecasts to be reasonable, such estimates and forecasts have not been verified by any independent third parties and the Group cannot assure investors that a third party using different methods to assemble, analyse or compute market data would obtain the same results. Investors are cautioned not to place undue reliance on such estimates and forecasts. The Company does not intend, and does not assume any obligation, to update industry or market data contained in this Admission Document, except as required by applicable law. Because market behaviour, preferences and trends are subject to change, prospective investors should be aware that market and industry information in this Document and estimates based on any data therein may not be reliable indicators of future market performance or the Group’s future results of operations.

Forward-looking statements

This Admission Document includes “forward-looking statements” which include all statements other than statements of historical facts including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations and any statements preceded by, followed by or that include forward-looking terminology such as the words “targets”, “plan”, “project”, “believes”, “estimates”, “aims”, “intends”, “can”, “may”, “expects”, “forecasts”, “anticipates”, “would”, “should”, “could” or similar expressions or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. The important factors that could cause the Company’s actual results, performance or achievements to differ materially from those in forward-looking statements include factors in the section entitled “Risk Factors” and elsewhere in this Admission Document. These forward-looking statements speak only as at the date of this Admission Document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions in relation to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements in this Admission Document may not occur. Prospective investors should be aware that these statements are estimates, reflecting only the judgement of the Company’s management and prospective investors should not therefore rely on any forward-looking statements.

Investors should note that the contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to the sufficiency of working capital in this Admission Document.
Notice to prospective investors in the EEA

In relation to each Member State of the European Economic Area (each a “Relevant State”), no New Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Relevant State prior to the publication of a prospectus in relation to the New Ordinary Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the EU Prospectus Regulation, except that the New Ordinary Shares may be offered to the public in that Relevant State at any time under the following exemptions under the EU Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the EU Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the EU Prospectus Regulation) in such Member State; or
(c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the New Ordinary Shares shall require the Company or any other person to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation and each person to whom any offer is made under the Placing will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of the EU Prospectus Regulation.

None of the Company, SPARK or Liberum has authorised, nor does any of them authorise, the making of any offer of New Ordinary Shares in circumstances in which an obligation arises for the Company, SPARK or Liberum to publish a prospectus or a supplemental prospectus in respect of such offer. For the purposes of this provision, the expression an “offer to the public” in relation to the New Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any New Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any New Ordinary Shares, and the expression “EU Prospectus Regulation” means Regulation (EU) 2017/1129, as amended from time to time.

Notice to prospective investors in the United Kingdom

No New Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in the United Kingdom prior to the publication of a prospectus in relation to the New Ordinary Shares which is to be treated as if it had been approved by the FCA, or in accordance with the UK Prospectus Regulation, except that the New Ordinary Shares may be offered to the public in the United Kingdom at any time under the following exemptions under the UK Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
(c) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of the New Ordinary Shares shall require the Company or SPARK to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the New Ordinary Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any New Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any New Ordinary Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Members of the public are not eligible to take part in the Placing. This Admission Document is directed only at: (A) persons in Member States who are qualified investors within the meaning of Article 2(e) of the EU Prospectus Regulation (“Qualified Investors”); (B) if in the United Kingdom, persons who are qualified investors within the meaning of the UK Prospectus Regulation and who (i) have professional experience in matters relating to investments who fall within the definition of ‘Investment Professionals’ in Article 19(5) of the Financial Services
and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the “Order”), or (ii) are high net worth companies, unincorporated associations or partnership or trustees of high value trusts as described in Article 49(2) of the Order; and (C) otherwise, to persons to whom it may otherwise be lawful to communicate it to (all such persons together being referred to as “Relevant Persons”). No other person should act or rely on this Admission Document and persons distributing this Admission Document must satisfy themselves that it is lawful to do so. Any investment or investment activity to which this Admission Document relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. This Admission Document does not itself constitute an offer for sale or subscription of any securities in the Company.

Presentation of historical financial information
Unless otherwise indicated, financial information set out in this Document has been prepared in accordance with the International Financial Reporting Standards as adopted by the United Kingdom (“IFRS”). Any unaudited financial information set out in this Document has been extracted without material adjustment from the Group’s accounting records. Certain non-IFRS measures such as operating profit and losses before exceptional items have been included in the financial information, as the Directors and Proposed Directors believe that these provide important alternative measures with which to assess the Group’s performance. Prospective investors should not consider these as an alternative for revenue or operating profit which are IFRS measures. Additionally, the Company’s calculations of non-IFRS measures may be different from the calculation used by other companies and therefore comparability may be limited.

Currency presentation
Unless otherwise indicated, in this Admission Document all references to “sterling”, “pounds sterling”, “GBP”, “£” or “pence” are to the lawful currency of the United Kingdom and all references to “US Dollars”, “USD” and “$” are to the lawful currency of the United States. The Company prepares its financial statements in pounds sterling.

No incorporation of website information
The contents of the Company’s website, any website mentioned in this Admission Document or any website directly or indirectly linked to these websites have not been verified and do not form part of this Admission Document, and prospective investors should not rely on such information.

Rounding
The financial information and certain other figures in this Admission Document have been subject to rounding adjustments. Therefore, the sum of numbers in a table (or otherwise) may not conform exactly to the total figure given for that table. In addition, certain percentages presented in this Document reflect calculations based on the underlying information prior to rounding and accordingly may not conform exactly to the percentages that would be derived if the relevant calculations were based on the rounded numbers.

Defined terms and interpretation
Certain terms used in this Admission Document are defined in the “Definitions” section of this Admission Document. Certain technical terms are explained in the “Glossary of Technical Terms” section of this Admission Document.

All time referred to in this Admission Document are, unless otherwise stated, references to London time. All references to legislation in this Admission Document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof. Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.
## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</td>
<td>8</td>
</tr>
<tr>
<td>ADMISSION AND PLACING STATISTICS</td>
<td>8</td>
</tr>
<tr>
<td>DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS</td>
<td>9</td>
</tr>
<tr>
<td>DEFINITIONS</td>
<td>10</td>
</tr>
<tr>
<td>GLOSSARY OF TECHNICAL TERMS</td>
<td>15</td>
</tr>
<tr>
<td>PART I: INFORMATION ON APTAMER GROUP</td>
<td>18</td>
</tr>
<tr>
<td>PART II: CASE STUDIES</td>
<td>47</td>
</tr>
<tr>
<td>PART III: RISK FACTORS</td>
<td>51</td>
</tr>
<tr>
<td>PART IV: HISTORICAL FINANCIAL INFORMATION ON APTAMER GROUP</td>
<td>62</td>
</tr>
<tr>
<td>PART V: CORPORATE GOVERNANCE</td>
<td>100</td>
</tr>
<tr>
<td>PART VI: ADDITIONAL INFORMATION</td>
<td>103</td>
</tr>
<tr>
<td>PART VII: TERMS AND CONDITIONS OF THE PLACING</td>
<td>141</td>
</tr>
</tbody>
</table>
EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Admission Document 16 December 2021
Allotment of VCT/EIS Placing Shares 21 December 2021
Allotment of the General Placing Shares 22 December 2021
Admission effective and commencement of dealings in 8.00 a.m. on 22 December 2021
the Enlarged Share Capital on AIM
CREST member accounts credited with VCT/EIS Placing Shares As soon as practicable after 8.00 a.m. on 21 December 2021
CREST member accounts credited with General Placing Shares As soon as practicable after 8.00 a.m. on 22 December 2021
Despatch of definitive share certificates (where applicable) by 11 January 2022

ADMISSION AND PLACING STATISTICS

Number of Existing Ordinary Shares 59,739,600
Number of VCT/EIS Placing Shares 8,547,008
Number of General Placing Shares 655,086
Number of New Ordinary Shares 9,202,094
Enlarged Share Capital following the Placing and Admission 68,941,694
New Ordinary Shares as a percentage of the Enlarged Share Capital 13.35 per cent.
Placing Price 117p
Gross proceeds of the Placing receivable by the Company £10.8 million
Estimated net proceeds of the Placing receivable by the Company\(^{(1)}\) £9.1 million
Market capitalisation of the Company at the Placing Price on Admission\(^{(2)}\) £80.7 million
TIDM APTA
ISIN GB00BNRRP542
SEDOL BNRRP54
LEI code 213800Y4XGH3WJNBE686

Notes:
\(^{(1)}\) After deduction of estimated commissions, fees and expenses payable by the Company of approximately £1.7 million.
\(^{(2)}\) The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time. There can be no assurance that the market price of an Ordinary Share will equal or exceed the Placing Price.
\(^{(3)}\) All future dates referred to above are indicative only and are subject to change without further notice at the discretion of the Company. If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.
DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors
Dr Arron Tolley Chief Executive Officer
Dr David Bunka Chief Technical Officer
Eleanor Courtman-Stock Chief Financial Officer
Dr John Richards Non-Executive Director

Proposed Directors
Dr Ian Gilham Non-Executive Chairman
Angela Hildreth Non-Executive Director

all of whose business address is the Company’s registered office

Website Address
www.aptamergroup.com

Company Secretary
Eleanor Courtman-Stock

Registered Address
Second Floor
Bio Centre
Innovation Way
Heslington
York YO10 5NY

Nominated Adviser
SPARK Advisory Partners Limited
5 St John’s Lane
London EC1M 4BH

Broker and Bookrunner
Liberum Capital Limited
Ropemaker Place
25 Ropemaker St
London EC2Y 9LY

Reporting Accountants
Jeffreys Henry LLP
Finsgate 5-7 Cranwood Street
London EC1V 9EE

Solicitors to the Company
Squire Patton Boggs (UK) LLP
No 1 Spinningfields
1 Hardman Square
Manchester M3 3EB

Solicitors to the Nomad and Broker
Reed Smith LLP
Broadgate Tower
20 Primrose St
London EC2A 2RS

Registrars
Link Group
10th Floor
Central Square
29 Wellington Street
Leeds LS1 4DL

Investor Relations
Consilium Strategic Communications
41 Lothbury
London EC2R 7HG
DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Admission Document:

“Act” the Companies Act 2006 (as amended from time to time);

“Admission” the admission of the Enlarged Share Capital to trading on AIM and such admission becoming effective in accordance with the AIM Rules for Companies;

“Admission Document” or “Document” this document;

“AIM” AIM, a market operated by the London Stock Exchange;

“AIM Rules” together, the AIM Rules for Companies and the AIM Rules for Nominated Advisers;

“AIM Rules for Companies” the rules of the London Stock Exchange which set out the obligations and responsibilities in relation to companies whose shares are admitted to trading on AIM as published and amended from time to time by the London Stock Exchange;

“AIM Rules for Nominated Advisers” the rules of the London Stock Exchange that set out the eligibility obligations and certain disciplinary matters in relation to nominated advisers as published and amended by the London Stock Exchange from time to time;

“Articles of Association” or “Articles” the articles of association of the Company as at the date of Admission, a summary of which is set out in paragraph 5 of Part VI of this Document;

“Audit Committee” the audit committee of the Board or a sub-committee of it, further details of which are set out in paragraph 21 of Part I of this Document;

“Board” the Directors and the Proposed Directors;

“Business Day” any day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, UK;

“certificated” or “in certificated form” not in uncertificated form (that is, not in CREST);

“City Code” the City Code on Takeovers and Mergers issued by the Takeover Panel, as amended from time to time;

“Company”, “Aptamer Group” or “Group” Aptamer Group plc, a company incorporated in England and Wales with registered number 09061413 and whose registered office is at Aptamer Group Plc, Second Floor, Bio Centre, Innovation Way, Heslington, York, England, YO10 5NY, together with its subsidiaries as the context requires;

“CREST” the relevant system (as defined in the CREST Regulations) in accordance with which securities may be held or transferred in uncertificated form, and in respect of which Euroclear is the Operator (as defined in the CREST Regulations);

“CREST Regulations” the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time, and any applicable rules made under those regulations;
“CSOP”  
the Company Share Option Plan adopted by the Company on 15 December 2021, as described at paragraph 11.3 of Part VI of this Document;

“CSOP Options”  
options granted pursuant to the CSOP;

“Directors”  
the existing directors of the Company, being Dr Arron Tolley, Dr David Bunka, Eleanor Courtman-Stock and Dr John Richards;

“EEA”  
European Economic Area;

“EIS”  
the Enterprise Investment Scheme, as set out in Part 4 of the Income Tax Act 2007 and Schedule 5B Taxation of Chargeable Gains Act 1992, as amended from time to time;

“EIS Relief”  
the relief available to investors under EIS;

“EMI Options”  
options granted under the EMI Scheme;

“EMI Scheme”  
the Aptamer Group EMI Share Option Scheme adopted by the Company on 22 July 2019, as described at paragraph 10.2 of Part VI of this Document;

“Enlarged Share Capital”  
the issued ordinary share capital of the Company following Admission comprising: (i) the Existing Ordinary Shares and (ii) the Placing Shares;

“EU”  
European Union;

“Euroclear”  
Euroclear UK & Ireland Limited, a company incorporated in England and Wales and the operator of CREST;

“Executive Directors”  
Dr Arron Tolley, Dr David Bunka and Eleanor Courtman-Stock;

“Existing Ordinary Shares” or “Existing Share Capital”  
the 59,739,600 Ordinary Shares in issue at the date of this Document, all of which are fully paid;

“FCA”  
the United Kingdom Financial Conduct Authority, the statutory regulator under FSMA responsible for the regulation of the United Kingdom financial services industry;

“FSMA”  
the Financial Services and Markets Act 2000, as amended, including any regulations made pursuant thereto;

“General Placing Shares”  
655,086 New Ordinary Shares;

“Group”  
the Company and its Subsidiaries;

“HMRC”  
Her Majesty's Revenue and Customs of the UK;

“IFRS”  
International Financial Reporting Standards issued by the International Accounting Standards Board;

“ISIN”  
the International Securities Identification Number for the Ordinary Shares, being GB00BNRRP542;

“Issued Share Capital”  
the entire issued ordinary share capital of the Company from time to time;

“Liberum”  
Liberum Capital Limited, the Company’s broker and which is authorised and regulated by the FCA;
<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Lock-in and Orderly Market Agreement”</td>
<td>the conditional lock-in and orderly market agreement dated 15 December 2021 between the Company, SPARK, Liberum and the Locked-in and Orderly Market Parties, further details of which are contained in paragraph 13.4 of Part VI of this Document;</td>
</tr>
<tr>
<td>“Locked-in and Orderly Market Parties”</td>
<td>each of Dr Arron Tolley and Dr David Bunka;</td>
</tr>
<tr>
<td>“London Stock Exchange”</td>
<td>London Stock Exchange Group plc;</td>
</tr>
<tr>
<td>“LTIP”</td>
<td>the Long Term Incentive Plan adopted by the Company on 15 December 2021, as described at paragraph 11 of Part VI of this Document;</td>
</tr>
<tr>
<td>“NED Options”</td>
<td>the options over an aggregate of 256,410 Ordinary Shares that have been granted, conditional on Admission, to the Non-Executive Directors and a consultant in connection with Admission, as more fully described at paragraph 10.4 of Part VI of this Document;</td>
</tr>
<tr>
<td>“New Ordinary Shares”</td>
<td>the new Ordinary Shares to issued pursuant to the Placing comprising the General Placing Shares and the VCT/EIS Placing Shares;</td>
</tr>
<tr>
<td>“Non-Executive Directors”</td>
<td>Dr Ian Gilham, Dr John Richards and Angela Hildreth;</td>
</tr>
<tr>
<td>“Official List”</td>
<td>the Official List maintained by the FCA;</td>
</tr>
<tr>
<td>“Ordinary Shares”</td>
<td>the ordinary shares of £0.001 each in the capital of the Company;</td>
</tr>
<tr>
<td>“Placee(s)”</td>
<td>those person(s) who have conditionally agreed to subscribe for the Placing Shares at the Placing Price pursuant to the Placing;</td>
</tr>
<tr>
<td>“Placing”</td>
<td>the conditional placing of the Placing Shares by Liberum, as agent for and on behalf of the Company, at the Placing Price pursuant to the Placing Agreement;</td>
</tr>
<tr>
<td>“Placing Agreement”</td>
<td>the conditional agreement dated 15 December 2021 between: (1) the Company; (2) SPARK; (3) Liberum; and (4) the Directors and Proposed Directors relating to the Placing, further details of which are set out in paragraph 9 of Part VI of this Document;</td>
</tr>
<tr>
<td>“Placing Price”</td>
<td>117 pence per Placing Share;</td>
</tr>
<tr>
<td>“Placing Shares”</td>
<td>together, 8,547,008 VCT/EIS Placing Shares and 655,086 General Placing Shares;</td>
</tr>
<tr>
<td>“Proposed Directors”</td>
<td>Dr Ian Gilham and Angela Hildreth, each of whom has been appointed a director of the Company subject to and with effect from Admission;</td>
</tr>
<tr>
<td>“Prospectus Regulation Rules”</td>
<td>the prospectus regulation rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time;</td>
</tr>
<tr>
<td>“QCA Code”</td>
<td>the 2018 Corporate Governance Guidelines for Small and Mid-Sized Quoted Companies published by the Quoted Companies Alliance in 2018, as amended from time to time;</td>
</tr>
<tr>
<td>“Recognised Investment Exchange”</td>
<td>any market of a recognised investment exchange as defined by section 1005 of the Income Tax Act 2007;</td>
</tr>
<tr>
<td>“Registrars”</td>
<td>Link Group, the trading name of Link Market Services Limited, incorporated in England and Wales with company number 03376447,</td>
</tr>
</tbody>
</table>
whose registered office is 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom;

“Regulation S” Regulation S under the US Securities Act 1933 (as amended);

“Remuneration Committee” the remuneration committee of the Board or a sub-committee of it, further details of which are contained in paragraph 21 of Part I of this Document;

“Restricted Jurisdiction” the United States of America, Canada, Australia, the Republic of South Africa, the Republic of Ireland, New Zealand and Japan and any jurisdiction where local laws or regulations may result in a risk of civil, regulatory or criminal exposure if information concerning the Placing is sent or made available to anyone in that jurisdiction;

“Share Dealing Code” the Company’s share dealing code as referred to in paragraph 23 of Part I of this Document;

“Share Plans” together, the LTIP, the CSOP and the Sharesave Plan;

“Shareholders” or “Existing Shareholders” holders of Ordinary Shares from time to time, each individually being a “Shareholder”;

“Sharesave Plan” the Sharesave Plan adopted by the Company on 15 December 2021, as described at paragraph 11 of Part VI of this Document;

“Sharesave Plan Options” options granted pursuant to the Sharesave Plan;

“SPARK” SPARK Advisory Partners Limited, nominated adviser to the Company and which is authorised and regulated by the FCA;

“Takeover Panel” or “Panel” the Panel on Takeovers and Mergers in the United Kingdom;

“Unapproved Options” the options over an aggregate of 1,191,010 Ordinary Shares granted before Admission to certain former directors and members of the Scientific Advisory Board and other employees, as more fully described at paragraph 10 of Part VI of this Document;

“uncertificated” or “uncertificated form” recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;

“United Kingdom” or “UK” the United Kingdom of Great Britain and Northern Ireland;

“VAT” value added tax;

“VCT” a company which is, for the time being, approved as a venture capital trust as defined by Section 259 of the Income Tax Act 2007;

“VCT/EIS Placing” the conditional placing by Liberum on behalf of the Company at the Placing Price of the VCT/EIS Placing Shares pursuant to the Placing Agreement;

“VCT/EIS Placing Shares” 8,547,008 New Ordinary Shares;

“VCT Relief” the income tax relief available to investors of a VCT;

“Warrants” the 689,417 warrants granted to SPARK prior to and subject to Admission as described at paragraph 10.5 of Part VI of this Document;
“£” and “pounds” or “p” or “GBP” pounds sterling and pence, the lawful currency from time to time of the United Kingdom; and

“$” and “dollars” or “USD$” dollars and cents, the lawful currency from time to time of the United States.

In this Admission Document:

(i) use of the singular includes the plural and vice versa, unless the context otherwise requires; and

(ii) references to a ‘Part,’ or ‘Parts’ and references to page numbers, are to the relevant Part or Parts or to the relevant page or pages of this Admission Document.
GLOSSARY OF TECHNICAL TERMS

“antisense oligonucleotide” a short synthetic nucleic acid molecule with a defined sequence which allows it to bind to a specific RNA sequence within cells. This binding often results in the degradation of the target RNA. This targeted degradation of genetic material is being exploited as a form of gene regulation and potential gene therapy;

“affinity ligand” a substance or molecule that binds to one or more other biomolecules to form a complex which serves a biological purpose. Examples of affinity ligands include antibodies, aptamers, etc.;

“antigen” a molecule or molecular structure (e.g., a protein or carbohydrate) present on the outside (or other exposed surface) of a target (e.g., a pathogen), that can be bound by an antigen-specific antibody. The term has also been adopted in relation to other affinity ligands, to refer to their target;

“aptamer” a short, synthetic, single stranded nucleic acid molecule (ssDNA or ssRNA) that adopts a sequence dependent structure which enables it to interact with a given target molecule (e.g., protein, small molecule, etc.);

“assay” a test or other process used to determine its composition or quality of a sample. In the environmental, chemical, biological and pharmaceutical industries; an assay is used to determine the amount of a molecule of interest (e.g., a disease associated protein) in a sample (e.g., a blood sample);

“aqueous” a substance that is like, or contains water;

“bedside” a clinically relevant location, as in at the patient bedside, rather than at the (research) bench;

“bioprocessing” a specific process that uses complete living cells or their components (e.g., bacteria, mammalian cells, enzymes, etc.) to produce a desired product from input raw materials. Bioprocessing is used to make a wide range of products from beer and food products, to therapeutics;

“CAGR” compound annual growth rate - a rate at which the value of an item increases or decreases over a defined time period typically expressed as a percentage;

“DNA” deoxyribonucleic acid - a nucleic acid molecule, typically composed of two polynucleotide chains that coil around each other to form a double helix. These chains of nucleotides (guanine, thymine, adenine and cytosine) serve as a carrier of genetic instructions for the development, functioning, growth and reproduction of all known organisms and many viruses. DNA also exists in a single-stranded form, where it can fold into complex 2D and 3D structures;

“ELISA” enzyme-linked immunosorbent assay - a commonly used analytical assay. The assay is used to detect the presence of a ligand (commonly a protein) in a liquid sample using antibodies directed against the protein to be measured. Typically, a pair of antibodies is used; one immobilised on a surface to ‘capture’ the target of interest, the other to detect and quantify the amount of captured target. Other ELISA formats also exist;

“epitope” the part of an antigen that is recognised by the immune system, specifically by antibodies;
“gain-of-signal assay” a particular type of assay in which the presence of the target molecule is indicated by an increase in a measurable signal (e.g., increase in colour, fluorescence or other detectable change). The extent of this signal increase is typically proportional to the amount of target molecule present in the sample;

“kDa” kilodalton (1,000 Daltons) - a unit of mass widely used in physics and chemistry, defined as 1/12 of the mass of an unbound neutral atom of carbon-12;

“Lateral Flow Device” or “LFD” a simple device intended to detect the presence of a target substance in a liquid sample without the need for specialised equipment. These tests are widely used in medical diagnostics for home testing, point of care testing, or laboratory use. For example, the home pregnancy test is an LFD that detects a certain hormone;

“loss-of-signal assay” a particular type of assay in which the presence of the target molecule is indicated by a decrease in a measurable signal (e.g., decrease in colour, fluorescence or other detectable change). The extent of this signal decrease is typically proportional to the amount of target molecule present in the sample;

“material transfer agreements” a legally binding contract between two or more parties which is required when transferring tangible research materials between the organisations. The MTA ensures that the provider of the materials is recognised as the legal owner and defines the terms around the ownership of the intellectual property in both the transferred material and any IP which is subsequently developed using the materials;

“mole” a mole is the base unit of amount of substance in the International System of Units. It is defined as exactly 6.02214076×10²³ elementary entities, which may be atoms, molecules, ions, or electrons;

“non-immunogenic” a substance or material which does not stimulate an immune response;

“nucleotide” the basic building blocks of nucleic acids (DNA and RNA). A nucleotide consists of a sugar molecule (either ribose in RNA or deoxyribose in DNA) attached to a phosphate group and one of the four common nitrogen-containing bases;

“oligonucleotides” a chain of nucleotides;

“Optimer®” next-generation aptamer molecules representing the optimised minimal functional fragment of the parent aptamer derived from nucleic acids that function as an antibody alternative;

“peptide” a short chain of between two and fifty amino acids, linked by peptide bonds. These typically represent regions of a larger protein but can be biological entities in their own right. Many toxins, cell signals etc. are short peptides;

“pharmacokinetics” a branch of pharmacology (often abbreviated to PK) dedicated to determining the fate of substances administered to a living organism. This involves the study of how an organism affects a drug (absorbs it, metabolises it, excretes it etc.). In contrast, Pharmacodynamics (PD) is the study of how the drug affects the organism. Both together influence dosing, benefit, and adverse effects, as seen in PK/PD models;

“RNA” ribonucleic acid - a nucleic acid molecule (like DNA), assembled as a chain of nucleotides, but unlike DNA, RNA is more commonly
found in nature as a single strand folded onto itself. Cellular organisms use messenger RNA (mRNA) as a ‘short-lived message’ to convey genetic information (using the nitrogenous bases of guanine, uracil, adenine, and cytosine, denoted by the letters G, U, A, and C) that directs synthesis of specific proteins. These single stranded molecules can also interact with other molecules;

“SELEX”

the SELEX process was initially discovered and patented by Tuerk & Gold in 1990 (the patent expired in 2011), the process includes (1) the incubation of target molecules with the random sequence pools, (2) the subsequent separation of unbound oligonucleotides and the elution of bound oligonucleotides, (3) PCR amplification of bound aptamers;

“standard operating procedures” or “SOPs”

a set of step-by-step instructions compiled by an organisation to help all workers carry out routine operations in exactly the same standardised way. SOPs aim to achieve efficiency, quality output and uniformity of performance;

“theragnostic” or “theranostic”

a treatment strategy that combines therapeutics with diagnostics. A single affinity ligand (e.g., an aptamer) is modified such that it can be used to both detect and treat the condition in question; and

“western blotting”

A laboratory method used to detect specific protein molecules amongst a mixture of proteins. The protein mix is typically separated based on charge and/or molecular weight and then transferred to a protein binding membrane. The protein(s) of interest are then detected using an antibody or other target binding affinity ligand (e.g., an aptamer).
PART I

INFORMATION ON APTAMER GROUP

1. INTRODUCTION

Aptamer Group operates within the life sciences sector and is a leader in the provision of aptamer selection and development services and the development of aptamer-based reagents. The Company operates across three divisions: custom services (research and bioprocessing tools), diagnostics and therapeutics. The Company strives to deliver transformational solutions that meet the needs of scientific researchers, developers and users of diagnostic platforms, and companies involved in drug development and manufacturing.

Aptamers are synthetic nucleic acid-based molecules, selected based on their specific characteristics to bind to a target of interest. Targets can include proteins, peptides, cells, viruses or small molecules (e.g., therapeutic drug molecules). The ability to bind in a predictable, measurable and controllable way to such targets creates opportunities in research applications diagnostics, therapeutics and bioprocessing. The target binding characteristics of aptamers means that they are often thought of as ‘chemical antibodies’ and positions them as a disruptive technology in the well-established global antibody market worth over $145.7 billion per annum (2021) and expected to reach $248.9 billion by 2026.

Aptamer Group has developed a proprietary platform for the high-throughput, automated development of aptamer binders with tuneable properties to fulfil clients’ and partners’ needs. The Group’s business model is to provide contract research services on a fee-for-service basis in addition to longer term upside potential from ongoing royalty and licensing revenues where the Group’s reagents are taken forward by customers into commercial applications.

The vision for the business is to be a global leader in the delivery and application of aptamer technologies. The Board believes that penetration into the life science market favours a group structure aligned to each market area with strong value chain potential. Aptamer Group aims to achieve market penetration through strategic technology development, collaborative partnerships, acquisitions and strong sales revenues. The aptamer market is set to become a disruptive force expanding rapidly over the next five to ten years.

The Company is seeking admission to AIM to enhance its fast-growing and high-potential life sciences business, operating in the UK. The Company will leverage the expertise, experience and networks of the Directors, Proposed Directors and the Scientific Advisory Board to drive value creation in the Group. Further information on the Directors, Proposed Directors and the Scientific Advisory Board is set out in paragraph 17 of this Part I.

2. KEY STRENGTHS

Disruptive Technology

The chemical processes used to manufacture aptamers overcome the issues of production, functionalisation and batch-to-batch variability associated with many of the other alternative or traditional technologies (collectively known as ‘affinity ligands’), including antibodies. The target binding characteristics of aptamers means they are often thought of as ‘chemical antibodies’. Aptamers are entirely synthetic and do not require any animal-based development in their selection or manufacture. Aptamers are widely viewed as a disruptive technology and a next-generation affinity ligand.

Aptamers can be used alongside, or in place of, antibodies in many assay formats, often with little to no redevelopment work. They also offer many commercial benefits over antibodies and antibody-like affinity ligands; including rapid, customisable and scalable isolation processes; simple, scalable manufacturing through chemical synthesis methods and simplified supply without the need for cold chain transportation or storage. Aptamers also have many advantageous performance properties that rival that of antibodies. They are highly soluble, non-toxic and stable in aqueous environments.
Optimer® Binders – Improved Aptamers
The Group has developed a proprietary derivative of aptamer technology, known as Optimer® binders, which offer further performance and commercial benefits beyond those of standard aptamers, compared with other aptamer-focused technologies in the market. Further information on Optimer® binders is set out in paragraph 5 of this Part I.

Blue-chip Customer Base
Aptamer Group has an existing blue-chip customer base. Its technology is recognised across a wide spectrum of commercial, government and charity organisations within the life sciences sector. Aptamer Group has supplied or collaborated with 75 per cent. of the world’s top 20 pharmaceutical companies and numerous large regional organisations, SMEs, universities and charities.

Aptamer Solutions provides contract research services to customers, including AstraZeneca, WuXi AppTec, Pinotbio, Cancer Research UK and Enara Bio.

Aptamer Diagnostics’ recent customers and collaborators include Valitacell and Deepverge plc.

Aptamer Therapeutics has current projects with AstraZeneca and Cancer Research UK / University of Manchester, and has recently announced collaborations with WuXi AppTec and PinotBio.

Competitive Advantage
Aptamer Group has created advantages through its approach firstly, by developing high-throughput, automated development platforms and secondly, by building capabilities and processes optimised to identify aptamers against three distinct classes of targets: (i) small molecules, (ii) proteins and peptides, and (iii) cells, viruses or tissues.

The Board believes that having three distinct aptamer selection methodologies; each tailored to a specific type of target (small molecules, proteins, cells) is a significant differentiator from competitors, who generally use the ‘one-size-fits-all’ approach. Specifically tailored aptamer selection methods which address the challenges presented by each type of target, maximises the likelihood of successfully isolating an aptamer against the customer target.

Intellectual Property Portfolio
Intellectual property is at the core of Aptamer Group’s business, comprising trade secrets and know-how as well as patent rights arising from acquired/developed intellectual property and aptamers developed for customers. In the majority of cases, the Group retains ownership of the intellectual property in relation to aptamers developed for customers and therefore retains the potential for significant ongoing royalty and licence fee income.

The Group and its associated subsidiaries own approximately 75 patent rights in various territories, covering a range of applications. The patent rights owned by Aptamer Group (and associated subsidiaries) are arranged in 16 different patent families, including a novel aptamer-based diagnostic platform, aptamer molecules against specific targets of commercial interest, and novel chemistries which will be integrated into the Group’s various platforms.

Further information on the Group’s patents can be found in paragraph 12 of this Part I.

Experienced Board
Prior to 2012, the development of aptamer-based technologies was restricted by established patents. However, key members of the Aptamer Group team were at the forefront of aptamer academic research during this period, which enabled the Group to become an early entrant in the market when these patents reached the end of their life. This enabled the Group to adopt the core discovery process, SELEX, to extract the optimal binding aptamers.
The Aptamer Group team is led by cofounders Dr Arron Tolley (Chief Executive Officer, Director and member of the Scientific Advisory Board) and Dr David Bunka (Chief Technical Officer, Director and member of the Scientific Advisory Board), who between them have 35 years of aptamer-related experience and hold PhDs in Structural & Molecular Biology and Molecular Biology, respectively.

Further information on the Board can be found in paragraph 17.1 of this Part I.

Technical expertise and scientific team

Aptamer Group has built a highly skilled and experienced team of scientists with a range of specialisms in molecular and cell biology, chemistry, and in the development and integration of platforms, assay formats and application areas. The Group is supported by a panel of highly qualified advisers who offer significant value through their network of contacts and expertise in their respective fields.

Information on the Scientific Advisory Board can be found in paragraph 17.2 of this Part I.

3. COMPANY HISTORY

The Group was co-founded by Dr Arron Tolley and Dr David Bunka in 2008, based on Dr Bunka’s curiosity regarding the potential applications of the technology and Dr Tolley’s recognition of the immense potential for the commercial development and exploitation of aptamers.

The commercial aptamer landscape was protected by a broad patent portfolio until 2012. This meant that any company that was involved in aptamer-related work before this time (including Aptamer Group) had a head start when these early patents reached the end of their life. This ‘lead time’ allowed the Aptamer Group team to develop extensive experience in the development of aptamers against almost every type of target.

![Figure 1: A brief timeline of key events in the Company’s history.](image)

In 2012, the Group received its first grant funding from the Technology Strategy Board and joined a diagnostic development consortium with Sharp Electronics of Europe, the University of Southampton and Oxford Instruments Nanotechnology Tools Ltd.

Since then, through a series of funding rounds, the Group has developed its technology platform and capabilities through proprietary R&D, several technology acquisitions, including, in 2020, patent rights to a nucleotide technology, which it is anticipated will further improve the performance of aptamers.

Further recent contracts that the Group has engaged in can be found in paragraph 11 of this Part I. Contracts that are in the pipeline can be found in paragraph 14 of this Part I.

4. APTAMERS – A TECHNOLOGY SUMMARY

Aptamers are short, synthetic molecules made from DNA or RNA, which are selected based on their ability to bind to a target of interest. Targets can include proteins, cells, viruses or small molecules (e.g., therapeutic drug molecules). The target binding characteristics of aptamers mean they are often thought of as ‘chemical antibodies’ – positioning them as a disruptive technology in the well-established global antibody market.

Aptamers are isolated through an iterative process of selection, recovery and preferential amplification, known as in vitro (i.e., in a test tube) selection. Aptamers can be directed to bind against various types of targets...
such as small molecules, proteins, nucleic acids, cells, tissues and even whole organisms. This makes them valuable tools for use across the life sciences industry and in virtually any application where target-specific binding is needed. Aptamers represent a paradigm shift in the field of biotechnological and therapeutic applications as they offer advantages over comparator technologies, including antibodies. These advantages include the speed of generation, scalability of manufacture and improved physical and performance characteristics. Aptamers can therefore address a gap in the market where antibodies fail to meet standards. An estimated 50-60 per cent. of available antibodies fail to meet their internal research standards. This is also supported by review articles that highlight issues with the reliability of antibodies in research.

As aptamers are synthetic molecules, they also have ethical advantages compared with antibodies. Aptamers are both isolated and manufactured in vitro, meaning no animals are used at any point in their development or manufacture. This animal-free production gives a significant advantage in that the aptamers are readily produced using well characterised and controlled, scalable, chemical synthesis processes. Greater control over aptamer production leads to improved batch-to-batch reproducibility, reducing costs associated with revalidation of subsequent processes. Aptamers also have advantageous storage properties. Unlike antibodies and many other protein-based platforms, aptamers can be dried and redissolved without affecting their performance. This means that they can be stored and shipped at room temperature, significantly simplifying and reducing the cost of supply, as cold chain transportation and storage are not required.

5. OPTIMER® BINDERS

5.1 Overview

The Group has developed aptamer technology to produce a derivative known as Optimer® binders, which are a key competitive differentiator. The Group’s proprietary Optimer® technology generates aptamer molecules with improved properties that function as an antibody alternative.

The core binding region of the aptamer is identified, and unnecessary portions of the aptamer sequence are removed to leave the minimal functional fragment. Furthermore, the Directors have identified an opportunity to further develop the chemistry of Optimer® binders with enhanced functionality, currently known as OptimerPLUS, as shown in the diagram below:

![Diagram of aptamer, Optimer, and OptimerPLUS](image)

**Figure 2: Illustration of the development of aptamer and Optimer® binders and relative size of molecules**

As the resulting Optimer® binders do not contain any unnecessary sequences, they often have a more stable structure, meaning less structural rearrangement is needed upon target engagement, which generally results in improved binding properties compared to the full-length parent aptamer. When used in therapeutic applications, Optimer® binders have improved tissue penetration and access to binding sites which may be unreachable by larger molecules such as antibodies. This trimming process makes Optimer® binders approximately 50-60 per cent. smaller than the parental aptamer (~10kDa compared with ~30kDa) which gives a number of advantages including:
• **Greater yield during synthesis**
  
  As with any chemical process, solid-phase synthesis steps are not 100 per cent. efficient, meaning that a small fraction of the product is lost with each building block added to the growing chain. The synthesis of shorter Optimer® binders requires fewer coupling steps to complete, leading to lower losses and therefore greater final yield of full-length product.

• **More cost-effective production**
  
  The inefficiencies in the aptamer production process can lead to the loss of a proportion of the manufactured material. This reduces the cost-effectiveness of longer oligonucleotides relative to shorter oligonucleotides. It must be noted that even with these losses, both aptamer and Optimer® production is still significantly more cost-effective than antibody manufacture (on a mole to mole basis).

• **Increased tissue penetration for targeted therapeutics**
  
  The comparative size difference of aptamers, and Optimer® binders particularly, compared to antibodies (~10kDa – 30kDa for aptamers, compared to ~150kDa for antibodies), allows aptamers and Optimer® binders to penetrate tissues more readily than larger molecules like antibodies. This is a significant advantage in treatment of conditions, such as solid tumours.

• **Interactions are closer to sensor surfaces giving better response in biosensors**
  
  In many biosensor platforms, there is a performance advantage to having the interaction with the target molecule occur as close to the surface as possible or a higher loading density of binders on the sensor surface. Optimer® molecules have smaller physical dimensions, meaning that the target interaction happens closer to the sensor surface, leading to improved signals. The smaller size of the Optimer® also allows for a greater packing density of the Optimer® on the sensor surface, which can lead to enhanced sensitivity.

Optimer® binders enable faster development of research reagents, rapid diagnostic development and shorter time to clinical application of binders, due to the speed at which they can be developed and manufactured. This gives a faster route to market. Optimer® binders also have tuneable binding specificities and have scalable manufacturing capabilities with their advantageous batch-to-batch reproducibility, which enables better and cheaper diagnostics (through cost savings in development and reduced waste). Optimer® binders offer a significant advantage over other target binders used in small molecule detection assays, as they allow the detection and quantification of small molecules (and potentially proteins) in a simple, ‘gain-of-signal’ assay, using a single binding reagent.

5.2 **OptimerPLUS**

In 2020, Aptamer Group acquired a patent portfolio covering a range of novel nucleotide chemistries that had had over 10 years of previous development work. This innovative hybrid technology platform combines the benefits of nucleic acid aptamers and protein-based binders (e.g., Affibodies, Nanobodies and Affimers), offering the potential to create enhanced binders with the chemical diversity of amino acid side chains, and the flexibility and tunability of aptamers – this group of molecules is currently known as OptimerPLUS® binders.
6. KEY ADVANTAGES OF APTAMER GROUP

6.1 Large growing market

The antibody market is serviced by approximately 400 companies worldwide and its value is currently estimated at $145.7 billion per annum. The global market is expected to grow at approximately 11.31 per cent. (CAGR) to $249 billion by 2026. Of this, the research antibodies market accounted for circa $3.6 billion in 2020. Reports suggest that between 50-60 per cent. of available research antibodies fail to meet their internal research standards, implying a current market potential of ~$2 billion, without encroaching on the market of successful antibodies. This presents a significant market opportunity for companies with alternative binding technologies, such as the disruptive technologies used by Aptamer Group. The existence of this market opportunity is validated by the existence of several non-animal-based alternative affinity ligand platforms which have already been developed and commercialised.

Several independent market reports predict that the aptamer market will grow at between 18 per cent. and 28 per cent. (most suggesting ~20 per cent.) CAGR, with predicted market values of between ~$5 billion and ~$9 billion by 2025.

Increased investment in the sector has aided market growth and highlighted the benefits of aptamers compared to antibodies. Investment in the aptamer market is predicted to increase as their superiority is further recognised and aptamer technology is increasingly adopted as an alternative to antibodies. Further, rising awareness of diseases such as COVID-19 that require rapid affinity ligand development to support diagnostics, vaccines and medicines and an increasing demand for aptamer-based diagnostics and therapeutics will aid the growth of the market.
6.2 Automated high throughput discovery platform

Aptamers and Optimer® binders are isolated using the Group’s proprietary high throughput liquid handling robotic systems. These systems give the Group significant capacity and throughput without the need for a large team of laboratory staff. Using high throughput liquid handling systems, a relatively small team of scientists can isolate aptamers against up to 36 protein targets simultaneously, in as little as 10 working days. The Board believes this capacity is unparalleled amongst the Group’s competitors.

The key capabilities of the Group’s proprietary high throughput systems are listed below:

- the Group’s scientists operate in specialist teams, using a distinct, highly automated process to address different target types (e.g., proteins, small molecules and cells), enabling a broad process application;
- an increased likelihood that aptamers will perform as required, due to incorporation of customers’ ‘end application’ conditions in the automated development processes;
- increased reliability and higher success rates, as automation removes human error and variability from aptamer development processes;
- parallel processing under different conditions increases the likelihood of identifying aptamers, which leads to improved screening success rates of more than 70 per cent.;
- capability for rapid turnaround and high capacity from proprietary automated aptamer development platforms;
- the bespoke integrated platform is the result of extensive proprietary know-how and intellectual property and is therefore difficult and expensive for others to replicate; and
- the modular automated platforms can be readily scaled to increase capacity.

6.3 Aptamer binding profile is tailored to customer needs and application

In the in vivo development of antibodies, there is almost no opportunity to control the process once a target is introduced to an animal host. Antibody isolation, therefore, has a critical weakness that often leads to the isolation of antibodies that bind to unintended targets, leading to inaccurate results from research applications or the developed diagnostic tests, poor assay reliability or reproducibility and an increased potential for ‘off-target’ effects if the antibody is used during therapeutic development. This can to some extent, be ameliorated using techniques such as affinity maturation, but does not guarantee that suitable molecules with appropriate binding properties will be developed.

In the development of aptamers, the process can be precisely controlled and therefore leads to a better outcome with less requirement for downstream optimisation. During the aptamer selection cycle, counter-selections steps are introduced, in which the aptamers are exposed to targets that the aptamer must not bind to (e.g., a related protein that may interfere with a diagnostic test). Any aptamers which bind to these unwanted targets are removed from the population, leaving only aptamers that do not bind to this unwanted target.

In vitro selection of aptamers, therefore, allows for more precise control over the conditions under which the aptamers interact with the target. The Group’s scientists replicate the environment required for the end-use application as closely as possible during selection. For example, if a customer wishes to develop a bedside assay to detect a disease-associated protein in urine, Aptamer Group will isolate the aptamers at room temperature and in a ‘mock urine’ sample. These modifications help to ensure that the aptamer will function correctly in the final product and minimises downstream optimisation, saving time and development cost.

Further, Aptamer Group has a 70 per cent. success rate of producing operative binding molecules, which has proven to be an obstacle for some companies, quoting less than a 30 per cent. success rate. The aptamer discovery process is an iterative loop of various stages, where the optimal binders firstly must be correctly identified prior to extraction. It is therefore most beneficial to extract the best binding aptamers in stage one, as then the population can be multiplied and the process can be re-run from these. The first stage is also the most difficult, as the pool of aptamers is also the largest. During the SELEX round, the Group's skill allows them to find binders with a high success rate. This was demonstrated in Aptamer Group's success of developing Covid-19 binders in 17 days, which the Board believes is materially faster than many competitors.
6.4 **Reliable manufacture, scalability and security of supply**

There are inherent advantages associated with manufacturing and scalability when using aptamers. Antibodies are typically produced in animals or cell cultures, which are comparatively difficult to control, leading to batch-to-batch variability and scaleup issues. By contrast, aptamers are synthetic and are produced using well-defined, controlled and easily scalable chemical processes. The Directors believe this is a significant advantage and opportunity for the Group.

6.5 **Moral and ethical advantage**

Aptamers are totally synthetic, requiring no animal use at any stage of their development or manufacture, unlike antibodies. Aptamers are produced using well characterised and readily controlled (and scalable) chemical processes. This means that aptamers and Optimer® binders conform with and are supported under EU directive 2010/63/EU3 and the NC3Rs initiative.

7. **DEMAND FOR APTAMERS**

The demand for specific affinity ligands is inherent in every area of life science. This ranges from research tools to diagnostic tests (including the development of proteomic arrays), and from therapeutic uses to purification reagents used in bioprocessing.

It is anticipated that the potential for aptamer-based diagnostic tests and drugs molecules is expected to propel the market. The Directors believe that global aptamer market growth will be supported by technological advancements such as improvements in selection processes and integration of novel technologies (such as OptimerPLUS modifications), tailored towards broader application in diagnostics such as proteomics and small molecule detection. Clinical demonstration of aptamer-based diagnostics will also accelerate the adoption of aptamers as a platform technology. Novel technologies may also find therapeutic application.

7.1 **Diagnostics**

7.1.1 **Diagnostic binders**

The requirement for target-specific binders is most obvious in the development of diagnostic tests. Examples of fields that use these tests include:

- **Healthcare:**
  - simple and rapid blood, saliva or urine tests for infection, cancer and viruses;
  - improved imaging reagents for cancer detection and monitoring, biopsy screening or whole-body imaging;
  - companion diagnostics for drug monitoring in the clinic or clinical development / trials; and
  - reagents for Quality Control testing of drugs or other biological tools, before they are released for use.

- **Environmental monitoring:**
  - detection of pathogens or pollutants in the water supply; and
  - detection and monitoring of plant or animal health to detect and monitor disease outbreaks.

- **Livestock and veterinary testing:**
  - monitoring livestock animal health or treatments to determine when animals can be returned to food production; and
  - detection and monitoring of disease in companion animals.
Testing in the food and drink industries:
- detection of contaminants such as bacteria or bacterial toxins in food stocks;
- detection of contamination with antibiotic residues from livestock treatment and monitoring food quality to detect spoilage, reduce waste and ensure safety, or as general ‘batch release’ reagents for Quality Control.

The global COVID-19 pandemic spurred a significant interest in novel diagnostic platforms, including aptamers. Aptamer Group isolated several aptamers against the SARS-CoV-2 virus (the causative agent for COVID-19) in just 17 days. The Group’s SARS-CoV-2 aptamers are being evaluated in a range of sophisticated assay formats with third parties, including several different electrochemical sensors for saliva testing, biosensors for wastewater or breath testing, flow cytometry-based viral testing, and a range of others. Exemplar Optimer® binders have already been successfully used by multiple partners (including DeepVerge) and integrated into a variety of diagnostic platforms.

7.1.2 Diagnostic microarrays and the proteomics revolution

Optimer® binders offer the potential to enable the proteomics revolution.

Traditionally, diseases were diagnosed using a simple correlation between the common symptoms and the disease itself. As the underlying processes behind different diseases have become more widely understood, so the ability to more accurately diagnose a disease has been facilitated by measuring the presence, absence or amount of a particular disease-associated biomarker (i.e., a protein or cell type which is linked to the disease). Diseases can be caused by a change in a single protein or cell, but more often they manifest as complex systems which result in many different changes and can vary from patient to patient. Detection and monitoring of a panel of different disease-associated proteins allows a more accurate diagnosis and allows disease progression to be monitored, despite patient-to-patient variability. The ability to detect and quantify many different proteins in parallel has been enabled using diagnostic microarrays.

Microarrays are platforms in which hundreds or thousands of target-specific binders are immobilised at defined locations on a chip. Each one of these binder molecules detects a disease-specific protein. It is, therefore, possible to detect many different proteins in parallel, giving a snapshot profile of the proteins (known as the ‘proteome’) in a biological sample (e.g., blood). The more biomarkers that can be detected in these arrays, the more information can be obtained from a single sample. Detecting hundreds to thousands of biomarkers in these proteomic arrays requires a similar number of protein-specific binders. Development of a new proteomic array, which incorporates thousands of binders, could be prohibitively slow if it was reliant solely on antibodies. Aptamers, generated using high throughput, parallel processing platforms offer a solution to this problem.

An aptamer-based proteomic array has been developed by SomaLogic, Inc over a period of 20 years or more and is claimed to contain modified aptamer binders for over 7,000 different targets. The Directors believe this demonstrates both a clear need and application for aptamers in the healthcare setting and the potential value in this sector.

The proteomics market is expected to reach $64 billion by 2024 at CAGR of 15 per cent. In addition to SomaLogic, there are a number of companies listed in the US (including, Quanterix, Olink, Nautilus, Seer and Quantum SI) developing proteomics platforms, all of which will require affinity ligands, such as aptamers. Collectively, each of these platforms will require hundreds or thousands of affinity ligands to detect proteins in parallel.

Aptamer Group uses robotics and parallel processing in its high throughput automated discovery platform to target multiple targets more quickly and more accurately than is possible manually. For platform technologies such as proteomics which require an extensive library of binders, Aptamer Group’s technology offers the potential to reduce development time. Aptamer Group is already engaged in proteomics projects developing binders against hundreds of targets, enabling the development of these arrays and will continue to target more companies enabling the proteomics revolution.
7.1.3 **Small molecule detection**

Small molecules (<1 kDa) represent most drugs, pesticides, cell metabolites, environmental contaminants, and others. Antibodies have more than a 60 per cent. failure rate when trying to target these small molecules. Many of the obstacles that antibodies pose in this instance can be overcome by using aptamers.

Aptamer Group’s proprietary automated Optimer® selection process for small molecules has been proven to have a high success rate when targeting small molecules, and Optimer® binders are compatible with most diagnostic formats. Aptamer Group is already engaged with various customers/partners for providing this process, including CRO Aviano, QSM Diagnostics and Blink Science. Exemplar Optimer® binders have already been successfully used by multiple partners and integrated into a variety of diagnostic platforms.

Aptamer Group also has a patent application in process, which will cover a novel small molecule diagnostic assay format.

7.1.4 **Biosensors**

Biosensors are typically electrochemical devices that use biological molecules to detect the presence of other target molecules (e.g., a protein, cell, bacteria or virus, which identifies a particular disease, contamination etc.).

Aptamers have a number of advantages in biosensor development. Firstly, the size of an aptamer is significantly less than that of an antibody, which means that binding of the target occurs closer to the sensor surface and can occur at a higher packing density. Some sensing technologies are significantly affected by this distance, so a closer interaction directly translates into a more sensitive assay. Similarly, higher packing density often leads to more sensitivity in the assay (meaning its ability to detect a low concentration of a target molecule).

In conjunction with its collaborators, Aptamer Group has demonstrated the use of several aptamers in electrochemical sensors, such as Resistive Pulse Sensing (RPS), Quartz Crystal Microbalance (QCM) and Raman Spectroscopy based platforms. This shows the versatility and broad applicability of aptamers in biosensor development.

7.1.5 **Biomarker Discovery**

Biomarkers are specific proteins, genes or other molecules by which a disease can be identified. Producing aptamers to identify biomarkers is therefore useful in the research and development of diagnostic tests.

Aptamer technology has the potential to support biomarker discovery programmes and aptamer selection can be carried out against whole cells or tissue samples. In theory, an aptamer could be identified against every protein on the surface of a diseased cell (both normal proteins and disease-associated ones). Careful use of appropriate counter-selection cell lines (representing healthy cells or tissues) can remove aptamers against normal cell surface proteins and leave only aptamers against disease-specific proteins.

A panel of aptamers isolated in this way can be assembled into a diagnostic array to detect and distinguish between thousands of proteins, making aptamers a potential diagnostic profiling tool. Aptamers can provide a systematic and accurate way to discover biomarkers for disease and a theranostic platform, combining diagnostic and therapeutic properties, for use in practical clinical applications, particularly early-stage cancer detection.

7.2 **Therapeutics**

Delivery of therapeutic payloads to the site of action (i.e., a specific organ or cell type within the body) remains a major translational challenge. Poor tissue penetration and biodistribution are limiting factors in the development of many targeted therapeutics. Targeted delivery to specific organs and cells (rather than systemic administration) offers treatment benefits, including increased potency, improved safety
and tolerability, dose flexibility, reduced dose-volume and fewer patient side effects. Targeted delivery also offers the potential to address new tissue types and diseases that have previously been seen as ‘undruggable’.

Being composed of nucleic acids (a key component in almost every cell in the body), aptamers are generally non-immunogenic and non-toxic. This means that they have great potential for use as novel therapeutics, as they suffer from fewer immune stimulation effects which limit the number of times that a patient can receive antibody or some protein-based treatments.

Natural nucleic acids are not stable in the body for long periods of time, due to the presence of nucleic acid degrading enzymes (called nucleases) which are abundant in many bodily fluids, including blood. This means that non-modified nucleic acids have a very short ‘half-life’ in the body. A plethora of modifications have been developed to make aptamers resistant to degradation by these enzymes, improving aptamer stability without significantly affecting the performance or large-scale manufacture of these valuable molecules.

Aptamers are much smaller than other binder molecules, which is a significant advantage for aptamer-based therapeutics as they can penetrate faster and deeper into tissues, for example, tumours. Aptamers can access binding sites on cell surfaces that are too small for antibodies (such as clefts in cell surface receptors) and they can cross many biological membranes (for example, the blood-brain barrier) to offer new therapeutic avenues. The size of aptamers also means that they occupy the space between conventional small molecules and traditional biologics having similar pharmacological distribution properties of small molecules, but bind and act like large molecules. This means that unmodified aptamers are rapidly cleared from the body, passing across the filtering membranes in the kidney and excreted in urine (renal clearance). In that regard, aptamer-based therapeutics do not persist in the body for extended periods. Rapid renal clearance may be a beneficial characteristic that developers wish to exploit, as drugs with short persistence times have less opportunity to have ‘off target’ interactions and associated side effects. The benefits of this ‘hit and run’ approach are now widely accepted. Where a longer persistence time is preferred, a large inert, bulky group (e.g., Polyethylene Glycol) can be attached to the aptamer to reduce the rate of renal clearance.

7.2.1 *Therapeutic binders*

Highly specific binders are equally important in the therapeutics field. How well a drug reaches its target, binds to its target or how it cross-reacts with other targets, all influence how well a drug performs, how well it is tolerated and critically its level of toxicity. Target binding molecules broadly fall into two classes of therapeutics:

- **Therapeutics that have a direct effect** – Target specific binders can be used directly as a pharmaceutical ingredient. For example, a binding molecule may inhibit disease-associated processes, such as blocking the interaction between a viral protein and a host cell receptor to block viral infection. Similarly, binders can block other disease-associated interactions. Target binders may also stimulate (or repress) cell processes, for example, block transmitters or receptors associated with pain transmission.

- **Drug delivery vehicles** – Target binders that recognise cell or tissue-specific proteins can carry therapeutic cargo to desired locations. This ensures that the drug is sequestered at the required site of action, rather than unwanted locations in the body. This can be very beneficial for highly active compounds which do not reach the site of action on their own. Making sure that the drug effectively reaches its intended destination within the body will make the drug more effective and allow lower doses to be used (as less of the drug is wasted in other tissues). This will also reduce side effects from unwanted interactions. A notable example of this is in the use of chemotherapeutics, which have a wide range of side effects due to a number of ‘off-target’ interactions.
7.3 Research Applications

In addition to diagnostic and therapeutic applications, aptamers can be used in a wide variety of general research applications. These include applications such as western blotting, fixed or frozen tissue staining and imaging, flow cytometry and fluorescence microscopy, various drug metabolism and pharmacokinetics assays in drug discovery, protein purification, pre-clean-up for mass spectrometry and many others.

The need for high quality binding reagents is essential for research and development in all life science sectors. This extends from academic laboratories and research institutes to research and development divisions in large pharmaceutical companies worldwide. Almost all assays used in biological research involve the use of some form of target binder. If binders are not sufficiently specific (i.e., they bind to molecules other than their intended target) or do not stay bound for long enough (because they do not have a strong interaction), the results of the assay may be inaccurate or misleading. This inevitably can slow the progress of research programmes.

High quality binding reagents are also extensively used in bioprocessing, which is the production of any biological material (e.g., foods, drugs, vaccines, research tools etc.). There is a requirement for specific binders in two areas: Quality Control and Purification. Quality Control reagents ensure that the final product meets the required quality and safety standards before it can be released for sale or use. Reliable diagnostic binders are essential for this process. Purification relates to the separation of the desired product from all contaminants in the mass manufacture of high value products, such as vaccines or other drug molecules. It relies on the use of target specific binders to capture the target of interest and separate it from all other impurities generated by the manufacturing process. If the binding molecule is not specific (so it binds to other molecules), then the final product will be contaminated with other potentially harmful materials. If the binding molecule does not capture the target fast enough (or keep hold of it), then some of the high value product will be lost. Similarly, if the binding molecule binds ‘too tightly’ and does not release the product, then it will also be lost. Each of these problems reduces the final product yield, thereby affecting manufacturing costs.

8. BUSINESS STRATEGY

Aptamer Group provides contract research services on a fee-for-service basis. In addition to being paid for the development work that it undertakes, the Group’s model is to seek to retain the intellectual property in relation to each of the aptamer and Optimer® binders resulting from contract research work. Therefore, if a customer takes a particular binder(s) forward to further development stages, commercialisation or uses it in its own platforms, Aptamer Group will generate ongoing longer-term royalty and licence fee income – in all business areas, including diagnostics, therapeutics, research applications and bioprocessing. The potential upside from royalty and licence fee income can be very significant.
Unlike some of the competing technologies, the Group’s aptamer technology is highly flexible and adaptable, and is being used broadly in a number of verticals as illustrated below:

Figure 6: Aptamer technology applications

Aptamer Group’s research, bioprocessing and diagnostic tools / reagents have a faster route to market and revenue generation. Enabling therapeutics programmes can take longer but are expedited using aptamers and offer higher longer-term revenues and margins.

8.1 Aptamer Solutions

Aptamer Solutions provides contract research services focusing on the custom development of nucleic acid aptamers and Optimer® binders for clients, using the Group’s proprietary high throughput platform technology. The Company focuses on the development of ssDNA and ssRNA aptamers and Optimer® binders as bespoke tools for use in research and development applications, production process tools (e.g., purification reagents) and Quality Control reagents (e.g., batch release tools).

Optimer® binders are developed with customer-specific targets and end-use applications in mind, including:

- Research tools
- Proteomics
- Quality control analysis reagents
- Drug metabolism and pharmacokinetics assays
- Protein purification reagents

Revenues are generated on a fee-for-service basis with the potential for licence fee income through retained intellectual property. Aptamer Solutions provides services to a broad range of customers, which gives the Group an overview of growing demand in particular areas of scientific development and of opportunities it should be targeting. In this regard, Aptamer Solutions also acts as a ‘Horizon Scanning’ platform for the Group.

8.2 Aptamer Diagnostics

The Group’s technology is used by customers to develop diagnostic platforms – for example, in proteomics (discussed at paragraph 7.1.2 of this Part I), lateral flow devices, biosensors and immunoassays, such as ELISA. These types of diagnostic platforms have applications across human health, environmental services and in the agri-food sector.

The sensitivity of a diagnostic test relies on high-performance binding reagents and the aptamer selection processes developed by the Group are designed to generate reagents suitable for diagnostic use. These reagents are central to the test’s performance. Aptamers generated using conditions that mirror the end application (temperature, environment, sample type, etc.) are more likely to successfully integrate into a commercially viable diagnostic platform.

Aptamers also have physical properties that make them of specific interest in the diagnostic market, including large scale manufacture, standardised reagents, reproducible manufacture through solid-phase
synthesis to reduce batch-to-batch variability, extended shelf-life through dry storage of aptamers and the removal of the need for cold chain supply.

Aptamer Diagnostics has focused on the development and integration of aptamers into diagnostic platforms traditionally serviced by antibodies. The team has successfully demonstrated that aptamers can be used as a replacement for antibodies in existing platforms, including ELISA, lateral flow assays, flow cytometry and cell or tissue imaging. Aptamer Group has also demonstrated the use of aptamers in several of the most used laboratory sensor formats, including Surface Plasmon Resonance (SPR), BioLayer Interferometry (BLI) and Microscale Thermophoresis (MST), which it routinely exploits for internal and customer-focused development work, as well as a range of specialist platforms including Resistive Pulse Sensing (RPS), Quartz Crystal Microbalance (QCM), a Raman Spectroscopy based platform and various electrochemical sensor platforms.

Aptamer Diagnostics’ revenue model comprises an initial fee-for-service, with potential for ongoing licence fees, milestone payments, technology transfer and success fees. The Group will generate revenue in any event for its initial discovery services, but if an Optimer® is successfully identified and commercialised or licensed by a customer, revenues and margins can be significant. Timescales from project initiation to commercialisation by the customer can be as little as 1-2 years and initial licensing payments within approximately 4 years.

8.3 Aptamer Therapeutics
As with diagnostics, the Group seeks opportunities to provide contract research services in the field of therapeutics, using its technology and experience to develop Optimer®-drug conjugates, Optimer®-enabled gene therapies and Optimer®-agonists and antagonists. For example, Optimer® binders may inhibit a disease-associated protein-protein interaction. Blocking this interaction could have a direct therapeutic effect. Optimers may also be used to block cell surface receptors (e.g., ion channels) and thereby reduce a cell response.

Despite the recognised limitations of antibody technology, the antibody therapeutics market was estimated to be worth in excess of $117 billion in 2020 and is expected to reach ~$180 billion by 2026 at ~7.1 per cent. CAGR. The Board believes that any technology that addresses these known limitations will have the potential to become a disruptive influence and have a strong competitive advantage with drug development companies looking for the next evolution in delivery technology to enhance the applicability of their biologics portfolios.

The use of aptamers as direct-action therapeutics and as drug conjugates has generated significant interest from potential pharmaceutical partners interested in the targeted delivery of drug molecules. The relatively small size of aptamers compared with antibodies gives them a number of advantages in tissue penetration, cell uptake and access to binding sites. When coupled with the comparative ease of aptamer synthesis and modification, this creates the potential to use them as a carrier to deliver drugs to specific tissues or cells.

As part of its long-term growth strategy, Aptamer Therapeutics will be pursuing the development of therapeutics based on the Group's technology platform, similar to the established process of monoclonal antibody drug development in partnership with selected biopharma and pharma partners. Importantly, Aptamer Therapeutics will enter this market using a collaborative development model to mitigate the risks and costs associated with drug development. Aptamer Therapeutics has undertaken preliminary discovery programmes with organisations including Cancer Research UK (CRUK) and AstraZeneca and is in project discussions with organisations in the Antisense Oligonucleotide (ASO) and small interfering RNA (siRNA) therapeutics sector. Preparation of aptamer-ASO, aptamer-siRNA or similar conjugates will help address the issues of specific tissue targeting and delivery associated with these therapeutic modalities.

Aptamer Therapeutics’ revenue model comprises an initial fee-for-service, with potential for ongoing licence fees, milestone payments, technology transfer and success fees. The Group will generate revenue in any event for its initial discovery services, but if an Optimer® is successfully identified and commercialised or licensed by a customer, revenues and margins can be significant. Timescales from project initiation to commercialisation or developmental milestones, can be 1-2 years, and initial licensing payments can be within ~4 years.
8.4 **Ongoing strategic development**

The Board believes that there is increasing demand for target-specific aptamers and Optimer® binders from pharma companies and from the developers of platform technologies that rely on binder technologies. Aptamer Group will largely follow this trend in its own projects. Some projects will focus on the improvement of the Group’s processes and integration of innovative technologies (both in terms of novel nucleotide chemistries and new ways to isolate target-specific binders), however it is expected that efforts will centre around the development of customer’s target-specific aptamers and their application in purification, diagnostic and therapeutic platforms.

Aptamer Group intends to remain at the forefront of aptamer technologies. The Group has developed high throughput capabilities, which allows it to generate aptamers against large numbers of targets in parallel. The innovative team is constantly seeking new technologies that can be integrated with existing technologies to improve the performance of the Group’s aptamers, capacity or turnaround time.

Aptamer Group has recently acquired the patent rights to a novel nucleotide technology platform, currently known as OptimerPLUS (as discussed at paragraph 5.2 of this Part I). These nucleotide building blocks carry protein-like side chains, which, when incorporated into aptamers, confer more protein-like properties on the resulting developed binders. This technology bridges the gap between nucleic acid aptamers and other affinity ligands, increasing the size of the addressable market for the Group by broadening the range of targets that can be addressed by its novel aptamers. These novel aptamers will also be highly patentable and more difficult to reverse-engineer, adding value to the Company’s IP portfolio.

When this nucleotide technology platform has been fully established and integrated, Aptamer Group expects to apply it to pilot diagnostic and therapeutic programmes.

9. **RESEARCH AND DEVELOPMENT**

Developments in the Group’s technology and processes that increase the successful identification of binders increase the likelihood of triggering success fees and ongoing licence fee opportunities, which in turn increase the Group’s potential to generate revenues. The Group is committed to continuing a focused research and development programme in order to remain at the forefront of the sector.

Aptamer Group strives to remain a leading player in the development of aptamer related products and services through a focus on innovation; improving processes to increase capacity, reducing delivery time, reducing cost and waste, improving profitability; demonstrating aptamer utility in novel application areas to create new business opportunities; and developing and integrating new technologies to create new products and service offerings. This development work is guided and supported by the Scientific Advisory Board and their network of contacts.

9.1 **Innovative customer-focused developments**

Aptamer Group does not simply isolate aptamers for customers. Projects often extend to the development of aptamer-related products or processes. For example, when the Group developed aptamers for use as affinity chromatography reagents, the aptamer development work was carried out by the Group’s team of production scientists, and the resulting aptamers were subsequently integrated into a purification column format and evaluated for small scale proof of concept verification by the assay and process development team. Other examples include the demonstration of aptamer performance in ‘non-standard’ diagnostic assay formats.

9.2 **Process improvement**

Aptamer Group is constantly seeking ways to improve its service offering. Improvements to aptamer selection and characterisation processes can reduce time to delivery, increase internal development capacity, and reduce project completion costs; increasing profitability. Any process improvements are thoroughly explored, developed and validated before being integrated into the aptamer production process.
9.3 **Data generation to support marketing and patenting activities**

Marketing is essential to create brand awareness and educate potential users of the benefits of aptamers, Optimer® binders and Aptamer Group. One of the best ways to achieve this is by using empirical data that demonstrates the performance of aptamers in a specific application area. Aptamer Group’s marketing activities, therefore rely on a steady stream of demonstrator data (generated by customers or internally) to support their messages.

Patenting of innovative process developments, new application areas or high-value target-specific aptamers is important to expanding the Company’s IP portfolio and increasing company value. Patent applications rely on similarly large amounts of good quality demonstrator data.

9.4 **Novel technology developments**

Aptamer Group is continually investing in research and development and integration of process technology to give a competitive advantage to its service offering. The Group regularly reviews and reports on its R&D activities to ensure alignment with business objectives.

9.5 **Future R&D Focus**

9.5.1 **Novel nucleotide chemistries**

In 2020, Aptamer Group acquired a patent portfolio covering a novel nucleotide chemistry, that had over 10 years of previous development work. This novel technology platform bridges the gap between nucleic acid aptamers and protein-based binders (e.g., antibodies, Affibodies, Nanobodies, Affimers), offering the potential to create enhanced aptamers with protein-like binding properties.

The Company believes that this platform, when developed and integrated into its own systems, may broaden the applications for and improve the performance of the Group’s aptamers. A key benefit of this platform is the suite of patents under which it has already been developed and that together create a further competitive advantage. Part of the proceeds of the Placing will be used to develop and integrate this platform technology with the current aptamer discovery and selection methodologies.

The Group has renamed this platform OptimerPLUS as discussed in more detail in paragraph 5.2 of this Part I.

9.5.2 **Assay team**

The Group already includes consideration of its customers’ end application when identifying target binders. However, the Directors have initiated a dedicated “Assay team” focused on identifying and developing opportunities for aptamer-based immuno-assays, cell-based assays etc. by enhancing the Group’s contract research services offering to include further validation and optimisation of developed binders in the specific context in which a customer will use the resulting binder. There is an intent to expand this team as it will form additional services that give the customer more of a turnkey solution than the existing offering. By enhancing the Group’s offering in this manner, the Directors and Proposed Directors anticipate a higher success rate and thereby increased opportunities for generating higher revenues.

9.5.3 **Therapeutic process developments**

Enabling the development of aptamer-based therapeutics is a strategic goal for the Group in the short-to-medium term. Aptamers have already shown great potential in this area, but the Group believes that the process of isolating aptamers for therapeutic use (especially for drug delivery applications) can be improved through careful design and optimisation of novel aptamer library architectures. The Group has already designed bespoke aptamer libraries incorporating structures that are readily taken up by cells and can be effectively conjugated to therapeutic cargos.

Aptamer Group has already demonstrated the potential for aptamers in therapeutic applications in a project with Cancer Research UK, as more fully described in Part II of this Document.
10. MARKET OPPORTUNITY AND COMPETITION

The market for antibody-based research, diagnostics and therapeutics demonstrates a very substantial demand for binder technologies, such as aptamers. Aptamers offer distinct advantages over antibodies in terms of production, manufacture, supply and ethics. Furthermore, reports suggest that between 50-60 per cent. of available antibodies fail to meet their internal research standards.

The Board believes that this presents a significant market opportunity for companies with alternative binding technologies, such as the disruptive technologies used by Aptamer Group. The existence of this market opportunity is validated by the presence of several non-animal-based alternative affinity ligand platforms which have already been developed and licensed or commercialised, a number of which are listed or have undergone significant corporate transactions. These include aptamers (SomaLogic, Inc., NASDAQ), bicyclic peptides (Bicycle Therapeutics plc, NASDAQ), Nanobodies® (Ablynx N.V. acquired by Sanofi in 2018), Affimers (Avacta Group plc, London Stock Exchange - AIM), DARPin® (Molecular Partners, Swiss Stock Exchange), and Affibody® (Abcam plc, London Stock Exchange - AIM).

The market in which Aptamer Group operates is global. The USA and Europe are key markets for the Company, but Aptamer Group is forming collaborations with academia, and diagnostic and pharmaceutical companies, to develop innovative products and platforms worldwide.

The competitive landscape includes companies in direct competition with Aptamer Group, using their own aptamer platforms and those that use non-aptamer-based binder technologies. Aptamer Group views its competition as those companies providing a commercial service offering or collaborating to develop aptamer-based diagnostic and therapeutic applications. There are several other companies that operate in the aptamer space and are not direct competitors of Aptamer Group; these companies have often developed aptamer platforms with specific therapeutic or diagnostic projects in mind and do not have a commercial service offering.

11. EXAMPLES OF CURRENT AND RECENT PROJECTS

Examples of contractual partnerships that Aptamer Group is currently engaged with include:

- In June 2021, Aptamer Group entered into a strategic collaboration agreement with PinotBio, Inc., a clinical-stage oncology-focused biotechnology company based in South Korea, to develop Optimer®-drug conjugates for targeted drug delivery by combining Aptamer Group's Optimer® technology with PinotBio's technology using the chemotherapeutic FL-118 compound. PinotBio's FL-118 payload system is a novel camptothecin-based payload to be used in various carrier-drug conjugates, including Optimer®-drug conjugates. FL-118 shows strong anti-cancer effects in various tumour models and possesses good safety profiles to support its development as a part of the multi-target collaboration. Aptamer Group will provide the developed Optimer® binders to PinotBio for use with their payload and linker technologies. PinotBio will generate and optimise Optimer®-drug conjugates against multiple undisclosed targets. PinotBio will carry out pre-clinical research and development to evaluate each of the Optimer®-drug conjugates and their potential to progress as clinical candidates for the treatment of haematological cancers, such as leukaemia, lymphoma, and myeloma.

- In May 2021, Aptamer Group signed an agreement with the multinational pharmaceutical and biopharmaceutical company Takeda Pharmaceutical Company Limited (“Takeda”) to assess Aptamer Group’s Optimer® technology with the potential for incorporation into Takeda’s drug development process. Following the development of specific Optimer® reagents to the agreed range of targets, the Optimer® binders will be available to Takeda to evaluate for the feasibility of working with their drug compounds.

- In March 2021, Aptamer Group extended an agreement with AstraZeneca to build upon the existing collaboration to evaluate the potential of using Optimer®-based strategies to target renal cells and explore the feasibility of developing Optimer®-drug conjugates as the next generation of drug delivery vehicles. Optimer®-drug conjugates are anticipated to offer the potential to reach a specific cell or tissue and to have the potential to have a real impact for new drug targets identified in renal disease. AstraZeneca aims to leverage Aptamer Group’s Optimer®-based strategies to identify novel targeting aptamers to deliver drug molecules to the kidney. Further details of the results of this partnership can be found in Part II of this Document.
In February 2020, Aptamer Group entered into a collaboration with Valitacell Ltd, based in Ireland, to develop the use of aptamer binders for use in Valitacell’s high throughput screening processes for the rapid identification of promising cell lines that are used in manufacture of high value therapeutics. The 20-year deal will see both companies combining their distinctive expertise to deliver these much-needed new drug discovery technologies for the pharmaceutical industry.

In April 2019, Aptamer Group entered into a collaboration with the University of Manchester and Cancer Research UK to explore the potential of aptamers as therapeutic agents for the treatment of Chronic Myelomonocytic Leukaemia (CML) and other myeloid malignancies. The partnership intends to build on initial data showing aptamers with therapeutic potential that can selectively target a key gene fault involved in driving this group of cancers. Further details of the results of this partnership can be found in Part II of this Document.

12. INTELLECTUAL PROPERTY

Intellectual property is at the core of Aptamer Group’s business and represents a significant barrier to competition. The Group’s intellectual property portfolio comprises trade secrets and know-how as well as patent rights arising from acquired/developed intellectual property and aptamers developed for customers. In most situations, the Group retains ownership of the intellectual property in relation to aptamers developed for customers and therefore retains the potential for significant ongoing royalty and licence fee income.

The Group regularly reviews and actively manages its intellectual property portfolio to create value and ensure its service offerings and internal projects remain innovative. Aptamer Group’s patent portfolio includes 75 patent rights (granted and pending), arranged in 16 different patent families, including a novel aptamer-based diagnostic platform, aptamer molecules against specific targets of commercial interest, and novel chemistries which it is intended will be integrated into the Group’s discovery and development platform.

Amongst its patent portfolio is a patent family relating to a platform technology describing the use of aptamers in tests to quantify a specific target. International Patent (‘PCT’) Application PCT/GB2019/052361 has been filed which covers a platform technology used by Aptamer Group based on aptamers selected using its Displacement Selection methodologies against various targets, including small molecules (such as drug molecules, food or environmental contaminants, toxins etc.), and their use in several common assay formats (such as lateral flow assays, Enzyme-Linked Oligonucleotide Assays, etc). This platform offers a significant advantage over other small molecule detection assays, as it allows the detection and quantification of small molecules (and potentially proteins) in a simple, ‘gain-of-signal’ assay, using a single binding reagent. The majority of small molecule quantification assays available on the market are typically ‘loss-of-signal’ formats, which suffer from sensitivity issues or rely on a pair of binders (which can be difficult and expensive to obtain for small molecules). This provides an opportunity to develop new tests against previously undetectable targets, which are easier to read, cheaper to manufacture and more readily produced in large numbers.

The IP portfolio also includes a group of individual aptamer binders which have been identified against specific targets of interest. These patent filings are directed to the specific sequence and structure of the aptamer molecule(s). These patent filings include language aimed at protecting sequence variants, to prevent competitors from making minor changes to Aptamer Group’s aptamers and therefore avoiding infringement. The outputs from every aptamer selection project are considered for patent protection. Patent applications are filed for any cases where it is considered that the aptamer(s) will be commercially applicable.

This group of patents includes patent families relating to aptamers against the small molecule chemotherapeutics Imatinib (PCT/GB2019/053353) and Irinotecan (PCT/GB2019/053355). These aptamers can be used to detect the presence, absence or amount of these drugs in a patient blood sample. Importantly, some of these aptamers can bind to the target small molecule and their main active metabolite, while others discriminate between the drug and its metabolite(s). Using these aptamers in different combinations makes them more useful than traditional binders as they can be used to quantify the amount of active drug (and its breakdown products) in a patient, offering the opportunity to tailor a treatment programme. Biosensors based on these aptamers are in development and are expected to give a more accurate quantification of the active drug molecule.

The Group has also isolated aptamer binders against key proteins from SARS-CoV-2. These aptamers are described in PCT/GB2021/051559. They have been shown to recognise several of the current World Health Organisation COVID-19 variants of concern with high sensitivity and specificity. The use of these aptamers
in simple assay formats has also been demonstrated. These aptamers are now being evaluated in a variety of platforms for the rapid detection of COVID-19.

As well as existing patent rights, the Group has identified at least five additional inventions which are likely to form the basis of new corresponding patent applications (and therefore likely to result in five new patent families). These include aptamers against other proteins from SARS-CoV-2, a number of widely used food additives, several steroid hormones, as well as a novel platform for improved aptamer selection, which may improve the efficiency of the Group’s aptamer isolation processes.

In addition to its own patent filings, the Group has recently acquired a patent portfolio that describes a range of novel chemistries, known as “OptimerPLUS”. It is intended that the OptimerPLUS platform technology will be integrated into the Group’s own platforms and its performance evaluated over the coming months. It is expected that these novel chemistries will improve the performance of the developed aptamers and give them properties that are not ‘available’ with non-modified versions. This will give the Group another strong differentiator and marketable competitive advantage over competitors and other protein-based platform technologies. The Group expects this to allow it to enter new markets and address targets that are not currently amenable to ‘traditional aptamer selection’. This will potentially increase its target market share and strengthen the position of aptamers in the affinity ligand space. The applicability of these next-generation aptamers will be explored in therapeutics and diagnostics, as well as the research reagent space. Additional patent families are likely to result from the application of this technology. These will include additional platform patents, as well as intellectual property around the individual modified aptamer binders generated.

Other technologies, platforms or individual aptamer/binders may also be developed as new opportunities arise. These will all be evaluated for their patentability on a case-by-case basis.

Aptamer Group also holds proprietary intellectual property, which has not been made subject of a patent application. In certain instances, intellectual property is protected as proprietary know-how and trade secrets. There are numerous processes for aptamer identification, characterisation and minimisation. Technological developments around aptamer selection approaches are reviewed and assessed for their novelty, patentability and the likelihood that a competitor could ‘invent around’ a patent. Disclosure of the Group’s processes in a patent could serve as a springboard and allow competitors to develop similar processes without infringing intellectual property. Protecting these process developments using know-how and trade secrets prevents the need for public disclosure of the methods and mitigates this risk. Non-routine process developments (which are not readily replicated) will be considered for patent protection. For example, aptamer selection processes involving novel chemistries or uncommon equipment which are not readily available. These are significantly more difficult to replicate without obviously infringing the Group’s intellectual property, so they would provide additional patent protection around the core aptamer selection processes.

13. SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following summary of historical financial information relating to Aptamer Group’s activities for the years ended 31 March 2019 and 2020 and the 15 months ended 30 June 2021 have been extracted without material adjustment from the historical financial information set out in Part IV of this Document. In order to make a proper assessment of the financial performance of Aptamer Group’s business, prospective investors should read this Document as a whole and not rely solely on the key or summarised information in this section.

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March</th>
<th>Year ended 31 March</th>
<th>15 months ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td></td>
</tr>
<tr>
<td>Total revenue</td>
<td>£986,661</td>
<td>£854,568</td>
<td>£1,599,707</td>
</tr>
<tr>
<td>Gross profit</td>
<td>£612,852</td>
<td>£455,970</td>
<td>£672,659</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(£416,856)</td>
<td>(£727,572)</td>
<td>(£2,543,006)</td>
</tr>
<tr>
<td>Loss before tax</td>
<td>(£594,832)</td>
<td>(£941,287)</td>
<td>(£2,910,290)</td>
</tr>
<tr>
<td>Net assets</td>
<td>£899,871</td>
<td>£245,806</td>
<td>£105,518</td>
</tr>
</tbody>
</table>
14. CURRENT TRADING AND PROSPECTS

Total revenues have increased by over 62 per cent. since 2019, including an increase in fee-for-service revenues of 385 per cent. to date. The Group’s customers include 75 per cent. of the top 20 global pharmaceutical companies, with many repeat customers and customers working with the Group on multiple targets. On average, 38 per cent. of customers progress to follow on projects.

The Group has signed multiple long-term commercial contracts across key pillars of the life sciences market, leading to fee-for-service contract research revenues, shared intellectual, licensing and royalty-based payments in many cases, as illustrated by the following sample of ongoing contacts:

<table>
<thead>
<tr>
<th>Customer</th>
<th>Target / Area</th>
<th>Requirement</th>
<th>Commercials</th>
<th>Vertical</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emerging life science tool company</td>
<td>Peptides</td>
<td>High value R&amp;D</td>
<td>£2.8m development fee, with up to £16m in licence fee and milestones</td>
<td>Research reagents</td>
</tr>
<tr>
<td>Emerging life science tool company</td>
<td>Peptides</td>
<td>High value R&amp;D</td>
<td>£22m development fee with up to £28m in licence fee and royalties</td>
<td>Research reagents</td>
</tr>
<tr>
<td>CMC provider</td>
<td>Gene therapy</td>
<td>Therapeutic CMC</td>
<td>Upfront development fee with double digit royalties</td>
<td>Bioprocessing</td>
</tr>
<tr>
<td>Top 10 Pharma</td>
<td>CNS Vaccine</td>
<td>Therapeutic CMC</td>
<td>Upfront development fee with yearly licence fee</td>
<td>Bioprocessing</td>
</tr>
<tr>
<td>Top 10 Pharma</td>
<td>Vaccine Product</td>
<td>Therapeutic CMC</td>
<td>Upfront development fee, IP ownership</td>
<td>Bioprocessing</td>
</tr>
<tr>
<td>Specialist Respiratory Dx company</td>
<td>Respiratory disease</td>
<td>Dx IVD</td>
<td>Upfront development fee, milestones and up to double digit royalties</td>
<td>Diagnostic reagents</td>
</tr>
<tr>
<td>AstraZeneca</td>
<td>Kidney</td>
<td>Therapeutic DD</td>
<td>50% ownership of IP</td>
<td>Therapeutic delivery</td>
</tr>
<tr>
<td>CRUK</td>
<td>Haem-Onc</td>
<td>Therapeutic DD</td>
<td>35% of the economic value of the asset</td>
<td>Therapeutic delivery</td>
</tr>
<tr>
<td>Stealth Biotech</td>
<td>Hepatic</td>
<td>Therapeutic DD</td>
<td>Upfront development fee, IP ownership</td>
<td>Therapeutic delivery</td>
</tr>
<tr>
<td>Biotech</td>
<td>Haem-Onc</td>
<td>Therapeutic DD</td>
<td>Joint IP</td>
<td>Therapeutic delivery</td>
</tr>
</tbody>
</table>

Aggregate values for signed fee-for-service contracts have increased from £1.3 million in 2019 to £2.5 million for the 15 months ended 30 June 2021, and to £6.3 million (Note 1) in the first quarter of the current financial year. The fee-for-service pipeline stood at £17.6 million (Note 1) at 30 June 2021 and is now approximately £18.5 million (Note 1), representing an increase of 640 per cent. since March 2019. Typically, the Group has historically converted around 38 per cent. of the pipeline value into signed contracts (which compares with estimates of 15 per cent. for the industry).

The Group generally retains the intellectual property arising from fee-for-service contracts and wherever possible agrees commercial terms at the outset for potential success fees, licensing and royalty-based payments arising from such intellectual property. The aggregate value of potential revenue arising from intellectual property transfer and/or commercialisation arising from existing contracts over the period to 2040 is estimated at approximately £100 million (Note 2). The table below highlights a selection of such contracts agreed since 30 June 2021:

<table>
<thead>
<tr>
<th>Contracts signed since 30 June 2021</th>
<th>Fee-for-service upfront fees</th>
<th>Potential licensing / royalty fees</th>
<th>Total contract value</th>
<th>Anticipated royalty commencement from signing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deal A</td>
<td>£3.8m</td>
<td>£16.0m</td>
<td>£19.8m</td>
<td>1-2 years</td>
</tr>
<tr>
<td>Deal B</td>
<td>£2.0m</td>
<td>£28.0m</td>
<td>£30.0m</td>
<td>2 years</td>
</tr>
<tr>
<td>Deal C</td>
<td>£0.1m</td>
<td>n/a</td>
<td>£0.1m</td>
<td>n/a</td>
</tr>
<tr>
<td>Deal D</td>
<td>£0.1m</td>
<td>£3.5m</td>
<td>£3.6m</td>
<td>1-2 years</td>
</tr>
<tr>
<td>Other</td>
<td>£0.3m</td>
<td>n/a</td>
<td>£0.3m</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£6.3m</strong></td>
<td><strong>£47.5m</strong></td>
<td><strong>£53.8m</strong></td>
<td></td>
</tr>
</tbody>
</table>

Notes:
1. These figures represent an estimate of the aggregate value of fee-for-service contracts based on assumptions where appropriate of upfront fees and projects being delivered in full. In practice these projects will be delivered over a number of financial periods, together with recognition of the associated revenues. While the Group engages in pre-selection to maximise the use of its resources and success, at the commencement of a project, there is no certainty that it will continue to the full extent or that estimated revenues will be delivered in full.
2. These figures represent estimates based on a number of assumptions including successful completion of the projects to which the intellectual property relates. While the Group engages in pre-selection to maximise the use of its resources and success, at the commencement of a project, there is no certainty that it will continue or that a success fee or other long-term revenue will be achieved.
15. DETAILS OF THE PLACING

Liberum has, as agent for the Company, conditionally agreed to use its reasonable endeavours to procure Placees for the Placing Shares at the Placing Price. The Placing Shares will be placed with institutional and other investors introduced by Liberum. The Placing has not been underwritten by Liberum.

The Placing Shares represent approximately 13.35 per cent. of the Enlarged Share Capital and will raise approximately £10.8 million for the Company net of estimated expenses of £1.7 million. The Placing Shares will be issued credited as fully paid and will, on Admission, rank pari passu in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions thereafter declared, made or paid on the Enlarged Share Capital.

The allotment of the New Ordinary Shares will be conducted in two separate tranches over two Business Days to assist investors in the VCT/EIS Placing to claim certain tax reliefs available to EIS and VCT investors.

It is intended that the Company will issue the VCT/EIS Placing Shares to the persons nominated by the Company in accordance with the Placing Agreement with effect from no later than 5.00 p.m. on 21 December 2021, being one Business Day prior to Admission. The issue of the VCT/EIS Placing Shares will not be conditional on Admission. It is intended that the Company will issue the General Placing Shares in accordance with the Placing Agreement with effect from no later than 8.00 a.m. on 22 December 2021. The issue of the General Placing Shares will be conditional on Admission.

Investors should be aware of the possibility that only the VCT/EIS Placing Shares might be issued and that none, or only some, of the General Placing Shares are issued. Investors should also be aware that Admission might not take place. In such circumstance, the Articles would not come into effect and the shareholders agreement referred to at paragraph 13.8 of Part VI of this Document shall remain in force and not be terminated. Consequently, even if the VCT/EIS Placing Shares have been issued there is no guarantee that the placing of the General Placing Shares will become unconditional. The working capital statement set out in paragraph 15 of Part VI of this Document assumes that all of the Placing Shares are issued and that Admission takes place. If all of the Placing Shares are not issued and Admission does not take place the Company may not be able to implement the strategy and growth plans as outlined in this Document.

EIS and VCT investors should be aware that the Directors and Proposed Directors cannot guarantee that the VCT/EIS Placing Shares will be able to be treated as qualifying for relief under the EIS Scheme under Part 5 of the Income Tax Act 2007 or as qualifying holdings under the VCT scheme within the meaning of Part 6 of the Income Tax Act 2007.

The Placing is not underwritten and, other than in respect of the VCT/EIS Placing Shares, is conditional, inter alia, upon Admission becoming effective and the Placing Agreement becoming unconditional in all other respects and not being terminated by 8.00 a.m. on 22 December 2021 or such later date (being no later than 31 January 2022) as the Company, SPARK and Liberum may agree. The Placing Agreement contains provisions entitling SPARK and Liberum to terminate the Placing in certain customary circumstances prior to Admission becoming effective. If this right is exercised, the Placing will lapse and Admission will not occur.

16. USE OF PROCEEDS

The proceeds of the Placing will be used to accelerate growth and will enable the Company to capture additional value over multiple verticals by delivering more solutions and higher value engagements.

The net proceeds of the Placing, which are expected to amount to £9.1 million, will be used as follows:

- **Scale-up and automation - £2.8 million**

The Group's high throughput platform has a modular design and is readily scalable to increase capacity for the selection and manufacture of new aptamer binders. The Group intends to purchase and install new robotics and associated equipment to increase capacity from the present hundreds per annum to thousands per annum. The increased capacity will enable parallel processing of targets, as well as increasing manufacturing capacity. The Company believes that this increased capacity will enable the Group to enter larger collaborations with partners in the diagnostics and therapeutics arenas.
● **Novel nucleotide chemistries - £2.5 million**

The Group intends to further develop and integrate its proprietary modified nucleotide technologies and protection of these technologies via patents.

● **Commercial expansion and service development - £2.6 million**

The Group intends to accelerate commercial expansion, service development and upgrade systems and IT in line with the expanded business' requirements, and to invest in raising awareness of aptamers within the existing antibody market. The Group also has identified a need to move to larger premises. Suitable nearby and immediately available premises have been identified and contracts will be negotiated once Admission occurs. The Group foresees a period of parallel running to ensure continuity of production to meet customer deadlines during the transition from the current to the new premises.

● **Working capital - £1.2 million**

Investment in staff, premises and general working capital during expansion and delivery of the strategic plan.

17. **DIRECTORS, PROPOSED DIRECTORS AND SCIENTIFIC ADVISORY BOARD**

As at the date of this Document, the Directors comprise Dr Arron Tolley, Dr David Bunka, Eleanor Courtman-Stock and Dr John Richards. In addition, Dr Ian Gilham and Angela Hildreth have been appointed as directors of the Company subject to and with effect from Admission.

17.1 **Directors and Proposed Directors**

Brief biographical details of the Directors and the Proposed Directors are set out below:

**Dr Ian David Gilham – Proposed Independent Non-Executive Chairman (aged 61)**

Ian is an experienced CEO and Chairman of life sciences companies. He is currently Chairman of AIM company Genedrive plc and Cytox Limited. From 2014 – 2021, he was Chairman of Horizon Discovery Group plc before its recent sale to Perkin Elmer Inc. From 2008 to 2011 he was CEO of Axis-Shield plc, a former Main Market listed global diagnostics company that was sold to Alere Inc. for £260 million in 2011. Ian previously worked at GlaxoSmithKline as Vice President – Pharmacogenetics and held international general management, marketing, business development and R&D positions. Ian served as Chairman of Multiplicom N.V from 2013 to 2017, and as a non-executive director of Vernalis plc (2015 to 2018). He holds a life sciences Ph.D. from the University of Bath and a degree in zoology from Bangor University.

**Dr Arron Craig Tolley - Chief Executive Officer (aged 44)**

Arron holds a Ph.D. in Molecular Biology and Biophysics from the University of Leeds and a B.Sc. in Molecular Medicine. Arron has over ten years’ experience in the aptamer field and has particular expertise in the development of aptamers against complex cellular targets and model disease systems. Arron plays an active role in the research and development side of the business, and is credited with the invention and development of a new aptamer-based biomarker discovery platform. He also has extensive experience in business development, business administration and fund raising.

**Dr David Harry John Bunka - Chief Technical Officer (aged 43)**

David holds a Ph.D. in Molecular Biology and has spent nearly 20 years developing nucleic acid aptamers against a wide variety of targets including small molecules (antibiotics, food contaminants, chemotherapeutics), disease-associated proteins, several cancer-associated cell-lines, viruses and tissue biopsies. This work has been facilitated through the use of high throughput automated aptamer selection methods. David has built up an established international reputation in the field and has authored several peer-reviewed research articles, invited review articles and a book chapter on aptamer-based therapeutics. He has also given many guest seminars covering aptamer-based applications at top universities and international conferences.
Eleanor Margaret Courtman-Stock - Chief Financial Officer (aged 46)

Eleanor qualified as a Chartered Accountant in 2001 after graduating in Mathematics and Statistics from the University of Newcastle-upon-Tyne. Since then, she has been an Audit Manager in Deloitte and a Financial Controller for an executive search and selection company. She joined Aptamer Group in April 2018 and is responsible for the day-to-day financial management of the Group, including reporting to the Board on matters of financial performance and control.

Dr John David Richards – Independent Non-Executive Director (aged 65)

John read Chemistry at St John's College Oxford prior to completing a DPhil in Peptide Chemistry also at Oxford. Following his doctorate, John carried out post-doctoral research at the MRC Laboratory of Molecular Biology in Cambridge, working as a part of the team which developed the now almost universally utilised Fmoc-solid-phase synthesis methodology. Subsequent to further research as a staff scientist into neuro-transmitter peptides in the MRC Neurochemical Pharmacology Unit in Cambridge, John moved into industry, initially as a part of a start-up company formed by alumni of The Laboratory of Molecular Biology. John is currently Head of Pharmaceutical Development at Comanche Biopharma in Massachusetts, USA. Comanche is a preclinical biopharmaceutical company developing novel siRNA compounds for the treatment of preeclampsia. Previously, John was Senior Vice President at Novartis Pharmaceuticals Corporation, which had purchased The Medicines Company, of which John had been a founding member in 1997 and led CMC drug development activities since the company’s inception.

Angela Hildreth – Proposed Senior Independent Non-Executive Director (aged 41)

Angela is experienced strategically, financially and operationally in developing and commercialising pharmaceutical and consumer healthcare products. Angela has been Finance Director and Chief Operating Officer of AIM listed Futura Medical Plc since 2018. Previously she was UK Finance Director at Shield Therapeutics Plc, where she was part of the leadership team taking the company from start-up in 2011 to an AIM company in 2016, and taking their lead product through late-stage development, regulatory approval and commercial launch.

17.2 Scientific Advisory Board

Aptamer Group has established the Scientific Advisory Board comprising senior figures within the life sciences industry who will provide strategic, commercial and technical advice to the Board, as follows:

Professor Paul Townsend – Scientific Adviser

Paul is the Executive Dean of the Faculty of Health and Medical Sciences and Pro-Vice-Chancellor at the University of Surrey. He is also a group leader and Full Professor in the School of Biosciences and Medicine at the University of Surrey, where his research interests centre on cell stress biology. The reputation of Paul’s research is reflected in continued invitations to present at UK and international conferences. He also holds Honorary Professorships at the Division of Cancer Sciences at the University of Manchester (UK), National Kapodistrian University of Athens (Greece), and at A*STAR (Singapore).

In his previous role at the University of Manchester, Paul led on Industry and Innovation for the Manchester Biomedical Research Centre and the Manchester Academic Health Sciences Centre. Paul relocated to the University of Surrey in 2021, where he continues to build on his career research income of >£7 million and maintains a strong track record of publications and outreach. He is now helping to design a new ‘Innovation at Scale’ initiative at the University of Surrey.

Paul previously held a position of Business Fellow with the London Technology Network and is a board member for several biotechnology start-up companies. Paul is an academic entrepreneur and co-founded Karus Therapeutics, based in Oxford in 2005, and Pentagon Therapeutics, based in Manchester in 2018. Both are biotechnology spinout companies that focus on understanding the molecular biology and precision medicine of disease. His expertise in this field was demonstrated by being an invited member of the Innovate U.K. KTP mission on precision medicine, 2020.
**Dr Frans Van Dalen – Scientific Adviser**

Frans’ experience spans 30 years in the (bio) pharmaceutical field. He has held management positions in Strategic Program Development, QA / QP, Project Management, Research and Development, and Regulatory Affairs. Frans was one of the co-founders of Synthon Holding and took the company from start-up to a group of companies employing over 1,500 employees. During his 25-year tenure with Synthon, Frans was involved in the R&D, Regulatory Affairs, manufacturing and commercialisation of generic medicines, biosimilars and New Biological Entities (NBEs).

**Josefin-Beate Holz (“Josi”) – Scientific Adviser**

Josi received her training in Medical Oncology from the University of Marburg (Germany) and has over 20 years’ experience in pharmaceutical drug development in Europe and North America. Josi has held executive managerial positions in international biotechnology companies (Ablynx NV, GPC-Biotech, U3 Pharma) and pharma organisations (Gilead Sciences, Bristol-Myers Squibb, OSI Pharmaceuticals, LEO Pharma). Josi’s portfolio of experience covers more than 50 disease targets in oncology, immunology, inflammation, infectious diseases, haematology, bone disorders and dermatology at various stages of clinical validation. Management of cross-company collaborative ventures, including partnerships with major pharma enterprises in Europe and North America and direct involvement in corporate financing initiatives were part of her executive management functions.

Since 2015, Josi has been an independent clinical adviser and member of leading international regulatory and drug development networks. Her strategic focus is the clinically driven stage-gate planning for biopharmaceutical companies, resulting in the successful transition of lead candidates into clinical development and product registration.

Josi serves as medical adviser for the European Commission and is a member of various medical associations such as the American Society of Clinical Oncology, the European Society of Medical Oncology and the Society for Immunotherapy of Cancer. She has published multiple articles and patents and is a regular speaker at conferences on aspects of integrated drug development and translational research of biological medicinal products.

**Professor Rick Body – Scientific Adviser**

Rick is a Professor of Emergency Medicine at the University of Manchester, an Honorary Consultant in Emergency Medicine and the Group Director of Research & Innovation at Manchester University NHS Foundation Trust. His research is diagnostic focussed. He was the first to report on the use of low concentrations of cardiac troponin, measured with a high-sensitivity assay, to rule out the diagnosis of acute myocardial infarction with a single blood test. That strategy is now recommended for clinical use by NICE and the European Society of Cardiology. Rick also derived and validated the Manchester Acute Coronary Syndromes decision aid, a version of which is used in practice across Greater Manchester and beyond to guide the care of patients with suspected cardiac chest pain.

During the COVID-19 pandemic, Rick has been co-lead for the COVID-19 National Diagnostic Research & evaluation programme (CONDOR), which has provided holistic evaluation of multiple commercially supplied in vitro diagnostic tests (IVDs) for COVID-19. Within the CONDOR programme, Rick is chief investigator of the Facilitating Accelerated Clinical Validation of Novel diagnostics for COVID-19 (FALCON C-19) study, an NIHR Urgent Public Health Study that has recruited almost 6,000 patients at 70 hospitals and 14 testing centres across the United Kingdom, providing clinical validation for approximately 20 commercially supplied IVDs for COVID-19.

Rick sits on the International Federation for Clinical Chemistry Committee for Cardiac Biomarkers (IFCC-CCB), he was the co-founder and inaugural director of the Manchester Diagnostics and Technology Accelerator (DiTA) and the NIHR Incubator for Emergency Care, and he is Deputy National Specialty Lead for Trauma & Emergency Care at the NIHR Clinical Research Network.

**Dr Shozo Fujita – Scientific Adviser**

Shozo was awarded his Ph.D. in biochemistry and neurochemistry from Niigata University. Following five additional years at the university performing post-doctoral research, he joined Fujitsu Laboratories Ltd (FLL) as a Biotechnology and Biomaterials scientist. From 2001, he led the Bio-nanotechnology research group at a newly established Nanotechnology Research Centre in FLL, before becoming a
Director of an R&D Division at FLL. His team developed a novel aptamer platform incorporating modified nucleotide chemistries, a sensing platform to detect molecular interaction using tethered dsDNA on gold electrodes, and a computational system to calculate free energy change during protein-molecule interactions. He went on to continue aptamer-related research at FLL in Singapore before founding his own venture company (Apta Biosciences Ltd) in 2010 with the aim to commercialise the technology. Shozo retired from Apta Biosciences in 2018 and now works as a self-employed consultant across various fields of biotechnology.

18. LOCK-IN AND ORDERLY MARKET ARRANGEMENTS
Dr Arron Tolley and Dr David Bunka, (together the “Locked-in and Orderly Market Parties”), are interested in shares representing, in aggregate, 41.08 per cent. of the Enlarged Ordinary Share Capital and have undertaken to the Company, SPARK and Liberum (subject to certain limited exceptions including transfers to family members or to trustees for their benefit, disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company and at the discretion of the Company, SPARK and Liberum if it is considered to be in the interests of maintaining an orderly market at that time) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Companies Act)) (the “Restricted Shares”) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission (the “Lock-in Period”) without the prior written consent of the Company, SPARK and Liberum.

Each of the Locked-in and Orderly Market Parties has also undertaken to the Company, SPARK and Liberum not to dispose of the Restricted Shares for the period of 12 months following the expiry of the Lock-in Period otherwise than through Liberum (or another broker to the Company, if Liberum is no longer broker to the Company).

In addition to the Locked-in and Orderly Market Parties, certain other Existing Shareholders holding, in aggregate, 44.27 per cent. of the Enlarged Ordinary Share Capital, have undertaken to the Company, SPARK and Liberum (subject to certain limited exceptions including transfers to family members or to trustees for their benefit, disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company and at the discretion of the Company, SPARK and Liberum if it is considered to be in the interests of maintaining an orderly market at that time) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Companies Act)) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission without the prior written consent of the Company, SPARK and Liberum.

In aggregate, therefore, at Admission, 85.34 per cent. of the Enlarged Ordinary Share Capital will be subject to lock-in and orderly market arrangements.

Further details of these arrangements are set out in paragraph 13.4 of Part VI of this Document.

19. RELATIONSHIP AGREEMENT
Dr Arron Tolley (and connected parties) and Dr David Bunka (and connected parties) will hold respectively 15,794,200 and 12,524,200 Ordinary Shares on Admission, representing approximately 22.91 and 18.17 per cent. of the Enlarged Share Capital, respectively. They have undertaken to the Company and SPARK that, for so long as they (either alone or together with any party with whom it is acting in concert) are interested in Ordinary Shares carrying 15 per cent. or more of the Company’s voting share capital, the Company will be capable of carrying on its business independently of Dr Arron Tolley (and connected parties) and Dr David Bunka (and connected parties) and that all future transactions and relationships between them and the Company shall be on an arms’ length basis.

Further details of the Relationship Agreement is set out in paragraph 13.2 of Part VI of this Document.

20. ADMISSION, SETTLEMENT AND CREST
Application will be made for the Company’s Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence at
8.00 a.m. on 22 December 2021. The Ordinary Shares are not dealt on any other recognised investment exchange and no application has been or is being made for the Ordinary Shares to be admitted to any other such exchange.

The Ordinary Shares will, from Admission, be eligible for CREST settlement and settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument in accordance with the CREST Regulations. For more information concerning CREST, Shareholders should contact their broker or Euroclear at 33 Cannon Street, London EC4M 5SB, United Kingdom or by telephone on +44 (0)207 849 0000.

The Ordinary Shares have the ISIN number GB00BNRRP542.

21. CORPORATE GOVERNANCE

The Company is required under the AIM Rules to comply with a recognised corporate governance code. The Board has established appropriate measures (having regard to the current stage of development of the Company) to comply with the QCA Code. The Board acknowledges the importance of the principles set out in the QCA Code and will include an appropriate corporate governance statement both in its annual report and on the Company’s website.

Upon Admission, the Board will comprise six directors, three of whom shall be Executive Directors and three of whom shall be Non-Executive Directors, reflecting a blend of different experiences and backgrounds as described in paragraph 17 of this Part I. The Board believes that the composition of the Board brings a desirable range of skills and experience in light of the Company’s challenges and opportunities following Admission, while at the same time ensuring that no individual (or a small group of individuals) can dominate the Board’s decision making. The Board intends to meet regularly to review, formulate and approve the Group’s strategy, budgets, corporate actions and oversee the Group’s progress towards its goals.

The Company has established an Audit Committee and a Remuneration Committee, each with formally delegated duties and responsibilities and with written terms of reference. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

Audit committee

The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It will receive and review reports from the Company’s management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit Committee will meet not less than four times in each financial year and will have unrestricted access to the Company’s auditors. Members of the Audit Committee are Angela Hildreth (Chair), Dr Ian Gilham and Dr John Richards.

Remuneration committee

The Remuneration Committee will review the performance of the Executive Directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee will also be responsible for determining the fee for the Company Chair. It will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time. In exercising this role, the directors shall have regard to the principles and recommendations put forward in the QCA Code. No director is permitted to participate in discussions or decisions concerning his own remuneration. The Remuneration Committee will meet not less than twice in each financial year. Members of the Remuneration Committee are Dr Ian Gilham (Chair), Angela Hildreth and Dr John Richards.

Further details of the Group’s Corporate Governance arrangements are set out in Part V of this Document.
22. DIVIDEND POLICY

The primary purpose of the Placing is to provide growth capital with which to fund and accelerate the continuing expansion and development of the business. Accordingly, the Board does not intend that the Company will declare a dividend in the near term, however available cash resources of the Group will be channeled into funding its expansion. Thereafter, the Board intends to commence the payment of dividends only when it becomes commercially prudent to do so, having regard to the availability of distributable profits and the funds required to finance continuing future growth.

23. SHARE DEALING CODE

The Share Dealing Code adopted by the Company applies to any person discharging management responsibility (“PDMR”), which will apply to all the members of the Board, any closely associated persons and applicable employees (as each is defined in the Share Dealing Code). The Share Dealing Code sets out the responsibilities of PDMRs under the AIM Rules for Companies, FSMA and the UK version of the EU Market Abuse Regulation (EU) No. 596/2014 which is part of English law by virtue of the European Union (Withdrawal) Act 2018 (“UK MAR”) and other relevant legislation. The Share Dealing Code addresses the share dealing restrictions as required by the AIM Rules for Companies and UK MAR. The Share Dealing Code’s purpose is to ensure that directors and other relevant persons do not abuse, or place themselves under suspicion of abusing, inside information that they may have or be thought to have, especially in periods leading up to an announcement of financial results. The Share Dealing Code sets out a notification procedure which is required to be followed prior to any dealing in the Ordinary Shares.

24. THE CITY CODE ON TAKEOVERS AND Mergers

The City Code applies to the Company. The City Code operates principally to ensure that the Shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The City Code also provides an orderly framework within which takeovers are conducted.

Rule 9 of the City Code is designed to prevent the acquisition or consolidation of control of a company subject to the City Code without a general offer being made to all shareholders. Rule 9 states that when any person or group of persons acting in concert acquires (whether by one transaction or a series of transactions) an interest in shares which carry 30 per cent. or more of the voting rights of the company, such person or persons acting in concert must normally make a general offer for the balance of the issued share capital of such company. Rule 9 also states that any person or group of persons acting in concert that is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company subject to the City Code, but does not hold shares carrying more than 50 per cent. of such voting rights, must normally make a general offer for the balance of the issued share capital if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he is interested. An offer under Rule 9 must be made in cash (or be accompanied by a cash alternative) and be at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares of the company during the 12 months prior to the announcement of the offer.

The Company has agreed with the Panel Executive that Arron Tolley and David Bunka, as the founders of the Group, Karen and Alan Tolley (being Arron Tolley’s parents), Kate Bunka (being David Bunka’s parent) and Lynn Stevenson (being the aunt of Arron Tolley) should be considered to be acting in concert with each other for the purposes of the City Code (the “Concert Party”).

Immediately following Admission, the Concert Party will be interested in, in aggregate, 28,495,795 issued Ordinary Shares carrying approximately 41.33 per cent. of the voting rights of the Company. The Concert Party will therefore on Admission be interested in shares carrying more than 30 per cent. but will not hold more than 50 per cent. of the voting rights of the Company.

In addition, the members of the Concert Party hold options to subscribe for, in aggregate, 794,000 Ordinary Shares, which, if exercised, would increase their aggregate interests to a maximum of 42.48 per cent. of the voting rights of the Company (assuming the options are exercised in full and that there have been no other changes in the Company’s share capital).
On the basis of the disclosure in this Document, the Takeover Panel has confirmed that any issuance of shares resulting from the exercise of such options will not result in the Concert Party incurring an obligation to make an offer under Rule 9 of the City Code. However, should any member of the Concert Party acquire any interest in Ordinary Shares other than pursuant to the exercise of these options this may give rise to an obligation upon that or another member of the Concert Party to make an offer for the entire issued share capital of the Company at a price no less than the highest price paid by the individual member of the Concert Party or any other member of the Concert Party in the previous 12 months, under Rule 9 of the City Code.

Further information on the Concert Party members interests in shares can be found at paragraph 6.9 of Part VI of this Document.

Further information on the provisions of the City Code can be found at paragraph 18 of Part VI of this Document.

25. SHARE OPTIONS AND WARRANTS

Share Options
At Admission there will be a total of 3,254,210 share options in issue, as set out in paragraphs 6 and 10 of Part VI of this Document.

Arrangements to be established on Admission
The Board recognises the importance of share participation as a mechanism for incentivising and rewarding employees and aligning their interests with those of Shareholders. Accordingly, the Company has established, conditional on Admission, the following Share Plans under which the Executive Directors and other employees will be eligible for awards of Ordinary Shares or options over Ordinary Shares:

- the LTIP and the CSOP (together, the “Discretionary Share Plans”), which will cater for discretionary share-based incentive awards to selected employees; and
- the Sharesave Plan, which will provide the flexibility for a broad based “all-employee” share incentive policy post-Admission.

It is currently anticipated that the initial tranche of awards under the Share Plans will be granted on, or shortly after, Admission to certain employees and Executive Directors.

SPARK Warrant
On 15 December 2021, the Company granted to SPARK a warrant to subscribe for up to 689,417 Ordinary Shares (representing 1 per cent. of the Enlarged Share Capital) at the Placing Price. The exercise period commences on Admission and ends on the third anniversary of Admission.

Further details of the SPARK Warrant are set out in paragraph 10.5 of Part VI of this Document.

26. EIS AND VCT STATUS

Provisional clearance has been obtained from HM Revenue & Customs that the Group’s business qualifies for EIS Relief under EIS. In addition, the Company has been advised that a subscription for Ordinary Shares by a VCT is capable of being a ‘qualifying holding’ for VCT Relief. Although qualifying investors should obtain tax relief on their investments under EIS relief or VCT relief, neither the Company, the Directors nor the Proposed Directors can provide any warranty or guarantee in this regard. Investors must take their own advice and rely on it.

Neither the Company, the Directors nor the Proposed Directors give any warranties or undertakings that EIS Relief or VCT Relief if granted will not be withdrawn or that the business will be managed in such a way as to preserve EIS or VCT relief. Investors must take their own advice and rely on it. If the Group carries on activities beyond those disclosed to HM Revenue & Customs, then shareholders may cease to qualify for the relevant tax benefits.
27. TAXATION
The attention of investors is drawn to the information regarding taxation which is set out in paragraph 17 of Part VI of this Document. That information is, however, intended only as a general guide to the current tax position under UK taxation law for certain types of investor. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.

28. SHAREHOLDER NOTIFICATION AND DISCLOSURE REQUIREMENTS
The Company will be subject to certain provisions of the Disclosure Guidance and Transparency Rules and, consequently, Shareholders should note that they will be required to disclose to the Company the level of their interests in Ordinary Shares in accordance with those rules.

Further details of these requirements are set out in paragraph 18.4 of Part VI of this Document.

29. ANTI-BRIBERY POLICY
The government of the United Kingdom has issued guidelines setting out appropriate procedures for all companies to follow to ensure that they are compliant with the Bribery Act 2010 (“Bribery Act”) which has been in force since 1 July 2011. In the light of the Bribery Act the Company has in place an anti-bribery and corruption policy and has implemented procedures the Board consider appropriate. The Board will keep compliance under review.

30. FURTHER INFORMATION
Your attention is drawn to Parts II to VI of this Admission Document, which provide additional information on the Company and, in particular, to the Risk Factors set out in Part III of this Admission Document.
1. Cancer Research UK

Aptamer Group has established a collaboration with Cancer Research UK through Dr Daniel Wiseman and the Oglesby Leukaemia Research Programme at the University of Manchester. The project involves the development of a bispecific, dual-function Optimer® conjugate as a therapeutic for the treatment of Chronic Myelomonocytic Leukaemia (CMML), Acute Myeloid Leukaemia (AML) and other myeloid malignancies. One aptamer ‘domain’ has been isolated that binds to the target nuclear protein associated with gene regulation. The other aptamer ‘domain’ will be directed to cells that contain this target protein. The expectation is that the cell-targeting portion of the bispecific aptamer will bind and be taken up by these leukemic cells, and then the gene-regulating targeted aptamer domain will bind and modulate the activity of the target protein, to restore normal function. Preliminary data shows that the aptamer against the target protein does bind to the protein target of interest in the nucleus of the cell (see figure below).

![Illustrative microscopy image of the aptamer-treated cells, stained with Hoechst nucleus stain (far left), the aptamer (centre left), and an antibody marking the nuclear protein (centre right). The merged image (far right) shows that the aptamer (red) co-localises with the target protein (green), strongly indicating target binding.](image)

This data shows that even without the cell-targeting domain of the bispecific molecule this gene-regulating aptamer is able to enter the cells and bind to its target in the nucleus. The aptamer has also been shown to modulate the activity of the target protein, restoring normal function in two model cell systems.

![Exemplar RT-PCR for two target genes. Cells carrying the mutated protein were cultured with the monoclonal (Mono) or polyclonal (Poly) aptamer. The cellular RNA was harvested and tested for the correct length product. The two bands illustrate the two different forms (normal = green arrows; incorrect = red). Untreated cells were simultaneously tested for comparison.](image)
In the two model systems (left and right images), treatment with the aptamer (‘Mono’ or ‘Poly’; individual aptamer and enriched pool respectively) shows an increase in the amount of the correctly spliced gene product (seen as a stronger band) indicated by the green arrow, and a reduction in the amount of the incorrect product (seen as a weaker band) indicated by the red arrow. This suggests that this aptamer is modulating the activity of the mutated protein and restoring normal function. Work has now started on the isolation of cell-targeting aptamers to enable targeted delivery to the specific cells which carry this mutation.

2. AstraZeneca

Aptamer Group has established a collaboration with AstraZeneca to explore the potential of using its Optimer technology to address their unmet clinical needs. The two-year agreement will give AstraZeneca use of Aptamer Group's proprietary technology to explore the feasibility of developing the next-generation drug delivery vehicles, as Aptamer Drug Conjugates (‘ApDC’).

This collaborative project brings together the platform technology developed at Aptamer Group and AstraZeneca's leadership in Cardiovascular, Renal and Metabolism (‘CVRM’) therapy area and expertise in drug discovery and development. The aim is to use an ApDC to enable targeted delivery of the AstraZeneca therapeutic drug molecule, specifically to the required cells in the kidney. Aptamers have been selected against a representative cell line from the kidney and, following screening, have been shown to bind to the target cells (data omitted due to confidentiality). The aptamers have been shown to bind to the required cells in the presence of the intended therapeutic cargo. Preliminary data has also demonstrated delivery and improved therapeutic activity of the aptamer-drug conjugate (compared to the drug alone) in a model cell line system.

3. Optimer®-based Affinity Chromatography

In a recent project, a large global pharmaceutical customer tasked Aptamer Group with the identification of Optimer® binders against a vaccine target for use as a novel affinity purification reagent to support their bioprocessing work. Aptamer Group scientists developed a panel of aptamers that recognised the customer protein complex with high affinity. Importantly, the aptamer was counter-selected against the other proteins that would be present in the crude sample (seen in the ‘flow through’ below) to ensure aptamer specificity. The aptamers were also ‘engineered’ to release the target when the buffer conditions were changed. These bespoke aptamers were immobilised onto a commercially available purification column resin and used in a proof-of-concept protein purification.

![Affinity purification of a customer protein complex using a bespoke aptamer-loaded purification column. The purification chromatogram (left) shows a clear, sharp, well defined ‘peak’ of purified protein. Representative ‘fractions’ were analysed by SDS-PAGE and visualised by Coomassie Blue staining. The purified protein can be clearly seen in the ‘Elution Peak’ sample.](image)

The aptamer-loaded chromatography column showed specific purification of the required protein complex. This aptamer is now being further developed by the customer and will be used in their future vaccine.
development programmes. Negotiations are also in progress regarding licensing of this aptamer platform to the customer.

This project clearly demonstrates the ability of aptamers to change their binding properties under different conditions. This is a highly advantageous capability, especially in protein purification applications. Aptamer Group has successfully demonstrated the use of aptamers in this application for four different customers, with very different proteins, as a validation of applicability of the platform to this market segment.

4. **Aptamers against Small Molecules**

Small molecule targets represent a significant challenge for antibodies as they are often toxic or non-immunogenic. Generation of a pair of antibody binding reagents (needed for many diagnostic platforms) is even more challenging due to steric hindrance around the small molecule. Aptamer Group uses a ‘displacement selection’ approach to generate aptamers against small molecule targets. This method has the advantage that the resulting aptamers often undergo a conformational change upon target binding. This structural rearrangement in the aptamer can be detected using a range of biosensor platforms. These rearrangements do not occur in antibodies.

A customer requested an aptamer selection against the small molecule chemotherapeutic, Irinotecan for use in their biosensor development programme. Aptamer Group scientists isolated an aptamer against their target and counter-selected against the metabolite SN-38 to ensure that the customer could use the aptamer to differentiate between the two molecules. Human serum was also included in the aptamer selection process to ensure that the aptamers would function in a relevant biological sample. The aptamers were then tested in two different biosensor formats.

![Aptamer Group biosensor data](image)

*Figure 10: Aptamer Group biosensor data (left) shows clear discrimination between the target, Irinotecan (blue trace) and the metabolite SN-38, or the negative control (green and black traces respectively). The customer data (right) shows clear concentration-dependent responses on their own sensor platform, demonstrating that the aptamer is functional in their laboratory and can be used for drug quantification.*

These aptamers show excellent discrimination between the target chemotherapeutic Irinotecan (blue trace) and the metabolite SN-38 (green trace). An unrelated control target also shows no binding (black trace). The customer biosensor data shows clear concentration-dependent binding in their biosensor platform. These aptamers are forming the basis of other biosensor work in this customer’s laboratory.

Importantly, these aptamers have shown excellent performance and are now being used to demonstrate the use of aptamers in a range of other small molecule detection assay formats with other potential collaborators.

5. **Aptamers against SARS-CoV-2 Spike Protein**

In 2020, Aptamer Group successfully applied its aptamer selection process to generate aptamers against different regions of the SARS-CoV-2 Spike protein. These aptamers were isolated in just 17 days. The aptamers were subsequently characterised in various ELISA assays to demonstrate their performance as a binding pair. These Optimer® pairs were demonstrated in a Proof-of-Concept Lateral Flow Device.

Competitor aptamer companies also developed aptamers to this target. Aptamer Group purchased a stock of a competitor aptamer and compared it to the aptamer developed in-house in a side-by-side binding assay.
Figure 11: Side-by-side comparison of SARS-CoV-2 directed aptamers isolated by Aptamer Group (left) and a competitor (right). BLI streptavidin probes were coated with biotinylated S1 Optimer, or a competitor’s biotinylated aptamer, and the interaction measured across the relevant S trimer protein concentration (S1 Optimer, 2-125 nM; S1 Aptamer 25-400 nM). Kinetic fits were used to calculate kinetic parameters. The Aptamer Group (left) has a $K_D$ of $1.55 \pm 0.035$ nM, compared with $133 \pm 1.567$ nM for the competitor. This shows that the aptamer developed by Aptamer Group binds approximately 100x better to this target.

A side-by-side comparison of the two aptamers shows that both aptamers can bind to the target and demonstrate concentration-dependent responses. However, the binder developed by Aptamer Group (left) has approximately 100x higher binding affinity, giving a higher response.

In order to be applied in community testing, the aptamers must recognise the COVID-19 variants of concern. As in the data presented above, the aptamer was immobilised on the biosensor surface and interactions monitored with a concentration gradient of each of the variants of concern.

The data shows that while the binding profiles are a little different, these variants are all recognised by the S1 Optimer. This means that any diagnostic device created using these Optimers will detect COVID-19 variant proteins from the viral variants of concern.

The Group’s aptamers are being evaluated in a range of sophisticated assay formats with third parties, including several different electrochemical sensors for saliva testing, biosensors for wastewater or breath testing, flow cytometry-based viral testing and a range of others. At least one of these assay platforms is undergoing field trials and, if successful, are expected to be employed in mass community testing. This work is also paving the way for other collaborative development projects with this collaborator. The diverse applications being explored for these SARS-CoV-2 Optimer binders across the life sciences, indicates a clear demand for novel affinity ligand platforms to rapidly address new targets within the diagnostic space.
PART III

RISK FACTORS

The attention of prospective investors is drawn to the fact that an investment in the Ordinary Shares may not be suitable for all such investors and will involve a variety of risks which, if they occur, may have a materially adverse effect on the Company’s business or financial condition, results or future operations. In such case, the market price of the Ordinary Shares could decline and an investor might lose all or part of his or her investment.

In addition to the information set out in this Admission Document, the following risk factors should be considered carefully in evaluating whether to make an investment in the Company. The following factors do not purport to be an exhaustive list or explanation of all the risk factors involved in investing in the Company and they are not set out in any particular order of priority.

Additionally, there may be further risks of which the Board is not aware or believe to be immaterial which may, in the future, adversely affect the Company's business and the market price of the Ordinary Shares. In particular, the Company's performance might be affected by changes in market and economic conditions and in legal, regulatory and tax requirements.

Before making a final investment decision, prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Any prospective investor who is in any doubt as to any action he should take, should consult with an independent financial adviser authorised under FSMA, if the investor is in the United Kingdom or, if not, another appropriately authorised independent financial adviser, who specialises in advising on the acquisition of shares and other securities.

RISK FACTORS RELATING TO THE BUSINESS AND OPERATIONS OF THE GROUP

Loss making and early-stage of revenue generation

Aptamer Group is at an early stage of its development and faces a number of operational, strategic and financial risks frequently encountered by companies looking to bring new products to the market. Aptamer Group has not yet reported a profit and there can be no assurance that it will do so.

The Group currently has not generated a net positive operating cash flow and its ultimate success will depend on the Board’s ability to implement the Group’s strategy and generate positive cash flow. Whilst the Board is optimistic about the Group’s prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved. There can be no assurance that the Group’s proposed operations will be cash generative or produce a reasonable return, if any, on any investment.

In particular, its future growth and prospects will depend on its ability:

- to develop, source or acquire products which have broad commercial appeal
- to secure commercialisation partnerships with contract manufacturers on appropriate terms
- to secure commercialisation partnerships with contract sales organisations on appropriate terms
- to manage the growth of the business; and
- to continue to expand and improve operational, financial and management information, quality control systems and its commercialisation function on a timely basis whilst at the same time maintaining effective cost controls.

Any one or more of these risks could have a material adverse effect on the Group’s business, financial condition and results of operations.

The Group is reliant upon its exclusive rights to use proprietary Intellectual Property and know-how to develop its products and to create and sustain a competitive advantage

The Group owns a portfolio of intellectual property comprising patents, patent applications and know-how.
The Group may be subject to claims in relation to the infringement of Intellectual Property rights, including those relating to patents, trademarks and other proprietary rights and irrespective of whether the Group asserts Intellectual Property rights itself or is reliant upon third parties to have valid licences to use such rights. Adverse judgments against the Group may give rise to significant liabilities in monetary damages, legal fees and/or an inability to develop, market or sell products, either in all or in particular territories using the affected Intellectual Property. Where the Group has given assurances to customers that its products do not infringe proprietary rights of third parties, any such infringement might also expose the Group to liability to those customers. Even claims without merit could deter customers and have a detrimental effect on the Group’s business as well as being costly and time consuming to defend and divert the Group’s resources.

Further, there can be no assurance that other companies or individuals have not developed or will not develop similar products, duplicate any of the Group’s products or design around any patents or other Intellectual Property held by the Group. Equally, there can be no assurance that other companies or individuals will not acquire substantial equivalent techniques or otherwise gain access to the Group’s unpatented proprietary technology or disclose such technology or that the Group can ultimately protect meaningful rights to such unpatented proprietary technology.

Disputes with a third party relating to the infringement or protection of intellectual property is also considered a risk factor and is discussed below in Compliance and Regulatory Risks.

The Group’s strategy involves generating commercially valuable Intellectual Property that can be protected

The Group intends to continue to build its Intellectual Property portfolio. No assurance can be given that any future patent applications will result in granted patents, that the scope of any patent protection will exclude competitors or provide competitive advantages to the Group, that any of the Group’s patents will be held valid if challenged or that third parties will not claim rights in or ownership of the patents and other proprietary rights held by the Group. No assurance can be given that successful patent applications will lead to the Group generating commercially valuable Intellectual Property.

New ventures and/or partnerships with third parties may not be successful

The Group has entered into a number of collaborative ventures with third parties. It may also in the future enter into further ventures, partnerships or other collaborative arrangements with these existing and/or other third parties. There is a risk that such ventures, partnerships or other collaborative arrangements may not be commercially successful. It is possible that the working relationship between the parties may break down, that substantial costs and/or liabilities may be incurred in attempting to deliver the product or service in question, and/or that the venture, partnership or other arrangement may not yield the returns expected.

There is a risk that parties with which the Group has business relationships, including its partners and those with which it collaborates, may become insolvent or may otherwise become unable or unwilling to fulfill their obligations as part of the arrangement. This could detrimentally affect projects upon which the parties are collaborating and could adversely affect the Group’s ability to deliver the products or services in question, which may in turn have a negative impact upon its business, financial position and prospects. It may also result in the Group having to input further capital into the project in order to ensure that delivery of the project remains unaffected. This extra cost could in turn adversely affect the business, revenues and profitability of the Group.

The Group’s success depends on recognition and adoption of its products by third parties

The Group strategy is to generate value through the application of its technology in research, diagnostics and therapeutics, in most cases in connection with assays or drugs being developed by third parties. If the Group is unable to convince key scientists and opinion leaders within its target market of the efficacy and economic benefits of its products, or if customers are not able to generate sufficient interest to make a commercial success of products which use the Group’s technology, it may not achieve widespread adoption, which might have a material adverse effect on the Group, its business, financial situation, growth and prospects. In addition, slow adoption of the Group’s products could result in timeframes to achieve revenues and profits being longer than anticipated.
While the Board believes that there is a potentially significant market for the Group's technology, there can be no assurance that it will gain sufficient recognition from potential customers or that customers will generate sufficient interest to make a commercial success of products which use the Group's technology. The development of a viable market for the Group's products is affected by various factors, some of which are beyond the Group's control, including: (i) the emergence of newer, more advanced products or technologies (e.g. the further advancement of artificial intelligence; (ii) the cost of the products (as well as competitors' products); (iii) regulatory requirements; (iv) clinician and patient perceptions of the validity and utility of the products; and (v) reluctance to adopt a new clinical approach. If the market fails to develop or develops more slowly than anticipated, the Group's commercial operations may not become successful and profitable.

High reliance on the founding scientists and other key individuals
In all areas of the business, the Group will continue to be dependent upon the involvement and contribution of Aptamer's founding scientists, Dr Arron Tolley and Dr David Bunka. Whilst the Group will endeavour to ensure that these individuals remain suitably incentivised, the loss of the services of one or more of them could adversely affect the ability of the Group to achieve its objectives.

Given the relatively small size of Aptamer Group, its future success is substantially dependent on the Board and a small number of key individuals. The Board therefore views the continued service of the directors, senior management and other key personnel as important. Whilst the Board is taking steps to ensure that knowledge, skills and expertise are shared so as to avoid the Group being unduly dependent on individuals, the Board acknowledges that such measures may prove to be ineffective if there were circumstances beyond the Group's control that had an adverse effect on one or more key personnel. In order to be able to develop, support and maintain its business, the Group must also recruit and retain suitably qualified personnel, some of whom require a specialist skill set. A failure to retain key staff and/or to recruit suitability qualified and experienced staff when needed may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be unable to reach the standards of Research and Development that the customer requires
The Group will engage in research and development to develop solutions required by customers or to develop new technology to address specific market needs identified by the Board from time to time. The Group will be involved in complex scientific areas, and industry experience indicates a high incidence of delay or failure to produce results. The Group may not be able meet customer requirements or to develop new technology solutions or to identify specific market needs that can be addressed by technology solutions developed by the Group.

The Group may experience delays which could lead to detrimental outcomes for development projects
Both Aptamer Group and its target customers operate in complex scientific areas where individual projects or new technology developments can take months or years to complete. Accordingly, delays in a customer's or target customer's development schedule or changing strategic priorities could cause a delay in the development of a new product or technology for reasons beyond Aptamer Group's control. Such delays could have an adverse impact on the Group's business, financial condition and results of operations.

Regulatory approvals could hinder the Group's plans for operations if longer than expected
Some of the Group's products may require regulatory approvals. If approval is required and is not successful or takes longer than anticipated, there may be an adverse impact on the Group's business, financial condition and results of operations. There are no specific guidelines or a set regulatory standard for the aptamer approval process in Europe, and regulatory approvals for aptamers have been known to be a long process in the past. This is alongside an extensive documentation process for starting the clinical trials. There are also no specific guidelines for the quality requirements of oligonucleotides. These regulatory drawbacks could hinder the Group's development plans if the process is longer than anticipated. Clinical trials are also costly and are sunk costs borne by the Group if proven unsuccessful.
Relying on outsourced supplies could lead to internal delays for the Group

The Group’s research, development and manufacturing activities rely on adequate and timely supplies of materials and equipment. There can be no assurance that such supplies will be available when required or that such supplies will not be subject to price increases. Delayed or failed supplies could have a material impact on the ability of the Group to meet demand and the cost of components could have a material impact on profitability.

Potential product liability litigation, regulatory intervention, adverse PR and business interruption

If the Group produces any products which are defective, or which are alleged to be defective, it may face a product liability claim in respect of those products. In the UK and in member states of the European Union, consumers who suffer property damage or personal injury because of a defective product may be able to recover compensation (up to certain prescribed limits) from the producer of that product, without needing to prove the producer was at fault for the defect. One of the features of the Group’s business is the production of aptamers, which may be used by third parties in drug or diagnostic development. Whilst these drugs and diagnostics should undergo a thorough testing process during development, thereby reducing the risk of harmful side-effects or other performance related issues, or at least highlighting the side-effects or performance related issues which are likely to occur, it is not impossible that a defective aptamer within the drug or diagnostic could cause personal injury or incorrect diagnosis. This could potentially result in a product liability claim against the Group. Due to the nature of the Group’s customers, certain of the Group’s contracts with its customers have been entered into on the customers’ standard terms, some of which include the potential for uncapped liability for the Group. The Group intends to adopt new standard terms of business following Admission and such terms will, amongst other things, seek to limit the Group’s liability. However there can be no guarantee that new or existing customers will accept these new terms of business, or that the Group can successfully limit its liability.

Any serious quality or safety incident may result in adverse reporting in the media, which in turn may damage the Group’s public relations and could potentially interrupt its business. This in turn could affect the Group’s financial condition, operational results and prospects, including damage to the Group’s reputation and/or its brands.

Additional Financing

The Group expects to incur significant costs in connection with development, commercialisation and Intellectual Property protection of its technology. The Group’s financing requirements depend on numerous factors, including the rate of market acceptance of its products, its ability to attract distributors and customers and other factors that may be outside of the Group’s control. The Group may require additional financing in the medium to long term, whether from equity or debt sources, to finance working capital requirements or to finance its growth through future stages of development.

Any additional share issue may have a dilutive effect on Shareholders, particularly if they are unable to, or choose not to, subscribe by taking advantage of rights of pre-emption that may be available. Debt funding may require the lender to take security over the assets of the Group, which may be exercised if the Group were to be unable to comply with the terms of the relevant debt facility agreement. Failure to obtain adequate future financing on acceptable terms, if at all, could cause the Group to delay, reduce or abandon its development programmes or hinder commercialisation of its product portfolio and could have a material adverse effect on the Group’s business, financial condition or operating results.

Customer contractual terms

The Group has significant contracts and long-term relationships with a number of key pharmaceutical customers, some of which may be terminated without cause or on written notice during or at expiry of their term. Although the Group knows of no reason why such contracts should be terminated or not be renewed on the same or more favourable terms, the Directors and the Proposed Directors cannot guarantee that these contracts could be subject to change by market conditions or any other factor outside the Group’s control. Should any of these contracts be terminated, it could have a material adverse effect on the financial position and future prospects of the Group.
The Group does not have exclusive long term supply contracts with its customers. Any deterioration of the Group's relationship with its key customers, or the loss of orders (or a reduction in the gross or net margin in respect of the orders) from key customers, could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

In addition, the nature of the Group's customer base, which comprises many large multi-national pharmaceutical corporations, is such that they have substantial purchasing power and negotiating leverage. Many of the Group's commercial arrangements with these parties are on the customer's own standard terms and conditions and the Group has limited ability to contract on its own, more favourable, standard terms. The Group's contracts with key customers typically contain performance conditions on the Group, change of control provisions and indemnities from the Group. In certain instances the Group's liability to these third party customers is uncapped. Any enforcement of these customer terms against the Group could have a material adverse effect on the Group's business, financial condition, results of operations and future prospects.

Counterparty risk
There is a risk that parties with whom the Group trades or has other business relationships (including partners, customers, suppliers and other parties) may become insolvent. This may be as a result of general economic conditions or factors specific to that party. In the event that a party with whom the Group trades becomes insolvent, this could have an adverse impact on the Group's business, revenue, financial condition, profitability, results, prospects and/or future operations. This risk may be higher where the counterparty is located or registered outside the United Kingdom, as the costs of enforcing the Group’s rights to payment or performance may be higher than would be the case in the United Kingdom, or the local legal system may not function in a manner which is conducive to expeditious recovery or enforcement.

In addition, a percentage of the Group's orders are accepted from end customers through a third-party research marketplace platform administered by an independent third party. In utilising such a platform the Group contracts with the third-party platform administrator and not the end customer. Under the terms of use of the platform, the third-party platform administrator has no liability to pay the Group's invoices unless and until the third-party administrator is paid by the ultimate end customer. In utilising the platform, the Group is unable to utilise its own standard terms and conditions of sale and in practice the Group has limited contractual remedies at law to pursue either the platform administrator or the underlying end customer, in the event that an end customer defaults on payment of an invoice or is declared insolvent. The Group continues to monitor whether the benefits of accepting orders via the platform (e.g., wider customer reach) outweigh the risks associated with using it.

The Group's operations could be adversely affected by a breakdown of its information technology systems or an attack on these systems
The Group is highly reliant on its information technology systems for the processing, transmission and storage of electronic data relating to its research, operations and financial reporting. A significant portion of communications among the Group’s personnel, partners, customers and suppliers relies on the efficient performance of information technology systems. The success of the Group is dependent on its technical capabilities and it relies to a significant extent on the efficient and uninterrupted operation of its website, and the systems of its third-party suppliers, such as external hosting providers, including the internet. Despite the Group’s security measures and back-up systems, its information technology and infrastructure may be vulnerable to attacks by hackers, computer viruses or malicious code or may be breached due to employee error, malfeasance or affected by other disruptions, including as a result of natural disasters or telecommunications breakdown or other reasons beyond the Group’s control. If one or more such events occur, it could cause material disruptions or delays to the Group’s operations and result in the loss of revenues as well as confidential information and know-how, which could expose the Group to liability and cause its business and reputation to suffer. The Group may also be required to expend significant capital and other resources to alleviate problems caused by such breaches or failures. Any of the foregoing could have a material adverse effect on the Group’s prospects, results of operations and financial condition.
MARKET RISKS

Risk that the products or services will not achieve commercial success

The Group currently offers a range of services within the aptamer-based industry. The commercial success of each of these services is in part based on factors outside the Group's control, including market demand for those services. There can be no assurance that market demand for any of these areas will continue to exist and/or increase, or that the Group's products or services will be favourably received by the market, will be profitable or will produce a reasonable return, if any, on investment. If the product or service is not commercially successful it could result in a financial loss to the Group.

The Group seeks to include milestone and/or royalty payments in its customer contracts where it is able to do so, in addition to receiving payment for the delivery of its services. The timescale for research and development of new drugs, pharmaceuticals or diagnostic assays / devices can be extensive and any delay in such research and development through to production may mean there is a significant period of time before the Group receives any of the milestone and/or royalty payments included in such customer contracts.

Furthermore, there is no guarantee that the Group will receive such milestone and/or royalty payments on the services it has provided, especially if the new drugs, pharmaceuticals or diagnostics do not prove to be commercially successful or fail to progress as expected.

Competition risks

The life sciences market has become more competitive. Established categories are becoming crowded as they mature and there has been a significant increase in smaller companies who are entering the industry. Even though the Directors and Proposed Directors believe that the Group has a competitive advantage in this space, the Group may face competition from organisations which have greater capital resources. This would hinder the Group’s ability to compete successfully in the market. In addition, the Group anticipates that it will face increased competition in the future as new companies enter the market and alternative products, strategies and technologies become available.

Increased competition from new and existing companies, including as a result of their aggressive pricing, may have a material adverse effect on the Group’s financial results. If the Group’s business model is successful it may be replicated by other organisations, some of which may have greater resources than the Group.

Economic conditions

The markets in which the Aptamer Group and its partners offer its products are directly affected by many national and international factors that are beyond the Group’s control, such as political, economic, currency, social and other factors.

Any economic downturn either globally or locally within any country in which Aptamer Group and/or its partners operate may have an adverse effect on the demand for the Group’s products and those of its partners. A more prolonged economic downturn may lead to an overall decline in the Group’s sales, or those of its partners and may have an adverse impact on the Group’s business, results of operation, financial condition and future prospects.

Risks relating to the acquisition of new products

Whilst Aptamer Group does not currently intend to grow its business through the acquisition of new products, Intellectual Property or other technology / company acquisitions, the Group will continue to evaluate and explore strategically beneficial acquisitions or licensing opportunities in related sectors. However, the Group may be unable to find suitable opportunities on attractive terms, or it may be unable to consummate such opportunities as a result of competition from other prospective acquirers, or due to its inability to finance such acquisitions.

Failing to complete any such acquisitions may have an adverse effect on the Group’s business, results of operations, financial condition and future prospects.

Should such acquisitions proceed, there can be no assurance that the benefits from acquisitions or licensing opportunities will be realised to the extent, or within the time frame, that the Board may anticipate.
In addition, these opportunities may involve a number of risks, including the diversion of management’s attention to unforeseen difficulties in relation to an acquired product, unanticipated costs and liabilities, the implementation of new operating procedures and disruption of the Group’s ongoing business at that point in time.

Any delays or unexpected costs incurred in connection with product acquisitions including significant one-time capital expenditures, may result in dilutive issues of equity securities, increased debt or other contingent liabilities, adverse tax consequences, deferred consideration charges and the recording and later amortisation of amounts related to deferred consideration and certain purchased intangible assets. Any of which items could have an adverse effect on the Group’s business, results of operations, financial condition and future prospects.

**COMPLIANCE AND REGULATORY RISKS**

**Protection of intellectual property**

The Group engages an external law firm with intellectual property expertise to review the Group’s current patent portfolio and it has determined that the listed patents are all currently in effect. However, no review of the validity or enforceability of the patents has been undertaken. The Board is not aware of any infringement by Aptamer Group’s products of the intellectual property rights of any third parties. However, it is not economically viable to establish the existence all third-party intellectual property rights and no formal freedom to operate search has been conducted on behalf of the Group. Third parties may claim that the Group and/or the products that it intends to supply infringe intellectual property rights or misuse confidential information belonging to them. Any such claims, irrespective of merit, could be time consuming and expensive to defend or settle and could divert management resources and attention. There may also be related cost implications and/or potential monetary damages to be paid if an intellectual property violation occurs and/or implications for the products marketed by Aptamer Group.

Some of the Group’s intellectual property rights are not capable of registration, and therefore, the Group is reliant on internal processes and systems to protect such rights as far as possible. Whilst the Board believes that Aptamer Group’s systems and processes afford adequate protection, there is a risk that they may not prevent misappropriation of the Group’s intellectual property. Further, the Group may not be able to detect unauthorised use of, or take appropriate steps to enforce, its intellectual property rights. No assurance is given that the Group will be able to acquire or develop products which are capable of being protected, or that any protection gained will be sufficiently broad in scope to exclude competitors from producing similar competing technology.

There can be no guarantee that third parties have not or will not manage to independently develop products with the same or similar functionality as the Group’s products without infringing the Group’s intellectual property rights, and there can be no guarantee that any such competing products would not have a material adverse effect on revenues, results of operations and prospects of the Group. Monitoring unauthorised use of intellectual property is difficult and costly.

**Disputes with a third party relating to the infringement or protection of intellectual property**

If Aptamer Group’s competitors file patent applications that claim intellectual property rights over products also claimed by the Group, the Group may have to participate in interference, inter-party reviews or opposition proceedings to determine whether to intervene. The Group might also be accused of infringing a third party’s intellectual property rights, in which case it will have to defend the allegation. To the extent the allegation cannot be resolved through negotiation, the Group may become involved court proceedings that could be costly and lengthy.

An adverse outcome in any of these circumstances will mean that the Group might be subject to significant financial liabilities, be required to cease selling a product in certain jurisdictions or to pay licence fees (both prospectively and retrospectively). The Group could incur substantial costs in any litigation or other proceedings relating to patent rights, which may not be recoverable even if the litigation is resolved in the Group’s favour. The intellectual property laws of the jurisdictions in which the Group operates may have adverse or unanticipated consequences for the Group. The Group’s competitors may be able to sustain the costs of complex litigation more effectively than the Group due to their substantially greater resources and Aptamer Group’s position as a pre-revenue business.
Despite Aptamer Group's technology being covered by 75 patent rights (granted and pending), there is a risk of potential patent infringement from third parties, and a risk that the patents are challenged or declared invalid at some future date.

Uncertainties or threatened or actual disputes relating to any patent, patent application or other intellectual property right (including confidential information) could have a material adverse effect on the Group's ability to develop and/or market a product, enter into collaborations in respect of the affected products, or raise additional funds.

**Changes in patent laws or patent jurisprudence**

Aptamer Group's future success could be in part derived from its ability to monetise protected intellectual property rights, particularly patents. Obtaining and exploiting patents in the life sciences industry is legally and technically complex. The Board believes that together with the management team they have good knowledge of the patent process; however obtaining and exploiting patents is costly, time-consuming and uncertain.

Further, a decrease in the value of patents in general may impact on the Group's ability to protect its products, thereby having an adverse effect on the Group’s business, results of operations, financial condition and future prospects.

**Legal, regulatory, ethical practices, fraud, privacy, record-keeping and other trading practices.**

Aptamer Group's reputation is central to its future success in terms of the products and services it provides, the relationships it currently has and intends to develop in the future with distributors, partners and customers, the way in which it conducts its business and the financial results which it achieves. The Group may face reputational risk arising from a number of factors, including failure to deal appropriately with legal and regulatory requirements, ethical practices, fraud, privacy, record-keeping and other trading practices, as well as market risks inherent in the Group's business.

The failure, or allegations or perceptions of failure, of the Group to deal appropriately with legal and regulatory requirements, privacy, record-keeping, sales and trading practices or its failure to meet the expectations of the press and the general public, as well as its customers, suppliers, employees, shareholders and other business partners may have a material adverse effect on the Group's reputation, business, results of operations, financial condition and future prospects.

**Failure of partners or customers, or the Group itself, to comply with regulatory requirements**

If any of Aptamer Group’s partners or customers, or the Group itself, were to breach applicable regulatory requirements, the Group may incur substantial additional costs to remedy the breach and ensure future compliance with the regulatory requirements in order to avoid breaching the agreement with that partner or customer. The failure of a third party properly to comply with their contractual duties or regulatory obligations would therefore be disruptive to the Group’s business.

This could have a materially adverse effect on the Group's ability to generate profits as well as its ability to source premium products. Further, any action taken by a third party that is detrimental to the Group's reputation could have a negative impact on the Group's ability to register its trademarks and other forms of Intellectual Property protection, and/or market and sell its products.

**The Group is subject to regulations governing the pharmaceutical and biotechnology industries**

The Group services customers in the biotechnology and pharmaceutical industries. The Group will therefore be subject to biotechnology and pharmaceutical industry regulation in the countries in which it operates, such as the UK. If it chooses to expand into other countries, its activities in its new locales will be subject to any relevant regulations of those countries as well, some of which may be more stringent than others and which may or may not be satisfied. Should the requirements of any country in which the Group is looking to expand or to market its products not be satisfied, the Group may be restricted from expanding its business or marketing its products in that country. This could adversely affect the growth of the business and/or its financial prospects and performance.
The regulations governing the biotechnology and pharmaceutical industries in the countries in which the Group operates may also be subject to change without prior notice or consultation. Any such changes or amendments may significantly impact the business of the Group.

Where regulatory approval is required, the timescales for regulatory approval being given can be affected by various factors, some of which are outside the Group’s control, such as: changes to regulatory requirements, trial recruitment rates, and the results of clinical tests. Delays in regulatory approval being given could impact upon the timeline for delivery of the product and ultimately have a financial impact upon the Group and its prospects.

**Product liability and insurance**

Aptamer Group’s activities expose it to potential product liability and professional indemnity risks that are inherent in the development and manufacture of medical products and devices that come into direct contact with patients, and the Group could become subject to product liability lawsuits.

Aptamer Group could incur costs in connection with any such proceedings, any amounts awarded by a court or arbitral body, or in connection with any settlement of the same. The Group’s existing and future relationships and reputation could also be adversely affected with consequential adverse effects on its business development, growth and revenue prospects.

In addition, any product liability claim brought against Aptamer Group, with or without merit, could result in the increase of the Group’s product liability insurance rates or the inability to secure cover in the future. There can be no assurance that future necessary insurance cover will be available to the Group at an acceptable cost, if at all, or that, in the event of any claim, the level of insurance carried by the Group or in the future will be adequate or that a product liability or other claim would not have an adverse impact on the Group’s business, prospects, results of operations and financial condition.

**RISKS RELATING TO THE ORDINARY SHARES**

**Investment in AIM securities and liquidity of the Group’s Ordinary Shares**

An investment in companies whose shares are traded on AIM is perceived to involve a higher degree of risk and be less liquid than an investment in companies whose shares are listed on the Official List. AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than the Official List. The future success of AIM and liquidity in the market for Ordinary Shares cannot be guaranteed. In particular, the market for Ordinary Shares may become or may be relatively illiquid and therefore, such Ordinary Shares may be or may become difficult to sell.

The market for the Ordinary Shares following Admission may be highly volatile and subject to wide fluctuations in response to a variety of factors which could lead to losses for Shareholders. These potential factors include amongst others: any additions or departures of key personnel, litigation and press, newspaper and/or other media reports.

Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up, that the market price of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Group. Investors may, therefore, realise less than or lose all of their investment.

**Market in the Ordinary Shares**

The share price of publicly quoted companies can be highly volatile and shareholdings illiquid. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, some specific to the Group and its operations and others to AIM in general including, but not limited to, variations in the operating results of the Group, divergence in financial results from analysts’ expectations, changes in earnings estimates by stock market analysts, general economic conditions or legislative changes in the Group’s sector. In addition, stock markets have from time-to-time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Ordinary Shares.
The trading of the Ordinary Shares on AIM should not be taken as implying that there will be a liquid market for the Ordinary Shares and there is no guarantee that an active market will develop or be sustained after Admission. It may be more difficult for an investor to realise his investment in the Group than in a company whose shares are quoted on the Official List.

**Future sales of Ordinary Shares could adversely affect the price of the Ordinary Shares**

Certain existing shareholders have given undertakings that, save in certain circumstances, they will not until 12 months following Admission, dispose of the legal or beneficial ownership of, or any other interest in, Ordinary Shares held by them at Admission. There can be no assurance that such parties will not effect transactions upon the expiry of the lock-in or any earlier waiver of the provisions of their lock-in. The sale of a significant number of Ordinary Shares in the public market, or the perception that such sales may occur, could materially adversely affect the market price of the Ordinary Shares.

Shareholders not subject to lock-in arrangements and, following the expiry of 12 months following Admission (or earlier in the event of a waiver of the provisions of the lock-in), Shareholders who are otherwise subject to lock-in arrangements, may sell their Ordinary Shares in the public or private market and the Group may undertake a public or private offering of Ordinary Shares. The Group cannot predict what effect, if any, future sales of Ordinary Shares will have on the market price of the Ordinary Shares. If the Group's existing shareholders were to sell, or the Group was to issue a substantial number of Ordinary Shares in the public market, the market price of the Ordinary Shares could be materially adversely affected. Sales by the Group's existing Shareholders could also make it more difficult for the Group to sell equity securities in the future at a time and price that it deems appropriate.

**Dilution of shareholders’ interest as a result of additional equity fundraising**

The Group may need to raise additional funds in the future to finance, amongst other things, working capital, expansion of the business, new developments relating to existing operations or new acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Group other than on a pro rata basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares.

**Dividends**

There can be no assurance as to the level of future dividends (if any). The declaration, payment and amount of any future dividends of the Group are subject in the case of a final dividend to the approval of the Shareholders and, in the case of an interim dividend to the decision of the Board, and will depend upon, among other things, the Group's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time. There can be no assurance that the Group will declare and pay, or have the ability to declare and pay, any dividends in the future.

**Substantial Shareholders**

On Admission, Dr Arron Tolley will hold (directly or indirectly), in aggregate, approximately 22.91 per cent. of the Enlarged Share Capital and Dr David Bunka will hold (directly or indirectly), in aggregate, approximately 18.17 per cent. of the Enlarged Share Capital. Notwithstanding the terms of the Relationship Agreement, the Articles and applicable laws and regulations, they will be able to exercise significant influence over the Group and the Group’s operations, business strategy and those corporate actions which require the approval of Shareholders.

**EIS and VCT status**

Provisional clearance has been obtained from HM Revenue & Customs that the Group’s business qualifies for EIS Relief under EIS. In addition, the Group has been advised that a subscription for Ordinary Shares by a VCT is capable of being a ‘qualifying holding’ for VCT Relief. Although qualifying investors should obtain tax relief on their investments under EIS relief or VCT relief, neither the Group, the Directors nor the Proposed Directors can provide any warranty or guarantee in this regard. Investors must take their own advice and rely on it.
Neither the Group, the Directors nor the Proposed Directors give any warranties or undertakings that EIS Relief or VCT Relief if granted will not be withdrawn or that the business will be managed in such a way as to preserve EIS Relief or VCT Relief. Circumstances may arise where the Board believes that the interests of the Group are not best served by acting in a way that preserves the VCT or EIS qualifying status. In such circumstances, the Group cannot undertake to conduct its activities in a way designed to preserve any such relief or status. If the Group carries on activities beyond those disclosed to HM Revenue & Customs, then Shareholders may cease to qualify for the relevant tax benefits.

The issue of the Placing Shares will be conducted in two separate tranches over two Business Days to enable where possible some investors to benefit from certain tax reliefs available to VCT and EIS investors. It is intended that the Group will issue the VCT/EIS Placing Shares on 21 December 2021, being one Business Day prior to Admission. The issue of the VCT/EIS Placing Shares will not be conditional on Admission. However, it is conditional, *inter alia*, on: (i) the Placing Agreement having been entered into and it having not been terminated prior to the issue of the VCT/EIS Placing Shares; (ii) the performance by the Group of its obligations under the Placing Agreement in so far as the same fall to be performed prior to completion of the VCT/EIS Placing; and (iii) the satisfaction or, where appropriate, the waiver of all other conditions set out in the Placing Agreement relating to the issue of the VCT/EIS Placing Shares. The issue of the General Placing Shares will be conditional upon Admission. Investors should be aware of the possibility that the VCT/EIS Placing Shares may be issued and that none of the remaining Placing Shares are issued. Investors should also be aware that Admission may not take place. In such circumstance, the Articles would not come into effect and the shareholders agreement referred to at paragraph 13.8 of Part VI of this Document shall remain in force and not be terminated. Consequently, even if the VCT/EIS Placing Shares are issued, there is no guarantee that the placing of the General Placing Shares will become unconditional. If all of the Placing Shares are not issued and Admission does not take place, the Group will not be able to implement the strategy and growth plans in the timeframes outlined in this Document.

Any person who is in any doubt as to their taxation position should consult with their professional tax adviser in order that they may fully understand how the rules apply in their individual circumstances.

**Changes in taxation legislation or the interpretation of tax legislation could affect the Group’s ability to provide returns to Shareholders**

Any changes in taxation legislation or the interpretation of taxation legislation could affect the Group’s ability to provide returns to Shareholders. The taxation of an investment in the Group depends on the individual circumstances of the relevant investor.

The investment detailed in this Admission Document may not be suitable for all of its recipients and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult a professional adviser authorised under the FSMA if they are in the United Kingdom or, if not, to consult another appropriately authorised and independent financial adviser who specialises in advising on investments of the kind described in this Admission Document. Prospective investors should consider carefully whether an investment in the Group is suitable for them in the light of their personal circumstances and the financial resources available to them.
SECTION A: ACCOUNTANT’S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF
APTAMER GROUP PLC

16 December 2021

The Directors
Aptamer Group Plc
Second Floor
Bio Centre
Innovation Way
Heslington York
YO10 5NY

The Directors
SPARK Advisory Partners Limited
5 St John’s Lane
London
EC1M 4BH

and

The Directors
Liberum Capital Limited
25 Ropemaker Street
London
EC2Y 9LY

Dear Sirs

Admission of Aptamer Group Plc (“AG” or the “Company”) and its subsidiaries (together the “Group”) and its
securities to trading on AIM and related placing (the “Transaction”)

Introduction

We report on the financial information of the Group for the year ended 31 March 2019, year ended 31 March
2020 and 15 months period ended 30 June 2021 set out in this Part IV on pages 62 to 99. This financial
information has been prepared for inclusion in the AIM Admission Document (the “AIM Document”) of
the Company dated 16 December 2021 on the basis of the accounting policies set out in note 5 of the financial
information. This report is required by Schedule Two of the AIM Rules for Companies published by the
London Stock Exchange plc (the “AIM Rules”) and is given for the purposes of complying with the AIM
Rules and for no other purpose.

Responsibilities

The Directors of the Company (the “Directors”) are responsible for preparing the financial information on
the basis of accounting set out in note 5 to the financial information and in accordance with UK-adopted
International Financial Reporting Standards.

It is our responsibility to form an opinion as to whether the financial information gives a true and fair view,
for the purposes of the AIM Document and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed
and for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to
any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any
responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the AIM Document.

Basis of opinion
We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“FRC”) in the United Kingdom. We are independent of the Company and the Group in accordance with the FRC’s Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion
In our opinion, the financial information gives, for the purposes of the AIM Document, a true and fair view of the state of affairs of the Group as at 31 March 2019, 31 March 2020 and 30 June 2021 and of their results, cash flows and changes in equity for the year ended 31 March 2019, year ended 31 March 2020 and 15 months period ended 30 June 2021 in accordance with UK-adopted International Financial Reporting Standard and has been prepared in a form that is consistent with the accounting policies set out in note 5 of the financial information.

Declaration
For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of the AIM Document and declaring that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omissions likely to affect its import. This declaration is included in the AIM Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

JEFFREYS HENRY LLP
## SECTION B: HISTORICAL FINANCIAL INFORMATION OF APOTMER GROUP LIMITED

### 1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three periods ended 31 March 2019, 31 March 2020 and 30 June 2021

<table>
<thead>
<tr>
<th>Note</th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£986,661</td>
<td>£854,568</td>
<td>£1,599,707</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>£(373,809)</td>
<td>£(398,598)</td>
<td>£(927,048)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>£612,852</td>
<td>£455,970</td>
<td>£672,659</td>
</tr>
<tr>
<td>Selling and distribution costs</td>
<td>£(2,734)</td>
<td>£(8,669)</td>
<td>£(33,765)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>£(1,033,562)</td>
<td>£(1,174,873)</td>
<td>£(3,186,756)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>£6,588</td>
<td>–</td>
<td>£4,856</td>
</tr>
<tr>
<td><strong>Operating loss before depreciation and amortisation</strong></td>
<td>£(416,856)</td>
<td>£(727,572)</td>
<td>£(2,543,006)</td>
</tr>
<tr>
<td>Depreciation (including loss on disposal of assets)</td>
<td>£(165,101)</td>
<td>£(192,421)</td>
<td>£(304,775)</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>£(871)</td>
<td>£(2,057)</td>
<td>£(23,855)</td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td>£(582,828)</td>
<td>£(922,050)</td>
<td>£(2,871,636)</td>
</tr>
<tr>
<td>Finance income</td>
<td>£49</td>
<td>£37</td>
<td>£34</td>
</tr>
<tr>
<td>Finance costs</td>
<td>£(12,053)</td>
<td>£(19,274)</td>
<td>£(38,688)</td>
</tr>
<tr>
<td><strong>Loss before income tax</strong></td>
<td>£(594,832)</td>
<td>£(941,287)</td>
<td>£(2,910,290)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>£139,848</td>
<td>£266,557</td>
<td>£598,494</td>
</tr>
<tr>
<td><strong>Loss for the period</strong></td>
<td>£(454,984)</td>
<td>£(674,730)</td>
<td>£(2,311,796)</td>
</tr>
</tbody>
</table>

**OTHER COMPREHENSIVE INCOME**

Items that may be reclassified subsequently to profit or loss:

- Other comprehensive income: ________________________
- Other comprehensive income: ________________________

**TOTAL COMPREHENSIVE INCOME**

| Loss per share | 6.9 | (1.86) | (2.40) | (1.44) |
| Diluted loss per share | 6.9 | (1.86) | (2.40) | (1.44) |
## 2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2019, 31 March 2020 and 30 June 2021

<table>
<thead>
<tr>
<th>Note</th>
<th>As at 31 March</th>
<th>As at 31 March</th>
<th>As at 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

### ASSETS

#### Non-current assets

<table>
<thead>
<tr>
<th>Note</th>
<th>6.10 Intangible assets</th>
<th>6.11 Property, plant and equipment</th>
<th>6.12 Right-of-Use assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£15,862</td>
<td>£85,940</td>
<td>£60,962</td>
</tr>
<tr>
<td></td>
<td>£18,990</td>
<td>£287,728</td>
<td>£83,038</td>
</tr>
<tr>
<td></td>
<td>£221,881</td>
<td>£467,986</td>
<td>£50,520</td>
</tr>
<tr>
<td></td>
<td>162,764</td>
<td>389,756</td>
<td>740,387</td>
</tr>
</tbody>
</table>

#### Current assets

<table>
<thead>
<tr>
<th>Note</th>
<th>6.13 Inventories</th>
<th>6.14 Trade and other receivables</th>
<th>6.15 Cash and cash equivalents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£59,961</td>
<td>£447,242</td>
<td>£727,159</td>
</tr>
<tr>
<td></td>
<td>£70,777</td>
<td>£636,089</td>
<td>£293,148</td>
</tr>
<tr>
<td></td>
<td>£90,305</td>
<td>£864,260</td>
<td>£369,459</td>
</tr>
<tr>
<td></td>
<td>1,234,362</td>
<td>1,000,014</td>
<td>1,324,024</td>
</tr>
</tbody>
</table>

#### TOTAL ASSETS

|      | £1,397,126       | £1,389,770                     | £2,064,411                    |
|      |                 |                                |                              |
|      |                 |                                |                              |
|      |                 |                                |                              |

### LIABILITIES

#### Current liabilities

<table>
<thead>
<tr>
<th>Note</th>
<th>6.16 Trade and other payables</th>
<th>6.17 Interest bearing loans and borrowings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(£410,685)</td>
<td>(£68,448)</td>
</tr>
<tr>
<td></td>
<td>(£962,986)</td>
<td>(£129,772)</td>
</tr>
<tr>
<td></td>
<td>(£1,679,396)</td>
<td>(£185,663)</td>
</tr>
<tr>
<td></td>
<td>(£479,133)</td>
<td>(£1,092,758)</td>
</tr>
<tr>
<td></td>
<td>(£1,865,059)</td>
<td></td>
</tr>
</tbody>
</table>

#### Non-current Liabilities

<table>
<thead>
<tr>
<th>Note</th>
<th>6.17 Interest bearing loans and borrowings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(3,122)</td>
</tr>
<tr>
<td></td>
<td>(31,206)</td>
</tr>
<tr>
<td></td>
<td>(67,584)</td>
</tr>
<tr>
<td></td>
<td>(3,122)</td>
</tr>
<tr>
<td></td>
<td>(31,206)</td>
</tr>
<tr>
<td></td>
<td>(67,584)</td>
</tr>
</tbody>
</table>

#### TOTAL LIABILITIES

|      | £(482,255)                           | £(1,123,964)                            | £(1,932,643)                        |
|      |                                         |                                         |                                      |

#### Provisions of liabilities

<table>
<thead>
<tr>
<th>Note</th>
<th>6.18</th>
<th>15,000</th>
<th>20,000</th>
<th>26,250</th>
</tr>
</thead>
</table>

#### NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>£899,871</th>
<th>£245,806</th>
<th>£105,518</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### EQUITY

#### Share capital

<table>
<thead>
<tr>
<th>Note</th>
<th>6.20</th>
<th>28,152</th>
<th>28,152</th>
<th>29,854</th>
</tr>
</thead>
</table>

#### Share premium

<table>
<thead>
<tr>
<th>Note</th>
<th>6.21</th>
<th>3,088,923</th>
<th>3,088,923</th>
<th>5,203,442</th>
</tr>
</thead>
</table>

#### Group reorganisation reserve

<table>
<thead>
<tr>
<th>Note</th>
<th>6.21</th>
<th>185,340</th>
<th>185,340</th>
<th>185,340</th>
</tr>
</thead>
</table>

#### Share based payment reserve

<table>
<thead>
<tr>
<th>Note</th>
<th>6.21</th>
<th>7,295</th>
<th>27,960</th>
<th>83,247</th>
</tr>
</thead>
</table>

#### Retained earnings

<table>
<thead>
<tr>
<th>Note</th>
<th>6.21</th>
<th>(2,409,839)</th>
<th>(3,084,569)</th>
<th>(5,396,365)</th>
</tr>
</thead>
</table>

#### TOTAL EQUITY

<table>
<thead>
<tr>
<th></th>
<th>£899,871</th>
<th>£245,806</th>
<th>£105,518</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

65
### 3. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three periods ended 31 March 2019, 31 March 2020 and 30 June 2021

<table>
<thead>
<tr>
<th></th>
<th>Share capital £</th>
<th>Share premium £</th>
<th>Share based payment reserve £</th>
<th>Group reorganisation reserve £</th>
<th>Retained earnings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at 1 April 2018</strong></td>
<td>17,854</td>
<td>1,544,116</td>
<td>3,835</td>
<td>190,445</td>
<td>(1,954,855)</td>
<td>(198,605)</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(454,984)</td>
<td>(454,984)</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(454,984)</td>
<td>(454,984)</td>
</tr>
<tr>
<td>Issue of share capital</td>
<td>10,298</td>
<td>1,544,807</td>
<td>–</td>
<td>–</td>
<td></td>
<td>1,555,105</td>
</tr>
<tr>
<td>Share based payments</td>
<td>–</td>
<td>–</td>
<td>3,460</td>
<td>–</td>
<td></td>
<td>3,460</td>
</tr>
<tr>
<td>Total transactions with owners, recognised directly in equity</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(5,105)</td>
<td>(5,105)</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2019</strong></td>
<td>28,152</td>
<td>3,088,923</td>
<td>7,295</td>
<td>185,340</td>
<td>(2,409,839)</td>
<td>899,871</td>
</tr>
<tr>
<td><strong>Balance as at 1 April 2019</strong></td>
<td>28,152</td>
<td>3,088,923</td>
<td>7,296</td>
<td>185,340</td>
<td>(2,409,839)</td>
<td>899,871</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(674,730)</td>
<td>(674,730)</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(674,730)</td>
<td>(674,730)</td>
</tr>
<tr>
<td>Issue of share capital</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share based payments</td>
<td>–</td>
<td>–</td>
<td>20,664</td>
<td>–</td>
<td></td>
<td>20,664</td>
</tr>
<tr>
<td>Total transactions with owners, recognised directly in equity</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance at 31 March 2020</strong></td>
<td>28,152</td>
<td>3,088,923</td>
<td>27,960</td>
<td>185,340</td>
<td>(3,084,569)</td>
<td>245,806</td>
</tr>
</tbody>
</table>
3. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three periods ended 31 March 2019, 31 March 2020 and 30 June 2021

<table>
<thead>
<tr>
<th></th>
<th>Share capital £</th>
<th>Share premium £</th>
<th>Share based payment reserve £</th>
<th>Group reorganisation reserve £</th>
<th>Retained earnings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at 1 April 2020</strong></td>
<td>28,152</td>
<td>3,088,923</td>
<td>27,960</td>
<td>185,340</td>
<td>(3,084,569)</td>
<td>245,806</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(2,311,796)</td>
<td>(2,311,796)</td>
</tr>
<tr>
<td>Other comprehensive income for the period</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Issue of share capital</td>
<td>1,702</td>
<td>2,114,519</td>
<td></td>
<td></td>
<td></td>
<td>2,116,221</td>
</tr>
<tr>
<td>Share based payments</td>
<td>–</td>
<td>–</td>
<td>55,287</td>
<td>–</td>
<td>–</td>
<td>55,287</td>
</tr>
<tr>
<td>Total transactions with owners, recognised directly in equity</td>
<td>–</td>
<td>–</td>
<td>55,287</td>
<td>–</td>
<td>–</td>
<td>55,287</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2021</strong></td>
<td>29,854</td>
<td>5,203,442</td>
<td>83,247</td>
<td>185,340</td>
<td>(5,396,365)</td>
<td>105,518</td>
</tr>
</tbody>
</table>
4. CONSOLIDATED STATEMENT OF CASH FLOWS
For the three periods ended 31 March 2019, 31 March 2020 and 30 June 2021

<table>
<thead>
<tr>
<th>Note</th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>6.23</td>
<td>(844,933)</td>
<td>(222,560)</td>
</tr>
<tr>
<td>Taxation</td>
<td>–</td>
<td>139,848</td>
<td>266,557</td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td></td>
<td>(844,933)</td>
<td>(82,712)</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(28,084)</td>
<td>(155,643)</td>
<td>(197,583)</td>
</tr>
<tr>
<td>Purchase of intangible assets</td>
<td>(12,736)</td>
<td>(5,185)</td>
<td>(226,746)</td>
</tr>
<tr>
<td>Interest received</td>
<td>49</td>
<td>37</td>
<td>34</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td></td>
<td>(40,771)</td>
<td>(160,791)</td>
</tr>
<tr>
<td><strong>CASH FLOWS FROM FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issue of share capital</td>
<td>1,550,000</td>
<td>–</td>
<td>2,116,221</td>
</tr>
<tr>
<td>Payment of lease liabilities</td>
<td>(124,821)</td>
<td>(171,234)</td>
<td>(252,034)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(12,053)</td>
<td>(19,274)</td>
<td>(38,688)</td>
</tr>
<tr>
<td>New loans</td>
<td>–</td>
<td>–</td>
<td>49,253</td>
</tr>
<tr>
<td><strong>Net cash generated from financing activities</strong></td>
<td>1,413,126</td>
<td>(190,508)</td>
<td>1,874,752</td>
</tr>
<tr>
<td><strong>Net increase/(decrease) in cash and cash equivalents</strong></td>
<td>527,422</td>
<td>(434,011)</td>
<td>76,311</td>
</tr>
<tr>
<td>Cash and cash equivalents at start of the period</td>
<td>199,737</td>
<td>727,159</td>
<td>293,148</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of the period</td>
<td>727,159</td>
<td>293,148</td>
<td>369,459</td>
</tr>
</tbody>
</table>
5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the three periods ended 31 March 2019, 31 March 2020 and 30 June 2021

5.1 GENERAL INFORMATION

Aptamer Group Limited (‘the Company’) is a limited company domiciled and incorporated in England and Wales. The consolidated financial information of the Company for the period ended 30 June 2021 comprise the Company and its subsidiaries (together referred to as ‘the Group’). The Company extended its accounting period to 30 June in 2021.

The address of the Company’s registered office is Second floor, Bio Centre, Innovation way, Heslington, York, YO10 5NY.

Aptamer Group is a leading provider of Optimer® reagents for use by customers in research, diagnostics and therapeutics. Aptamer Group has developed a platform technology which is utilised by its three trading subsidiary companies to solve problems for pharmaceutical and bio-technology customers in the bio-processing, research reagents, diagnostic and therapeutic areas of the life sciences.

5.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the group consisting of Aptamer Group Limited and its subsidiaries.

2(a) Basis of preparation

(i) Compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB) as endorsed by the European Union.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) New and amended standards adopted by the Group

There are no other new standards or amendments to standards which are mandatory for the first time for the financial year ended 30 June 2021 which have a significant impact on the Group.

(iv) New standards and interpretations not yet adopted

The Group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Group.

2(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities which the Company has control. The subsidiaries consolidated in these group accounts were acquired via group re-organisation and as such Merger accounting principles have been applied. The subsidiaries financial figures are included for their entire financial period rather than from the date the Company took control of them.

The Company acquired its 100 per cent. interest in Aptamer Solutions Limited (2015) and Aptamer Diagnostics Limited (2018) by way of a share for share exchange. The Company also acquired 100 per cent. of the share capital of Aptamer Therapeutics Limited and Aptasort Limited from Dr Arron Tolley in 2015. This is a business combination involving entities under common control
and the consolidated financial statements are issued in the name of the Group, but they are a
continuance of those of Aptamer Solutions Limited and Aptamer Diagnostics Limited. Therefore,
the assets and liabilities of Aptamer Solutions Limited and Aptamer Diagnostics Limited have
been recognised and measured in these consolidated financial statements at their pre combination
carrying values. The retained earnings and other equity balances recognised in these consolidated
financial statements are the retained earnings and other equity balances of the Company, Aptamer
Solutions Limited and Aptamer Diagnostics Limited. The equity structure that appears in these
consolidated financial statements (the number and the type of equity instruments issued) reflect
the equity structure of the Company including equity instruments issued by the Company to affect
the consolidation. The difference between consideration given and net assets of Aptamer Solutions
Limited and Aptamer Diagnostics Limited at the date of acquisition is included in a group
reorganisation reserve. Inter-company transactions, balances and unrealised gains on transactions
between Group companies are eliminated during the consolidation process.

(ii) Associates
Associates are all entities over which the Group has significant influence but not control or
joint control.

This is generally the case where the Group holds between 20 per cent. and 50 per cent. of the voting
rights. Investments in associates are accounted for using the equity method of accounting (see (iv)
below), after initially being recognised at cost.

(iii) Joint arrangements
Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint
operations or joint ventures. The classification depends on the contractual rights and obligations
of each investor, rather than the legal structure of the joint arrangement.

Joint operations
Aptamer Group Limited recognises its direct right to the assets, liabilities, revenues and expenses
of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and
expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures
Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially
being recognised at cost in the consolidated balance sheet.

(iv) Equity method
Under the equity method of accounting, the investments are initially recognised at cost and
adjusted thereafter to recognise the Group’s share of the post-acquisition profits or losses of the
investee in profit or loss, and the Group’s share of movements in other comprehensive income of
the investee in other comprehensive income. Dividends received or receivable from associates and
joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group’s share of losses in an equity-accounted investment equals or exceeds its interest
in the entity, including any other unsecured long-term receivables, the Group does not recognise
further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are
eliminated to the extent of the Group's interest in these entities.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment
of the asset transferred. Accounting policies of equity-accounted investees have been changed
where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments are tested for impairment in accordance
with the policy described in note 2(i).
2(c) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Company comprises a single operating segment being research and experimental development of biotechnology, operating solely within the United Kingdom.

2(d) **Foreign currency translation**

(i) **Functional and presentation currency**

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated financial statements are presented in Great British Pounds sterling, which is Aptamer Group Limited’s functional and presentation currency.

(ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

2(e) **Revenue recognition**

The Group’s main source of revenue is fees for research activities carried out under contracts with customers. These contracts can be in progress over accounting period ends and consist of separate phases with fixed attributable income attached to each phase. The contract contains performance obligations set out for each phase. In most cases that customer has a right to proceed or cease the research work at the end of each phase.

The Group recognises revenue when it satisfies the performance obligations in respect of each phase of work. In practice, due to inherent uncertainty in relation to the nature of research work, the Group has assessed that it can only reliably assess the achievement of the performance obligations once the phase is substantially complete. Accordingly, the Group has elected to recognise revenue in relation to each contract phase at a point in time, which is at the end of the contract phase and when the research results and accompanying supporting information is delivered to the customer.

No revenue is recognised in relation to subsequent contract phases until the customer has elected to progress to that phase and the above criteria in relation to satisfaction of performance obligations has been met.

Revenue is measured at the amount of consideration to which the Group expects to receive. If the consideration is receivable more than 12 months after the transaction date and the effect of discounting is material, the revenue amount recognised is discounted to its present value at the transaction date, using a discount rate which reflects customer risk, and the unwinding of this discount is recognised as financial income over the period until the date the consideration is due. Typically, the Group does not enter into transactions whereby revenue is variable or contains non cash consideration, or is subject to reversals of income.
Costs incurred in fulfilling a contract phase, which include internal labour costs and materials, are recognized in the balance sheet until the satisfaction of performance obligations where:

(i) the costs relate directly to a contract that the Group can specifically identify;
(ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
(iii) the costs are expected to be recovered.

2(f) **Government grants**
Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

2(g) **Income tax**
The income tax expense or credit for the period is the tax payable on the current period’s taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) **Investment allowances and similar tax incentives**
Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g., the Research and Development Tax Incentive regime in the United Kingdom or other investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.
2(h) **Leases**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Aptamer Group Limited, which does not have recent third party financing; and
- makes adjustments specific to the lease, eg term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2(i) **Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is
recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2(j) **Cash and cash equivalents**
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2(k) **Trade receivables**
Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 2n(i) for a description of the Group’s impairment policy.

2(l) **Inventories**
(i) **Raw materials and stores, work in progress and finished goods**
Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2(m) **Investments and other financial assets**
(i) **Classification**
The Group classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) **Recognition and derecognition**
Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when
the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) **Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**Debt instruments**

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost**: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- **FVOCI**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.

- **FVPL**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

**Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group’s management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group’s right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2(n) **Investments and other financial assets**

(i) **Impairment**

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.
2(o) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

- Other property, plant and equipment 16.67 per cent. straight line
- Fixtures, fittings and equipment 16.67 per cent. straight line

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

2(p) Intangible assets

(i) Product development and registrations

Separately acquired product development and registrations are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Research and development

An intangible asset arising from development (or from the development phase of an internal project) is recognised where the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is ability to use or sell the intangible asset;
- it can be demonstrated that the intangible asset will generate probable future economic benefits;
- there is evidence of existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- adequate technical, financial and other resources exist to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.
(iii) **Amortisation methods and periods**

- Product development and registrations – straight line over 10 years.

2(q) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2(r) **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders’ equity, net of income tax effects.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2(s) **Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2(t) **Provisions**

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.
Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2(u) Employee benefits
   (i) Short-term obligations
       Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations
    The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post-employment medical plans.

(iii) Share-based payments
    Share-based compensation benefits are provided to employees via the Aptamer Group EMI Share Option Scheme and unapproved share options. Information relating to these schemes is set out in note 6.22.

(iv) Employee options
    The fair value of options granted under the Aptamer Group EMI Share Option Scheme and unapproved share options are recognised as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:
       • including any market performance conditions (e.g., the entity’s share price);
       • excluding the impact of any service and non-market performance vesting conditions (e.g., profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
       • including the impact of any non-vesting conditions (e.g., the requirement for employees to save or hold shares for a specific period of time).

    The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2(v) Contributed equity
    Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

    Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.
Where any group company purchases the company’s equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of Aptamer Group Limited as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of Aptamer Group Limited.

2(w) Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2(x) Accounting policies and significant judgements
The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. 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.

Revenue recognition
The Group assesses the point at which performance obligations under contracts with customers are satisfied and accordingly when revenue is recognised in the financial statements. It also recognises only directly attributable costs associated with the fulfilment of contracts as an asset in the statement of financial position, and only when the costs and their future benefit can be assessed with reasonable certainty.

Impairment of trade and other receivables
The Group makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. As at 30 June 2021, the provision for trade receivables impairment amounted to £nil (2020: £nil, 2019: £14,500).

2(z) Going Concern
The directors are confident that the Group is well placed to continue to build on the platform which has been established in the 3 financial periods covered by these financial statements.

The Group has positive cash reserves of £369,459 at 30 June 2021 and management monitor both the short term and longer term liquidity requirements of the Group.

An assessment of the future trading circumstances of the Group has been performed by management which includes cashflow forecasts to the period ended 30 June 2023. Based on these forecasts, including plausible downside sensitivities, management are confident that the Group has sufficient resources to meet its liabilities as they fall due for the foreseeable future.

Therefore, the financial statements have been prepared assuming that the Group will continue as a going concern. The basis of accounting considers the recovery of our assets and the satisfaction of liabilities in the normal course of business.
6. **NOTES TO THE FINANCIAL INFORMATION**
For the three periods ended 31 March 2019, 31 March 2020 and 30 June 2021

### 6.1 REVENUE

An analysis of revenue, all of which relates to the sale of services, by geographical location of the customer is given below:

<table>
<thead>
<tr>
<th></th>
<th>Year ended</th>
<th>Year ended</th>
<th>15 month period ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 March</td>
<td>31 March</td>
<td>30 June</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>200,835</td>
<td>151,243</td>
<td>363,428</td>
</tr>
<tr>
<td>Europe</td>
<td>198,255</td>
<td>82,884</td>
<td>181,584</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>587,571</td>
<td>620,441</td>
<td>1,054,695</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>986,661</strong></td>
<td><strong>854,568</strong></td>
<td><strong>1,599,707</strong></td>
</tr>
</tbody>
</table>

All assets are located in, and services delivered from, the United Kingdom.

During the year the Group recognised revenue from performance obligations satisfied during the year. All of the Group’s contracts are for the delivery of service within the next 12 months for which the practical expedient in paragraph 121(a) of IFRS 15 applies. The entire revenue of the Group relates to its contracts with customers. Customer contracts making up greater than 10 per cent. of the Group’s revenue have been disclosed below.

Contract assets and contract liabilities are included within “trade and other receivables” and “trade and other payables” respectively on the face of the statement of financial position. Contract liabilities are disclosed as Deferred revenue in Note 6.16. Contract assets are disclosed as Prepayments and Accrued Income in Note 6.14.

Disclosure of revenues earned from customers comprising more than 10 per cent. of total revenues in any one year is given below:

<table>
<thead>
<tr>
<th></th>
<th>Year ended</th>
<th>Year ended</th>
<th>15 month period ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 March</td>
<td>31 March</td>
<td>30 June</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Customer A</td>
<td>–</td>
<td>–</td>
<td>183,138</td>
</tr>
<tr>
<td>Customer B</td>
<td>–</td>
<td>–</td>
<td>169,732</td>
</tr>
<tr>
<td>Customer C</td>
<td>297,577</td>
<td>184,397</td>
<td>–</td>
</tr>
<tr>
<td>Customer D</td>
<td>145,385</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>480,944</strong></td>
<td><strong>368,532</strong></td>
<td><strong>183,138</strong></td>
</tr>
</tbody>
</table>

### 6.2 OTHER OPERATING INCOME

<table>
<thead>
<tr>
<th></th>
<th>Year ended</th>
<th>Year ended</th>
<th>15 month period ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 March</td>
<td>31 March</td>
<td>30 June</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>HMRC PAYE refund</td>
<td>6,588</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Government grant</td>
<td>–</td>
<td>–</td>
<td>4,856</td>
</tr>
</tbody>
</table>

The Group received funding from a government grant scheme in 2020 and has complied with the conditions of the funding throughout the period.
### 6.3 OPERATING LOSS

The operating loss for the period is stated after charging/(crediting):

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Loss on disposal of property, plant and equipment</td>
<td>3,827</td>
<td>–</td>
<td>3,639</td>
</tr>
<tr>
<td>Raw materials and consumables used</td>
<td>185,802</td>
<td>148,043</td>
<td>483,122</td>
</tr>
<tr>
<td>Share based payment expenses</td>
<td>3,460</td>
<td>20,664</td>
<td>55,287</td>
</tr>
<tr>
<td>Research and development expenses</td>
<td>63,081</td>
<td>170,459</td>
<td>613,954</td>
</tr>
<tr>
<td>Depreciation of property, plant and equipment</td>
<td>42,584</td>
<td>42,307</td>
<td>107,975</td>
</tr>
<tr>
<td>Depreciation of Right-of-Use assets</td>
<td>118,690</td>
<td>150,114</td>
<td>193,161</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>871</td>
<td>2,057</td>
<td>23,855</td>
</tr>
</tbody>
</table>

### 6.4 EMPLOYEE BENEFIT EXPENSE

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>659,838</td>
<td>858,169</td>
<td>1,674,086</td>
</tr>
<tr>
<td>Social security costs</td>
<td>69,802</td>
<td>87,647</td>
<td>170,158</td>
</tr>
<tr>
<td>Staff pensions – defined contribution plans</td>
<td>7,733</td>
<td>17,121</td>
<td>27,898</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>737,373</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>962,937</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,872,142</td>
</tr>
</tbody>
</table>

The average monthly number of persons (including directors) employed by the Group during the period was:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration and support</td>
<td>5</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Production</td>
<td>8</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Research and development</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Sales</td>
<td>4</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>25</td>
<td>31</td>
</tr>
</tbody>
</table>

### 6.5 DIRECTORS’ EMOLUMENTS

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Total emoluments and amounts receivable</td>
<td>196,150</td>
<td>193,179</td>
<td>441,888</td>
</tr>
<tr>
<td>Share Based Payments</td>
<td>–</td>
<td>4,346</td>
<td>11,587</td>
</tr>
<tr>
<td>Value of company contribution to defined contribution pension schemes</td>
<td>1,613</td>
<td>2,632</td>
<td>4,442</td>
</tr>
<tr>
<td></td>
<td>197,763</td>
<td>200,175</td>
<td>457,917</td>
</tr>
</tbody>
</table>

81
Number of directors who were receiving benefits and share incentives were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td></td>
</tr>
<tr>
<td>Pension scheme</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Share incentive schemes</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

**Highest paid director**

The highest paid director's emoluments were as follows:

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Year ended</th>
<th>15 month period ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March</td>
<td>31 March</td>
<td>30 June</td>
</tr>
<tr>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Total emoluments and amounts receivable</td>
<td>128,650</td>
<td>131,947</td>
</tr>
<tr>
<td>Share Based Payments</td>
<td>–</td>
<td>3,018</td>
</tr>
<tr>
<td>Value of company contribution to defined contribution pension schemes</td>
<td>806</td>
<td>1,316</td>
</tr>
<tr>
<td><strong>129,456</strong></td>
<td><strong>136,281</strong></td>
<td><strong>241,888</strong></td>
</tr>
</tbody>
</table>

### 6.6 FINANCE INCOME

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Year ended</th>
<th>15 month period ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March</td>
<td>31 March</td>
<td>30 June</td>
</tr>
<tr>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Bank interest receivable</td>
<td>49</td>
<td>37</td>
</tr>
<tr>
<td>49</td>
<td>37</td>
<td>34</td>
</tr>
</tbody>
</table>

### 6.7 FINANCE COSTS

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Year ended</th>
<th>15 month period ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 March</td>
<td>31 March</td>
<td>30 June</td>
</tr>
<tr>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Bank charges</td>
<td>1,744</td>
<td>86</td>
</tr>
<tr>
<td>Interest charged on Right-of-Use assets</td>
<td>3,526</td>
<td>7,348</td>
</tr>
<tr>
<td>Other interest payable</td>
<td>3,910</td>
<td>5,871</td>
</tr>
<tr>
<td>Foreign exchange loss/(gain) on borrowings</td>
<td>2,873</td>
<td>5,969</td>
</tr>
<tr>
<td><strong>12,053</strong></td>
<td><strong>19,274</strong></td>
<td><strong>38,688</strong></td>
</tr>
</tbody>
</table>
6.8 INCOME TAX EXPENSE

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March</th>
<th>Year ended 31 March</th>
<th>15 month period ended 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

Tax expense included in the statement of profit and loss

Current Tax:

UK Corporation credit on profits for the period
(139,848) (266,557) (598,494)

Adjustments in respect of prior periods

Total UK Corporation tax
(139,848) (266,557) (598,494)

Overseas income tax:

Current period

Adjustments in respect of prior periods

Total current tax
(139,848) (266,557) (598,494)

Deferred tax:

Origination and reversal of temporary differences

Adjustments in respect of prior periods

Total deferred tax

Tax on loss on ordinary activities
(139,848) (266,557) (598,494)

Factors affecting the tax charge for the period

The tax credit for the period differs from the standard rate of corporation tax in the UK of 19 per cent. The differences are explained below:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March</th>
<th>Year ended 31 March</th>
<th>15 month period ended 30 June</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

Loss on ordinary activities before tax
594,832 941,287 2,910,290

Corporation tax at standard rate
113,018 178,845 552,955

Research and development relief
139,856 197,419 459,444

Surrender of tax losses for R&D tax credit refund
(82,725) (185,742)

Expenses not deductible for tax purposes
– – –

Effect of revenues exempt from taxation
– – –

Adjustments in respect of prior periods
(998) – –

Remeasurement of deferred tax for changes in tax rates
18,693 148,039

Other
(8) (18) –

Deferred tax asset not recognised
(113,018) (44,659) (376,202)

Total tax credit
139,848 266,557 598,494

As at 30 June 2021 the Group had unrelieved tax losses of approximately £2,680,000. A deferred tax asset has not been recognised in respect of these losses.
6.9 LOSS PER SHARE

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Basic loss per share</td>
<td>1.86</td>
<td>2.40</td>
<td>1.44</td>
</tr>
<tr>
<td>Diluted loss per share</td>
<td>1.86</td>
<td>2.40</td>
<td>1.44</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>454,984</td>
<td>674,730</td>
<td>2,311,796</td>
</tr>
<tr>
<td>(Weighted average number of ordinary shares used as the denominator in calculating the basic/diluted loss per share)</td>
<td>244,331</td>
<td>281,519</td>
<td>1,602,965</td>
</tr>
</tbody>
</table>

The loss attributable to equity holders (holders of ordinary shares) of the Company for the purpose of calculating the fully diluted loss per share is identical to that used for calculating the loss per share. The exercise of share options would have the effect of reducing the loss per share and is therefore anti-dilutive under the terms of IAS 33 ‘Earnings per Share’.

6.10 INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th>Product development &amp; registrations</th>
<th>Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2018</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Additions</td>
<td>12,736</td>
<td>12,736</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td><strong>16,736</strong></td>
<td><strong>16,736</strong></td>
</tr>
<tr>
<td>Accumulated amortisation and impairment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2018</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Amortisation charge</td>
<td>871</td>
<td>871</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td><strong>874</strong></td>
<td><strong>874</strong></td>
</tr>
<tr>
<td>NET BOOK VALUE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>15,862</td>
<td>15,862</td>
</tr>
<tr>
<td>At 31 March 2018</td>
<td>3,997</td>
<td>3,997</td>
</tr>
</tbody>
</table>
Product development & registrations

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2019</td>
<td>16,736</td>
<td>16,736</td>
</tr>
<tr>
<td>Additions</td>
<td>5,185</td>
<td>5,185</td>
</tr>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td><strong>21,921</strong></td>
<td><strong>21,921</strong></td>
</tr>
</tbody>
</table>

Accumulated amortisation and impairment

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2019</td>
<td>874</td>
<td>874</td>
</tr>
<tr>
<td>Amortisation charge</td>
<td>2,057</td>
<td>2,057</td>
</tr>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td><strong>2,931</strong></td>
<td><strong>2,931</strong></td>
</tr>
</tbody>
</table>

Net book value

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March 2020</td>
<td>18,990</td>
<td>18,990</td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>15,862</td>
<td>15,862</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Product development &amp; registrations</th>
<th>Total</th>
<th>£</th>
</tr>
</thead>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2020</td>
<td>21,921</td>
<td>21,921</td>
</tr>
<tr>
<td>Additions – internally generated</td>
<td>107,706</td>
<td>107,706</td>
</tr>
<tr>
<td>Additions – externally acquired</td>
<td>119,040</td>
<td>119,040</td>
</tr>
<tr>
<td><strong>At 30 June 2021</strong></td>
<td><strong>248,667</strong></td>
<td><strong>248,667</strong></td>
</tr>
</tbody>
</table>

Accumulated amortisation and impairment

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2020</td>
<td>2,931</td>
<td>2,931</td>
</tr>
<tr>
<td>Amortisation charge</td>
<td>23,855</td>
<td>23,855</td>
</tr>
<tr>
<td><strong>At 30 June 2021</strong></td>
<td><strong>26,786</strong></td>
<td><strong>26,786</strong></td>
</tr>
</tbody>
</table>

Net book value

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30 June 2021</td>
<td>221,881</td>
<td>221,881</td>
</tr>
<tr>
<td>At 31 March 2020</td>
<td>18,990</td>
<td>18,990</td>
</tr>
</tbody>
</table>

Amortisation and impairment

Amortisation is charged in accordance with the rates set out within the accounting policies section of the financial statements.

Intangible asset amortisation is recorded in administrative expenses in the statement of profit and loss.

The figure £119,040 of the 2021 additions relates to patents which were acquired from a 3rd party. At 30 June 2021 amortisation of £13,278 has been charged against this asset. All other intangible assets are internally generated.
### 6.11 PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>Other property, plant and equipment</th>
<th>Fixtures, fittings and equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2018</td>
<td>259,446</td>
<td>12,086</td>
<td>271,532</td>
</tr>
<tr>
<td>Additions</td>
<td>38,391</td>
<td>5,501</td>
<td>43,892</td>
</tr>
<tr>
<td>Disposals</td>
<td>(6,386)</td>
<td>–</td>
<td>(6,386)</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>291,451</td>
<td>17,587</td>
<td>309,038</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2018</td>
<td>170,991</td>
<td>12,084</td>
<td>183,075</td>
</tr>
<tr>
<td>Charge for the period</td>
<td>42,013</td>
<td>571</td>
<td>42,584</td>
</tr>
<tr>
<td>On disposals</td>
<td>(2,561)</td>
<td>–</td>
<td>(2,561)</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>210,443</td>
<td>12,655</td>
<td>223,098</td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>81,008</td>
<td>4,932</td>
<td>85,940</td>
</tr>
<tr>
<td><strong>At 31 March 2018</strong></td>
<td>88,455</td>
<td>2</td>
<td>88,457</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Other property, plant and equipment</th>
<th>Fixtures, fittings and equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2019</td>
<td>291,451</td>
<td>17,587</td>
<td>309,038</td>
</tr>
<tr>
<td>Additions</td>
<td>242,002</td>
<td>2,093</td>
<td>244,095</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td>533,453</td>
<td>19,680</td>
<td>553,133</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2019</td>
<td>210,443</td>
<td>12,655</td>
<td>223,098</td>
</tr>
<tr>
<td>Charge for the period</td>
<td>41,162</td>
<td>1,145</td>
<td>42,307</td>
</tr>
<tr>
<td>On disposals</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td>251,605</td>
<td>13,800</td>
<td>265,405</td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2020</td>
<td>281,848</td>
<td>5,880</td>
<td>287,728</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>81,008</td>
<td>4,932</td>
<td>85,940</td>
</tr>
</tbody>
</table>
### Other property, plant and equipment

<table>
<thead>
<tr>
<th></th>
<th>Cost £</th>
<th>Fixtures, fittings and equipment £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2020</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>281,721</td>
<td>10,151</td>
<td>291,872</td>
</tr>
<tr>
<td>Disposals</td>
<td>(25,700)</td>
<td>–</td>
<td>(25,700)</td>
</tr>
<tr>
<td><strong>At 30 June 2021</strong></td>
<td>789,474</td>
<td>29,831</td>
<td>819,305</td>
</tr>
</tbody>
</table>

### Depreciation

<table>
<thead>
<tr>
<th></th>
<th>Cost £</th>
<th>Fixtures, fittings and equipment £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2020</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charge for the period</td>
<td>104,452</td>
<td>3,523</td>
<td>107,975</td>
</tr>
<tr>
<td>On disposals</td>
<td>(22,061)</td>
<td>–</td>
<td>(22,061)</td>
</tr>
<tr>
<td><strong>At 30 June 2021</strong></td>
<td>333,996</td>
<td>17,323</td>
<td>351,319</td>
</tr>
</tbody>
</table>

### Finance leases and hire purchase agreements

Included within the net book is £254,796 (2020: £92,853, 2019: £13,175) relating to assets held under finance leases or hire purchase agreements. The depreciation charged to the accounts in the period in respect of such assets amounted to £54,947 (2020: £8,774, 2019: £2,634).

### 6.12 RIGHT-OF-USE ASSETS

#### Company as a lessee

The Company has a lease for its office used in its operations and for various items of plant and machinery. Leases of buildings have lease terms of 12 months and the leases of plant and machinery have lease terms of five years. The Company’s obligations under its leases are secured by the lessor’s title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios.

Set out below are the carrying amounts of the right-of-use assets and any movements during the three periods:

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2018</strong></td>
<td>109,226</td>
<td>5,511</td>
<td>114,737</td>
</tr>
<tr>
<td>Additions</td>
<td>164,769</td>
<td>2,978</td>
<td>167,747</td>
</tr>
<tr>
<td>Disposals</td>
<td>(137,326)</td>
<td>–</td>
<td>(137,326)</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>136,669</td>
<td>8,489</td>
<td>145,158</td>
</tr>
</tbody>
</table>

### Depreciation

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2018</strong></td>
<td>100,449</td>
<td>2,383</td>
<td>102,832</td>
</tr>
<tr>
<td>Charge for the period</td>
<td>117,250</td>
<td>1,440</td>
<td>118,690</td>
</tr>
<tr>
<td>On disposals</td>
<td>(137,326)</td>
<td>–</td>
<td>(137,326)</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>80,373</td>
<td>3,823</td>
<td>84,196</td>
</tr>
</tbody>
</table>

### Net book value

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>56,296</td>
<td>4,666</td>
<td>60,962</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 31 March 2018</strong></td>
<td>8,777</td>
<td>3,128</td>
<td>11,905</td>
</tr>
</tbody>
</table>
### Plant and Buildings

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2019</strong></td>
<td>136,669</td>
<td>8,489</td>
<td>145,158</td>
</tr>
<tr>
<td><strong>Additions</strong></td>
<td>168,715</td>
<td>3,475</td>
<td>172,190</td>
</tr>
<tr>
<td><strong>Disposals</strong></td>
<td>(136,669)</td>
<td>–</td>
<td>(136,669)</td>
</tr>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td>168,715</td>
<td>11,964</td>
<td>180,679</td>
</tr>
</tbody>
</table>

### Depreciation

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 1 April 2019</strong></td>
<td>80,373</td>
<td>3,823</td>
<td>84,196</td>
</tr>
<tr>
<td><strong>Charge for the period</strong></td>
<td>148,037</td>
<td>2,077</td>
<td>150,114</td>
</tr>
<tr>
<td><strong>On disposals</strong></td>
<td>(136,669)</td>
<td>–</td>
<td>(136,669)</td>
</tr>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td>91,741</td>
<td>5,900</td>
<td>97,641</td>
</tr>
</tbody>
</table>

### Net book value

<table>
<thead>
<tr>
<th></th>
<th>Buildings £</th>
<th>Plant and machinery £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 31 March 2020</strong></td>
<td>76,974</td>
<td>6,064</td>
<td>83,038</td>
</tr>
<tr>
<td><strong>At 31 March 2019</strong></td>
<td>56,296</td>
<td>4,666</td>
<td>60,962</td>
</tr>
</tbody>
</table>

### Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings (note 6.17)) and the movements during the period:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>As at 1 April</em></td>
<td>12,836</td>
<td>63,188</td>
<td>92,642</td>
</tr>
<tr>
<td>New leases</td>
<td>167,747</td>
<td>172,190</td>
<td>200,761</td>
</tr>
<tr>
<td>Interest charged</td>
<td>5,391</td>
<td>6,806</td>
<td>5,414</td>
</tr>
<tr>
<td>Modification of liability</td>
<td>–</td>
<td>–</td>
<td>(40,118)</td>
</tr>
<tr>
<td>Repayments made</td>
<td>(122,786)</td>
<td>(149,542)</td>
<td>(201,686)</td>
</tr>
<tr>
<td><strong>As at 30 June/31 March</strong></td>
<td>63,188</td>
<td>92,642</td>
<td>57,013</td>
</tr>
<tr>
<td>Current</td>
<td>60,066</td>
<td>88,337</td>
<td>57,013</td>
</tr>
<tr>
<td>Non-current</td>
<td>3,122</td>
<td>4,305</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>63,188</td>
<td>92,642</td>
<td>57,013</td>
</tr>
</tbody>
</table>
6.13 INVENTORIES

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials and consumables</td>
<td>£52,461</td>
<td>£60,313</td>
<td>£81,360</td>
</tr>
<tr>
<td>Work in progress</td>
<td>£7,500</td>
<td>£10,464</td>
<td>£8,945</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>£59,961</strong></td>
<td><strong>£70,777</strong></td>
<td><strong>£90,305</strong></td>
</tr>
</tbody>
</table>

Inventories are stated after provisions for impairment of £nil (2020: £nil, 2019: £nil). Inventory losses charged to the income statement amounted to £nil (2020: £nil, 2019: £nil). The amount of reversal of impairment recognised in income statement is £nil (2020: £nil, 2019: £nil). Inventories are charged to cost of sales when materials are consumed, or contractual commitments are complete. The amounts charged to the income statement in each period are disclosed in note 6.3 to the financial statements.

6.14 TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>£218,787</td>
<td>£298,500</td>
<td>£190,127</td>
</tr>
<tr>
<td>Less: provision for doubtful receivables</td>
<td>(14,500)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Trade receivables – net</td>
<td>£204,287</td>
<td>£298,500</td>
<td>£190,127</td>
</tr>
<tr>
<td>VAT recoverable</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Corporation tax recoverable</td>
<td>–</td>
<td>£267,148</td>
<td>£598,494</td>
</tr>
<tr>
<td>Other receivables</td>
<td>£216,882</td>
<td>£61,110</td>
<td>£66,569</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>£26,073</td>
<td>£9,331</td>
<td>£9,070</td>
</tr>
<tr>
<td></td>
<td><strong>£447,242</strong></td>
<td><strong>£636,089</strong></td>
<td><strong>£864,260</strong></td>
</tr>
</tbody>
</table>

An impairment review has been undertaken at the statement of financial position date to assess whether the carrying amount of financial assets is deemed recoverable. The primary credit risk relates to customers which have amounts due outside of their credit period. A provision for impairment is made when there is objective evidence of impairment which is usually indicated by a delay in the expected cash flows or non-payment from customers. All trade receivable balances originate from contractual agreements with customers which were outstanding at the reporting date.

As at 30 June 2021 trade receivables of £11,143 were past due but not impaired; this balance has been recovered since the period end.

Overdue by:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-30 days</td>
<td>£145,932</td>
<td>£232,500</td>
<td>£176,657</td>
</tr>
<tr>
<td>31-60 days</td>
<td>£54,305</td>
<td>£30,000</td>
<td>£2,327</td>
</tr>
<tr>
<td>Over 60 days</td>
<td>£4,050</td>
<td>£36,000</td>
<td>£11,143</td>
</tr>
<tr>
<td></td>
<td><strong>£204,287</strong></td>
<td><strong>£298,500</strong></td>
<td><strong>£190,127</strong></td>
</tr>
</tbody>
</table>
The movement on the allowance account is as follows:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>At beginning of the period</td>
<td>(14,500)</td>
<td>(14,500)</td>
<td>–</td>
</tr>
<tr>
<td>Provision for receivables impairment</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Receivables written off during the period</td>
<td>–</td>
<td>14,500</td>
<td>–</td>
</tr>
<tr>
<td><strong>At end of period</strong></td>
<td>(14,500)</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

At 30 June 2021, trade receivables balances were denominated as follows:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar</td>
<td>88,245</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>88,245</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

The carrying amount of these assets equals their fair value.

**6.15 CASH AND CASH EQUIVALENTS**

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td>727,159</td>
<td>293,148</td>
<td>369,459</td>
</tr>
<tr>
<td></td>
<td>727,159</td>
<td>293,148</td>
<td>369,459</td>
</tr>
</tbody>
</table>

The carrying amount of these assets equals their fair value.

**6.16 TRADE AND OTHER PAYABLES - CURRENT**

<table>
<thead>
<tr>
<th></th>
<th>30 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>56,034</td>
<td>199,065</td>
<td>538,323</td>
</tr>
<tr>
<td>Other taxes and social security payable</td>
<td>78,671</td>
<td>116,591</td>
<td>80,396</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>71,965</td>
<td>229,117</td>
<td>543,422</td>
</tr>
<tr>
<td>Other payables</td>
<td>204,015</td>
<td>418,213</td>
<td>517,255</td>
</tr>
<tr>
<td></td>
<td>410,685</td>
<td>962,986</td>
<td>1,679,396</td>
</tr>
</tbody>
</table>

The carrying amount of these liabilities equals their fair value. Deferred revenue relates to amounts outstanding under existing customer contracts where the delivery of service has not been completed at the reporting date.
6.17 INTEREST BEARING BORROWINGS

This note provides information about the contractual terms of the Group’s interest-bearing loans and borrowings. For more information about the Group’s exposure to interest rate risk, see note 6.26

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obligations under Right-of-Use assets</td>
<td>60,066</td>
<td>88,337</td>
<td>57,013</td>
</tr>
<tr>
<td>Obligations under finance leases or hire purchase agreements</td>
<td>8,382</td>
<td>41,435</td>
<td>118,650</td>
</tr>
<tr>
<td>Other loans</td>
<td>–</td>
<td>–</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>68,448</td>
<td>129,772</td>
<td>185,663</td>
</tr>
<tr>
<td>Non-current</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Obligations under Right-of-Use assets</td>
<td>3,122</td>
<td>4,305</td>
<td>–</td>
</tr>
<tr>
<td>Obligations under finance leases or hire purchase agreements</td>
<td>–</td>
<td>26,901</td>
<td>28,331</td>
</tr>
<tr>
<td>Other loans</td>
<td>–</td>
<td>–</td>
<td>39,253</td>
</tr>
<tr>
<td></td>
<td>3,122</td>
<td>31,206</td>
<td>67,584</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>71,570</td>
<td>160,978</td>
<td>253,247</td>
</tr>
<tr>
<td>Add cash and cash equivalents</td>
<td>(727,159)</td>
<td>(293,148)</td>
<td>(369,459)</td>
</tr>
<tr>
<td>Net debt (for the purpose of the cash flow statement)</td>
<td>655,589</td>
<td>132,170</td>
<td>116,212</td>
</tr>
</tbody>
</table>

Finance leases

The amounts which are repayable under hire purchase or finance lease instalments are shown below:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed rate leases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimum lease payments:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In one year or less</td>
<td>8,382</td>
<td>41,435</td>
<td>118,650</td>
</tr>
<tr>
<td>Between one and five years</td>
<td>–</td>
<td>26,901</td>
<td>28,331</td>
</tr>
<tr>
<td></td>
<td>8,382</td>
<td>68,336</td>
<td>146,981</td>
</tr>
</tbody>
</table>

Security of borrowings

Finance lease liabilities are secured against the assets to which they relate.
6.18 PROVISIONS

<table>
<thead>
<tr>
<th></th>
<th>Dilapidations provision</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At 1 April 2018</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Charge in the year</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Utilisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>15,000</td>
<td>15,000</td>
</tr>
<tr>
<td>At 1 April 2019</td>
<td>15,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Charge in the year</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Utilisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2020</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>At 1 April 2020</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Charge in the period</td>
<td>6,250</td>
<td>6,250</td>
</tr>
<tr>
<td>Utilisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30 June 2021</td>
<td>26,250</td>
<td>26,250</td>
</tr>
</tbody>
</table>

The provision has been made by the directors to cover the expected contractual commitments on termination of the licence agreement to occupy the premises where the Group is based. This is the directors assessment of the liability at the reporting date. Any liability would only be payable on termination of the licence agreement.

6.19 DEFERRED TAX

As at 30 June 2021 the Group had unrelieved tax losses of approximately £2,680,000. A deferred tax asset of £509,000 at 19 per cent. has not been recognised in respect of these losses due to uncertainty of timing of taxable profits.

6.20 SHARE CAPITAL

Aptamer Group Limited

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>£</td>
<td>No.</td>
</tr>
<tr>
<td>Authorised, allotted, issued and fully paid:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary shares of £0.0001 each</td>
<td>281,519</td>
<td>28,152</td>
<td>281,519</td>
</tr>
<tr>
<td></td>
<td>281,519</td>
<td>28,152</td>
<td>281,519</td>
</tr>
</tbody>
</table>

Reconciliation of movements in share capital:

<table>
<thead>
<tr>
<th></th>
<th>No.</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 2018</td>
<td>178,544</td>
<td>17,854</td>
</tr>
<tr>
<td>Issue of fully paid shares</td>
<td>102,975</td>
<td>10,298</td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>281,519</td>
<td>28,152</td>
</tr>
<tr>
<td>At 31 March 2020</td>
<td>281,519</td>
<td>28,152</td>
</tr>
<tr>
<td>30 June 2020 - Issue of fully paid shares</td>
<td>14,697</td>
<td>1,470</td>
</tr>
<tr>
<td>24 August 2020 - Issue of fully paid shares</td>
<td>2,000</td>
<td>200</td>
</tr>
<tr>
<td>9 September 2020 - Issue of fully paid shares</td>
<td>324</td>
<td>32</td>
</tr>
<tr>
<td>At 30 June 2021 (pre-subdivision of shares)</td>
<td>298,540</td>
<td>29,854</td>
</tr>
<tr>
<td>Sub-division of ordinary shares; 1 to 1,000 sub-division</td>
<td>298,540,000</td>
<td>–</td>
</tr>
<tr>
<td>At 30 June 2021</td>
<td>298,540,000</td>
<td>29,854</td>
</tr>
</tbody>
</table>
On 17 May 2018, the Company issued the following shares:

- 51,051 Ordinary shares of £0.10 each were issued as part of a share for share exchange transaction.

On 18 May 2018, the Company issued the following shares:

- 9,579 Ordinary shares of £0.10 each for a total consideration payable of £250,012.

On 30 May 2018, the Company issued the following shares:

- 8,143 Ordinary shares of £0.10 each for a total consideration payable of £249,990.

On 27 January 2019, the Company issued the following shares:

- 34,202 Ordinary shares of £0.10 each for a total consideration payable of £1,050,001.

On 30 June 2020, the Company issued the following shares:

- 14,697 Ordinary shares of £0.10 each for a total consideration payable of £1,827,278.

On 24 August 2020, the Company issued the following shares:

- 2,000 Ordinary shares of £0.10 each for a total consideration payable of £248,660.

On 9 September 2020, the Company issued the following shares:

- 324 Ordinary shares of £0.10 each for a total consideration payable of £40,283.

On 29 June 2021, the Company restructured its Ordinary shares such that each share of £0.10 each was sub-divided into 1,000 shares of £0.0001.

On 22 September 2021, AGP (previously AGL) completed share capital reduction whereby the share premium account of AGP be reduced from £5.2 million to £nil and the amount by which the share premium account is so reduced be credited to the profit and loss reserve.

On 11 October 2021, the Company issued 158,000 Ordinary shares of £0.0001 on exercise of the option by one of its Directors.

On 29 November 2021, the Company restructured its Ordinary Shares such that each share of £0.0001 each was consolidated into 10 shares of £0.001.

On 29 November 2021, the Company issued the following shares:

- 29,869,800 Ordinary shares of £0.001 each as a bonus shares at the rate of 1 such new ordinary share for every 1 existing ordinary share of £0.001 each held by the existing shareholders whose name appears on the register on 22 November 2021.

On 15 December 2021, the Company granted to SPARK a warrant to subscribe for up to 689,417 Ordinary Shares (representing 1 per cent. of the Enlarged Share Capital) at the Placing Price. The exercise period commences on Admission and ends on the third anniversary of Admission.

On 15 December 2021, 256,410 Options were granted to the Proposed Directors and Dr John Richards (together the “NEDs”) in connection with Admission under the NED Options. These options vest as to 50 per cent. on the first anniversary of the date of grant and 50 per cent. on the second anniversary.

284,200 EMI Options, in aggregate, have been awarded to employees in respect of which the effective date of grant is expected to be 16 December 2021.

The rights attaching to the shares are summarised below:

The ordinary shares shall be non-redeemable but shall hold full rights in respect of voting, and shall entitle the holder to full participation in respect of equity and in the event of a winding up of the Company. The shares may be considered by the Directors when considering dividends from time to time.
6.21 STATEMENT OF CHANGES IN EQUITY

Definitions used:

Retained earnings
This records the earnings of the Group and any distributions to shareholders.

Share premium
This records the cumulative excess over nominal value of consideration received, net of directly attributable issues costs, for shares issued.

Share-based payments reserve
This is used to recognise the grant date fair value of options issued to employees but not exercised.

Group reorganisation reserve
This represents the difference between the consideration given and the net assets of acquired entities at the date of acquisition.

6.22 SHARE BASED PAYMENTS

The Group operates an executive unapproved share option scheme and an EMI employee share option scheme. The movement on share options issued was as follows:

<table>
<thead>
<tr>
<th>Exercise price £</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March 2018</td>
<td>2,364</td>
</tr>
<tr>
<td>Issued in the year</td>
<td>31.08</td>
</tr>
<tr>
<td>At 31 March 2019</td>
<td>3,050</td>
</tr>
<tr>
<td>Issued in the year</td>
<td>31.08</td>
</tr>
<tr>
<td>At 31 March 2020</td>
<td>6,065</td>
</tr>
<tr>
<td>Issued in the year</td>
<td>31.08</td>
</tr>
<tr>
<td>At 30 June 2021</td>
<td>7,199</td>
</tr>
</tbody>
</table>

Share options outstanding at 30 June 2021 were:

<table>
<thead>
<tr>
<th>Expiry date of grant</th>
<th>Initial Exercise price £</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 April 2015</td>
<td>21 November 2030</td>
<td>15.35</td>
</tr>
<tr>
<td>1 April 2016</td>
<td>21 November 2030</td>
<td>15.35</td>
</tr>
<tr>
<td>1 April 2017</td>
<td>21 November 2030</td>
<td>15.35</td>
</tr>
<tr>
<td>1 April 2018</td>
<td>29 June 2031</td>
<td>31.08</td>
</tr>
<tr>
<td>1 April 2019</td>
<td>29 June 2031</td>
<td>31.08</td>
</tr>
<tr>
<td>1 April 2020</td>
<td>29 June 2031</td>
<td>31.08</td>
</tr>
<tr>
<td>1 February 2021</td>
<td>29 June 2031</td>
<td>31.08</td>
</tr>
<tr>
<td>31 July 2019</td>
<td>30 July 2029</td>
<td>31.08</td>
</tr>
<tr>
<td>30 June 2021</td>
<td>29 June 2031</td>
<td>31.08</td>
</tr>
</tbody>
</table>

Lapsed in the period (Note 1) (649)

Subdivision of shares of £0.1 to £0.0001 15,192,792

Total share options in issue at 30 June 2021 15,208,000

Note 1. Between July to December 2021, a further 1,482,000 of the share options lapsed and 158,000 of the share options exercised on cessation of employment.
Share based payment accounting

The fair value at grant date is determined using the Black-Scholes model and takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, and the risk-free interest rate for the term of the option.

Key assumptions used in respect of share-based payment charges are as follows:

<table>
<thead>
<tr>
<th></th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exercise price</td>
<td>£31.08</td>
<td>£31.08</td>
<td>£31.08</td>
</tr>
<tr>
<td>Share price at grant date</td>
<td>£31.08</td>
<td>£31.08</td>
<td>£31.08</td>
</tr>
<tr>
<td>Expected volatility</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Time to maturity</td>
<td>10 years</td>
<td>10 years</td>
<td>0-10 years</td>
</tr>
</tbody>
</table>

**Unapproved share options**
- Risk free interest rate (unapproved share options): 1.42% 1.19% 0.01%-0.06%
- Option fair value (unapproved share options): £18.68 £18.52 £4.19-£11.21

**EMI employee share option scheme**
- Risk free interest rate (employee share option scheme): n/a 0.48% 0.48%
- Option fair value (unapproved share options): n/a £18.06 £18.06

The total expense recognised in the income statement from equity settled share-based payments is disclosed in note 6.3 to the financial statements.

6.23 STATEMENT OF CASH FLOWS

Cash generated from operations

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Loss for the period</td>
<td>(454,984)</td>
<td>(674,730)</td>
<td>(2,311,796)</td>
</tr>
<tr>
<td>Net finance cost</td>
<td>12,004</td>
<td>19,237</td>
<td>38,654</td>
</tr>
<tr>
<td>Income tax</td>
<td>(139,848)</td>
<td>(266,557)</td>
<td>(598,494)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>161,274</td>
<td>192,421</td>
<td>301,136</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>871</td>
<td>2,057</td>
<td>23,855</td>
</tr>
<tr>
<td>Loss on sale of property, plant and equipment</td>
<td>3,825</td>
<td>–</td>
<td>43,757</td>
</tr>
<tr>
<td>Share based payment expense</td>
<td>3,460</td>
<td>20,665</td>
<td>55,287</td>
</tr>
<tr>
<td></td>
<td>(413,398)</td>
<td>(706,907)</td>
<td>(2,447,601)</td>
</tr>
</tbody>
</table>

Changes in working capital (including the effects of acquisitions):

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 March 2019</th>
<th>Year ended 31 March 2020</th>
<th>15 month period ended 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Movement in inventories</td>
<td>11,685</td>
<td>(10,816)</td>
<td>(19,528)</td>
</tr>
<tr>
<td>Movement in trade and other receivables</td>
<td>59,184</td>
<td>(62,138)</td>
<td>103,766</td>
</tr>
<tr>
<td>Movement in trade and other payables</td>
<td>(507,404)</td>
<td>552,301</td>
<td>716,410</td>
</tr>
<tr>
<td>Movement in provisions</td>
<td>5,000</td>
<td>5,000</td>
<td>6,250</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>(844,933)</td>
<td>(222,560)</td>
<td>(1,640,703)</td>
</tr>
</tbody>
</table>
6.24 NET DEBT RECONCILIATION

Analysis of net debt

<table>
<thead>
<tr>
<th></th>
<th>1 April 2018</th>
<th>Cash flows</th>
<th>Foreign Exchange</th>
<th>Non-cash movement</th>
<th>31 March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>199,737</td>
<td>527,422</td>
<td>–</td>
<td>–</td>
<td>727,159</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>(12,836)</td>
<td>124,821</td>
<td>–</td>
<td>–</td>
<td>(183,555)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(71,570)</td>
</tr>
<tr>
<td></td>
<td>186,901</td>
<td>652,243</td>
<td>–</td>
<td>–</td>
<td>655,589</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1 April 2019</th>
<th>Cash flows</th>
<th>Foreign Exchange</th>
<th>Non-cash movement</th>
<th>31 March 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>727,159</td>
<td>(434,011)</td>
<td>–</td>
<td>–</td>
<td>293,148</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>(71,570)</td>
<td>171,234</td>
<td>–</td>
<td>–</td>
<td>(160,978)</td>
</tr>
<tr>
<td></td>
<td>655,589</td>
<td>(262,777)</td>
<td>–</td>
<td>–</td>
<td>132,170</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1 April 2020</th>
<th>Cash flows</th>
<th>Foreign Exchange</th>
<th>Non-cash movement</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>293,148</td>
<td>76,311</td>
<td>–</td>
<td>–</td>
<td>369,459</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>(160,978)</td>
<td>252,034</td>
<td>–</td>
<td>–</td>
<td>(203,994)</td>
</tr>
<tr>
<td>Loans</td>
<td>–</td>
<td>(49,253)</td>
<td>–</td>
<td>–</td>
<td>(49,253)</td>
</tr>
<tr>
<td></td>
<td>132,170</td>
<td>279,092</td>
<td>–</td>
<td>–</td>
<td>116,212</td>
</tr>
</tbody>
</table>

Non-cash movements
Non-cash movements relate to the increase in net debt due to the release of loan issue costs in the period.

6.25 EMPLOYEE BENEFITS

Defined contribution pension scheme
The Group operates defined contribution pension schemes. The pension cost charge for the period represents contributions payable by the Group to the schemes and amounted to £8,991 (2020: £17,121, 2019: £7,733). Included in other payables is £11,833 (2020: £4,138, 2019: £2,180) in respect of outstanding contributions at the reporting date.

6.26 FINANCIAL INSTRUMENTS

The Group finances its activities through a combination of cash and short-term deposits, borrowings from financial institutions, retained earnings and equity fundraising. Other financial assets and liabilities, such as trade receivables and trade payables, arise directly from the Group’s operating activities.

Categorisation of financial instruments
All financial assets, with the exception of derivative assets and financial investments, are measured at amortised cost. Derivative assets are measured at fair value with changes in fair value being recorded in the statement of profit and loss. Financial investments are measured at fair value with changes in fair value being recorded in other comprehensive income.
**Financial Assets measured at amortised cost**

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March 2019</th>
<th>As at 31 March 2020</th>
<th>As at 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>£59,961</td>
<td>£70,777</td>
<td>£90,305</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>£447,242</td>
<td>£636,089</td>
<td>£864,260</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>£727,159</td>
<td>£293,148</td>
<td>£369,459</td>
</tr>
<tr>
<td><strong>Total Financial Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£1,234,362</td>
<td>£1,000,014</td>
<td>£1,324,024</td>
</tr>
</tbody>
</table>

All financial liabilities, with the exception of derivative liabilities, are measured at amortised cost. Derivative liabilities are measured at fair value with changes in fair value being recorded in the statement of profit and loss.

**Financial Liabilities measured at amortised cost**

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March 2019</th>
<th>As at 31 March 2020</th>
<th>As at 30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>£410,685</td>
<td>£962,986</td>
<td>£1,679,396</td>
</tr>
<tr>
<td>Interest bearing loans and borrowings</td>
<td>£71,570</td>
<td>£160,978</td>
<td>£253,247</td>
</tr>
<tr>
<td><strong>Total Financial Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£482,255</td>
<td>£1,123,964</td>
<td>£1,932,643</td>
</tr>
</tbody>
</table>

**Risk management**

Financial instruments give rise to liquidity, foreign currency, credit and interest rate risk.

**Liquidity risk**

Management closely monitors available bank and other credit facilities in comparison to the Group’s outstanding commitments on a regular basis to ensure that the Group has sufficient funds to meet the obligations of the Group as they fall due.

**Foreign currency risk**

The main currencies in which the Group operates are the Pound Sterling and the US Dollar.

The Group is exposed in its trading operations to the risk of changes in foreign currency exchange rates and during the period the fluctuation in exchange rates has had an impact on reported results. The risk associated with foreign currency fluctuations is mitigated by holding foreign currency bank accounts. There was no exposure to foreign currency fluctuations at the reporting date.

**Credit risk**

The Group's credit risk is primarily attributable to its trade receivables. Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. The amounts presented in the Consolidated Statement of Financial Position are net of allowances for doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment. The Group has no issues with the impairment of debts at the reporting date. The historic trading activity and the collection of balances due from customers does not indicate that impairment risk will be significant in the future.
**Interest rate risk**

The Group adopts a policy of ensuring that there is an appropriate mix of fixed and floating rates in managing its exposure to changes in interest rates on borrowings. There is no material exposure to changes in interest rates at the reporting date.

**Capital management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings disclosed in note 6.17, offset by cash and bank balances) and equity (comprising issued capital, reserves and retained earnings) as disclosed in notes 6.20 and 6.21.

The Directors of the Group review the capital structure on an ongoing basis. As part of this review the Directors consider the cost of capital and risks associated with each class of capital.

**Effective interest rates and maturity analysis**

<table>
<thead>
<tr>
<th>Effective interest rate</th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>One year or less</td>
<td>1-2 years</td>
<td>2-5 years</td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>0.0</td>
<td>727,159</td>
<td>–</td>
</tr>
<tr>
<td>Right-of-Use lease liabilities</td>
<td>8.0</td>
<td>63,188</td>
<td>60,066</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>1.9</td>
<td>8,382</td>
<td>8,382</td>
</tr>
<tr>
<td></td>
<td></td>
<td>655,589</td>
<td>68,448</td>
</tr>
<tr>
<td></td>
<td>31 March 2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>0.0</td>
<td>293,148</td>
<td>–</td>
</tr>
<tr>
<td>Right-of-Use asset lease liabilities</td>
<td>8.0</td>
<td>92,642</td>
<td>88,337</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>1.9</td>
<td>68,336</td>
<td>41,435</td>
</tr>
<tr>
<td></td>
<td></td>
<td>132,170</td>
<td>129,772</td>
</tr>
<tr>
<td></td>
<td>30 June 2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>0.0</td>
<td>369,459</td>
<td>–</td>
</tr>
<tr>
<td>Right-of-Use asset lease liabilities</td>
<td>8.0</td>
<td>57,013</td>
<td>57,013</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>1.9</td>
<td>146,981</td>
<td>118,650</td>
</tr>
<tr>
<td>Other loans</td>
<td>2.5</td>
<td>49,253</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>116,212</td>
<td>185,663</td>
</tr>
</tbody>
</table>
6.27 RELATED PARTY TRANSACTIONS

Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Directors of the Company.

Emoluments receivable by key management personnel were as follows:

<table>
<thead>
<tr>
<th>Emolument Type</th>
<th>31 March 2019</th>
<th>31 March 2020</th>
<th>30 June 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate emoluments</td>
<td>£196,150</td>
<td>£193,197</td>
<td>£441,888</td>
</tr>
<tr>
<td>Share based payments</td>
<td>–</td>
<td>£4,346</td>
<td>£11,587</td>
</tr>
<tr>
<td>Value of company contribution to defined contributions</td>
<td>£1,613</td>
<td>£2,632</td>
<td>£4,442</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£197,763</strong></td>
<td><strong>£200,175</strong></td>
<td><strong>£457,917</strong></td>
</tr>
</tbody>
</table>

6.28 ULTIMATE CONTROLLING PARTY

The Directors of the Company consider that there is no overall controlling party.

6.29 GROUP STRUCTURE

Aptamer Group Limited has investments in the subsidiary companies listed below.

<table>
<thead>
<tr>
<th>Name of undertaking</th>
<th>Incorporation Date</th>
<th>Registered Office</th>
<th>Class of share</th>
<th>% Held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aptamer Solutions Limited</td>
<td>12 April 2012</td>
<td>Second floor, Bio Centre Innovation way York, YO10 5NY</td>
<td>Ordinary</td>
<td>100%</td>
</tr>
<tr>
<td>Aptamer Therapeutics Limited</td>
<td>28 May 2014</td>
<td>Second floor, Bio Centre Innovation way York, YO10 5NY</td>
<td>Ordinary</td>
<td>100%</td>
</tr>
<tr>
<td>Aptamer Diagnostics Limited</td>
<td>25 March 2008</td>
<td>Second floor, Bio Centre Innovation way York, YO10 5NY</td>
<td>Ordinary</td>
<td>100%</td>
</tr>
<tr>
<td>Aptasort Limited</td>
<td>27 May 2014</td>
<td>Second floor, Bio Centre Innovation way York, YO10 5NY</td>
<td>Ordinary</td>
<td>100%</td>
</tr>
</tbody>
</table>

Each entity is trading division of the Group and offers commercial services to customers.

6.30 NATURE OF FINANCIAL INFORMATION

The financial information presented above does not constitute statutory financial statements for the period under review.
PART V
CORPORATE GOVERNANCE

As a company that will be admitted to trading to AIM, the Company is not required to comply with a particular corporate governance code. However, under the AIM Rules for Companies, it is required to provide details of the corporate governance code it has decided to apply and state how it will comply with that code.

The Board supports high standards of corporate governance and has decided to comply with the QCA Code. This Part V sets out details of how the Company will comply with the QCA Code with effect from Admission.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders
The Group’s business model and strategy is set out in Part I of this Document. The Board will hold at least one session each year dedicated to strategy, which will include input from senior members of the executive management team and any necessary external advisers.

The principal risks facing the Group are set out in Part III of this Document. The Board will identify and deploy mitigation steps to manage these risks and confront day-to-day challenges of the business post-Admission. See in addition, Principle 4 below.

Principle 2: Seek to understand and meet shareholder needs and expectations
The Board is committed to open and ongoing engagement with the Company’s Shareholders. The Board will communicate with Shareholders through:

- the annual report and accounts;
- the interim and full-year results announcements;
- trading updates (where required or appropriate);
- annual general meetings; and
- the Company’s investor relations website (in particular, the “RNS News” and “AIM Rule 26” pages).

From Admission, the Chief Financial Officer will be the primary contact for Shareholders and there will be a dedicated e-mail address for shareholder questions and comments.

Regular meetings will be held between the Chief Executive Officer, Chief Financial Officer and institutional investors and analysts to ensure that the Company’s strategy, financials and business developments are communicated effectively.

The Board intends to engage with Shareholders who do not vote in favour of resolutions at annual general meetings to understand their motivation.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success
The Group takes its corporate social responsibilities seriously and is focused on maintaining effective working relationships across a wide range of stakeholders including employees, existing and new direct customers, introducers, other intermediaries and professional advisers that it collaborates with as part of its business strategy, in order to achieve long-term success.

The Directors and the Proposed Directors, primarily through the Chief Executive Offer and Chief Financial Officer, will maintain an ongoing dialogue with stakeholders to inform strategy and the day-to-day running of the business.
**Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation**

The principal risks facing the Group and the industry in which it operates are set out in Part II of this Document. These risks will be reviewed at least once a year and included in the annual report and accounts.

The Company currently operates a risk framework including a risk register that is managed by the Chief Financial Officer. The risk register is intended to be signed off annually by the Board and included in the annual report and accounts. The Chief Executive Officer and the Audit Committee intend to review the risk register regularly throughout the year.

**Principle 5: Maintain the board as a well-functioning, balanced team led by the chairman**

On Admission, the Board will comprise six directors:

Dr Ian Gilham (*Chairman*), Dr John Richards and Angela Hildreth, as Non-Executive Directors;

Dr Arron Tolley (*Chief Executive Officer*), Dr David Bunka (*Chief Technical Officer*) and Eleanor Courtman-Stock (*Chief Financial Officer*).

The biographies of the Directors and Proposed Directors are provided in Part I of this Document.

Dr Ian Gilham, Dr John Richards and Angela Hildreth are considered by the Board to be independent Non-Executive Directors and were appointed with the objective of bringing experience and independent judgement to the Board.

The Board has appointed Angela Hildreth as the senior independent director to be available to Shareholders if they have concerns over an issue that the normal channels of communication (through the Chairman or the Chief Executive Officer) have failed to resolve or for which such channels of communication are inappropriate.

The Board has been constructed to ensure that it has the right balance of skills, experience, independence and knowledge of the business.

The Board is also supported by the Audit Committee and Remuneration Committee. Further details of these committees are set out in Part I of this Document.

The Board will meet regularly and at least 8 times a year. Processes are in place to ensure that each Director is, at all times, provided with such information as is necessary for him/her to discharge his/her duties.

**Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities**

The skills and experience of the members of the Board are summarised in their biographies set out in Part I of this Document.

The Board believes that the Board has the appropriate balance of diverse skills and experience in order to deliver on the Group's core objectives.

**Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

The Non-Executive Chairman is responsible for ensuring an effective Board. Following Admission, the Company intends to establish a formal process for evaluating the performance of the Board, the committees, and the individual directors against its objectives to ensure that members of the Board provide a relevant and effective contribution.
Principle 8: Promote a corporate culture that is based on ethical values and behaviours
The Group promotes a culture of integrity, honesty, trust and respect and all employees of the Group are expected to operate in an ethical manner in all of their internal and external dealings.

The staff handbook and policies promote this culture and include such matters as whistleblowing, social media, anti-bribery and corruption, communication and general conduct of employees.

The Board takes responsibility for the promotion of ethical values and behaviours throughout the Group, and for ensuring that such values and behaviours guide the objectives and strategy of the Company.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board
The Non-Executive Chairman leads the Board and is responsible for its governance structures, performance and effectiveness. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions. The Chief Financial Officer is the primary contact for the Company's Shareholders and responsible for ensuring that the link between the Board and the shareholders is strong and efficient. The Executive Directors are responsible for the operation of the business and delivering the strategic goals agreed by the Board.

The Board has adopted Terms of Reference, which have a clear and specific schedule of matters reserved for the Board, including corporate governance, strategy, major investments, financial reporting and internal controls.

The Board is supported by the Audit Committee and Remuneration Committee. Details of these committees and their responsibilities are set out in Part I of this Document. From time to time, separate committees may be set up by the Board in order to consider and address specific issues, as and when they arise.

The Board intends to review the governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders
The Company intends to use the following principal methods of communication with its Shareholders:

- the annual report and accounts;
- the interim and full-year results announcements;
- trading updates (where required or appropriate);
- the annual general meetings; and
- the Company’s investor relations website (in particular, the “RNS News” and “AIM Rule 26” pages which will go live on Admission).

The Company’s website is updated on a regular basis with information regarding the Group’s activities and performance. The Company’s reports, presentations, notices of annual general meetings, and results of voting at Shareholder meetings will also be made available on the website.
PART VI
ADDITIONAL INFORMATION

1 RESPONSIBILITY
The Company, the Directors and the Proposed Directors, whose names appear on page 9 of this Admission Document, accept responsibility individually and collectively for the information contained in this Admission Document. To the best of the knowledge of the Company, the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Admission Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 THE COMPANY
2.1 The Company was incorporated in England and Wales on 29 May 2014 under the Act as Bluebird 123 Limited with company number 09061413 and on 20 April 2015 the Company changed its name to Aptamer Group Limited. The Company was re-registered as a public limited company, Aptamer Group plc, on 8 December 2021.

2.2 The Company is domiciled in the UK. The registered office of the Company is Second Floor, Bio Centre, Innovation Way, Heslington, York, England, YO10 5NY and this is also its principal place of business. The Company’s telephone number is +44 (0)1904 567 790.

2.3 The principal legislation under which the Company now operates and under which the Ordinary Shares have been created, is the Act and regulations made thereunder. The Company operates in conformity with its constitution.

2.4 The Company’s website address is www.aptamergroup.com.

2.5 The Company is the holding company of the Group. The following table contains details of the Company's subsidiaries:

<table>
<thead>
<tr>
<th>Company name</th>
<th>Principal activity</th>
<th>Country of incorporation</th>
<th>Percentage ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aptamer Solutions Limited</td>
<td>Research and develop</td>
<td>England and Wales</td>
<td>100</td>
</tr>
<tr>
<td>Aptamer Diagnostics Limited</td>
<td>Research and develop</td>
<td>England and Wales</td>
<td>100</td>
</tr>
<tr>
<td>Aptamer Therapeutics Limited</td>
<td>Research and develop</td>
<td>England and Wales</td>
<td>100</td>
</tr>
<tr>
<td>Aptasort Limited</td>
<td>Dormant</td>
<td>England and Wales</td>
<td>100</td>
</tr>
</tbody>
</table>

3 SHARE CAPITAL OF THE COMPANY
3.1 As at 15 December 2021, the issued share capital of the Company, all of which is fully paid up, was as follows:

<table>
<thead>
<tr>
<th>Number</th>
<th>Nominal value per share</th>
<th>Aggregate nominal value</th>
</tr>
</thead>
<tbody>
<tr>
<td>59,739,600</td>
<td>£0.001</td>
<td>£59,739.60</td>
</tr>
</tbody>
</table>

3.2 As at 31 March 2018 the Company had 178,544 ordinary shares of £0.01 in issue. The following additions to the Company's share capital have taken place since 1 April 2018:

<table>
<thead>
<tr>
<th>Date</th>
<th>Number of shares</th>
<th>Class of share</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 May 2018</td>
<td>51,051</td>
<td>Ordinary shares of £0.10 were issued in the Company</td>
</tr>
<tr>
<td>18 May 2018</td>
<td>9,579</td>
<td>Ordinary shares of £0.10 were issued in the Company</td>
</tr>
<tr>
<td>30 May 2018</td>
<td>8,143</td>
<td>Ordinary shares of £0.10 were issued in the Company</td>
</tr>
<tr>
<td>27 January 2019</td>
<td>34,202</td>
<td>Ordinary shares of £0.10 were issued in the Company</td>
</tr>
<tr>
<td>30 June 2020</td>
<td>14,697</td>
<td>Ordinary shares of £0.10 were issued in the Company</td>
</tr>
<tr>
<td>24 June 2020</td>
<td>2,000</td>
<td>Ordinary shares of £0.10 were issued in the Company</td>
</tr>
</tbody>
</table>
Date | Number of shares | Class of share
--- | --- | ---
9 September 2020 | 324 | Ordinary shares of £0.10 were issued in the Company
11 October 2021 | 158,000 | Ordinary shares of £0.0001 were issued in the Company
29 November 2021 | 29,869,800 | Ordinary shares of £0.001 were issued in the Company

3.3 On 29 November 2021, resolutions of the Company were passed as set out immediately below.

**Ordinary resolutions which took effect immediately on passing of the applicable resolution**

3.3.1 THAT, the 298,698,000 ordinary shares of £0.0001 each in the share capital of the Company be consolidated and divided into 29,869,800 ordinary shares of £0.001 each in the share capital of the Company.

3.3.2 THAT, subject to the passing of the resolution at paragraph 3.3.1 above, £29,869.80 standing to the credit of the Company’s profit and loss reserve account be and is hereby capitalised and appropriated as capital to the holders of ordinary shares of £0.001 each in the capital of the Company whose names appear in the register of members as at the close of business on 22 November 2021 and that the directors be and are hereby authorised to apply such sum in paying up in full 29,869,800 ordinary shares of £0.001 each in the capital of the Company and to allot and issue such new shares, credited as fully paid up, to the holders of ordinary shares of £0.001 each at the rate 1 such new ordinary share for every 1 existing ordinary share of £0.001 each held by them.

3.3.3 THAT, subject to the passing of the resolutions at paragraphs 3.3.1 and 3.3.2 above, the directors of the Company be generally and unconditionally authorised to allot ordinary shares of £0.001 each in the capital of the Company pursuant to the Placing representing up to an aggregate nominal amount of £10,000, provided that this authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) if Admission has not occurred by 8.00 a.m. on 31 March 2022.

3.3.4 THAT, subject to the passing of the resolutions at paragraphs 3.3.1 and 3.3.2 above, the directors of the Company be generally and unconditionally authorised to allot ordinary shares of £0.001 each in the capital of the Company (“Shares”) or to grant rights to subscribe for Shares or to convert any security into Shares (together “Rights”) representing up to an aggregate nominal amount of £4,000 in each case on such terms as may be approved by the directors of the Company pursuant to the terms of any director(s)’ (including a non-executive director) or employees’ share option scheme, plan or share option agreement approved by the directors of the Company from time to time provided that (unless previously renewed, varied or revoked) this authority shall expire at the close of business on the date which is five years after the passing of this Resolution, save that the Company may make an offer or agreement before this authority expires which would or might require Rights to be granted and/or Shares to be allotted after the authority expires and the directors of the Company may grant Rights and/or allot Shares pursuant to any such offer or agreement as if the authority had not expired. This power revokes and replaces all previous powers granted to grant rights to subscribe for or allot shares in the capital of the Company or to convert any security into Shares pursuant to the terms of any director(s)’ (including a non-executive director) or employees’ share option scheme, plan or share option agreement approved by the directors of the Company from time to time.

**Special resolutions which took effect immediately on passing of the applicable resolution**

3.3.5 THAT, subject to the passing of the resolutions at paragraphs 3.3.1, 3.3.2 and 3.3.3 above and pursuant to section 570 of the Companies Act 2006, the directors of the Company be and are generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authorities granted by the resolution at paragraph 3.3.3 as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of ordinary shares of £0.001 each in the capital of the Company pursuant to the Placing up to an aggregate nominal amount of £10,000, and provided that this authority shall expire (unless previously renewed, varied or
revoked by the Company in general meeting) if Admission has not occurred by 8.00 a.m. on 31 March 2022.

3.3.6 THAT subject to the passing of the resolutions at paragraphs 3.3.1, 3.3.2 and 3.3.4 above and pursuant to section 570 of the Companies Act 2006, the directors of the Company be and are generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authorities granted by the resolution at paragraph 3.3.4, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of ordinary shares of £0.001 each in the capital of the Company pursuant to the terms of any director(s’) (including a non-executive director) or employees’ share option scheme, plan or share option agreement approved by the directors of the Company representing up to an aggregate nominal amount of £4,000, and provided that (unless previously renewed, varied or revoked) this authority shall expire at the close of business on the date which is five years after the passing of this Resolution, save that the Company may make an offer or agreement before this authority expires which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this Resolution has expired. This power revokes and replaces all previous powers granted to grant rights to subscribe for or allot shares in the capital of the Company or to convert any security into Shares pursuant to the terms of any director(s’) (including a non-executive director) or employees’ share option scheme, plan or share option agreement approved by the directors of the Company from time to time.

Ordinary resolutions to take effect conditional upon and with effect from Admission:

3.3.7 THAT, subject to the passing of the resolutions at paragraphs 3.3.1 and 3.3.2 above, and conditional upon and with effect from Admission, the directors of the Company be generally and unconditionally authorised to allot ordinary shares of £0.001 each in the capital of the Company pursuant to the Placing representing up to an aggregate nominal amount of £13,000, provided that this authority shall expire (unless previously renewed, varied or revoked) if Admission has not occurred by 8.00 a.m. on 31 March 2022.

3.3.8 THAT, subject to the passing of the resolutions at paragraphs 3.3.1 and 3.3.2 above, and conditional upon and with effect from Admission, the directors of the Company be generally and unconditionally authorised to grant rights to subscribe for shares in the capital of the Company ("Shares"), to allot Shares or to convert any security into Shares (together “SPARK Rights”) representing up to an aggregate nominal amount of £827.40, pursuant to the grant of a warrant proposed to be issued to SPARK Advisory Partners Limited on such terms as may be approved by the directors of the Company provided that (unless previously renewed, varied or revoked) this authority shall expire at the close of business on the date which is five years after the passing of this Resolution, save that the Company may make an offer or agreement before this authority expires which would or might require SPARK Rights to be granted and/or Shares to be allotted after the authority expires and the directors may grant SPARK Rights and/or allot Shares pursuant to any such offer or agreement as if the authority had not expired. This power revokes and replaces all previous powers granted to grant rights to subscribe for or allot shares in the capital of the Company or to convert any security into Shares in favour of SPARK Advisory Partners Limited.

3.3.9 THAT, subject to the passing of the resolutions at paragraphs 3.3.1 and 3.3.2 above, and conditional upon and with effect from Admission, the directors of the Company be generally and unconditionally authorised to allot Authorised Securities (as defined below) and to grant rights to subscribe for Authorised Securities:

(a) up to an aggregate nominal amount of £23,656.88 (such amount to be reduced by any allotments or grants made under paragraph 3.3.9(b) below in excess of such sum); and

(b) comprising equity securities (as defined in the Companies Act 2006) up to a nominal amount of £47,313.76 (such amount to be reduced by any allotments or grants made under paragraph 3.3.9(a) above) in connection with an offer by way of a rights issue:
(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

(ii) to holders of other equity securities as required by the rights of those securities or as the directors of the Company otherwise consider necessary or appropriate,

and that the directors of the Company may make such exclusions or other arrangements as they deem necessary or appropriate in relation to treasury shares, record dates, fractional entitlements, legal or practical problems under the laws of, or the requirements of any relevant regulatory body or stock exchange in, any territory, or any matter whatsoever, provided that (unless previously renewed, varied or revoked) these authorities shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or at the close of business on the date which is fifteen months after the passing of this resolution (whichever is the earlier), save that, in each case, the Company may make an offer or agreement before the authority expires which would or might require shares to be allotted or rights to be granted after the authority expires and the directors may allot shares and grant rights pursuant to any such offer or agreement as if the authority had not expired. This authority is in addition to all authorities given under the resolutions at paragraphs 3.3.2, 3.3.3, 3.3.4, 3.3.7, and 3.3.8 above but otherwise revoke and replaces all unexercised authorities previously granted to the directors to allot equity securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities under section 550 or section 551 of the Companies Act 2006.

In this resolution “Authorised Securities” means:

(1) shares in the Company, other than shares allotted pursuant to:
   (i) an employees' share scheme (as defined in section 1166 of the Companies Act 2006);
   (ii) a right to subscribe for shares in the Company where the grant of the right itself constitutes an Authorised Security; or
   (iii) a right to convert securities into shares in the Company where the grant of the right itself constitutes an Authorised Security; and

(2) any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employees' share scheme (as defined in section 1166 of the Companies Act 2006).

Special resolutions to take effect conditional upon and with effect from Admission:

3.3.10 THAT, conditional upon and with effect from Admission, and subject to the passing of the resolutions at paragraphs 3.3.1, 3.3.2 and 3.3.7 above and pursuant to section 570 of the Companies Act 2006, the directors of the Company be and are generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authorities granted by the resolution at paragraph 3.3.7 above as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of ordinary shares of £0.001 each in the capital of the Company pursuant to the Placing representing up to an aggregate nominal amount of £13,000, and provided that this authority shall expire (unless previously renewed, varied or revoked) if Admission has not occurred by 8.00 a.m. on 31 March 2022.

3.3.11 THAT, conditional upon and with effect from Admission, and subject to the passing of the resolutions at paragraphs 3.3.1, 3.3.2 and 3.3.8 above and pursuant to section 570 of the Companies Act 2006, the directors of the Company be and are generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authorities granted by the resolution at paragraph 3.3.8 above as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to the grant of a warrant to SPARK Advisory Partners Limited granting the right to the allotment of shares in the capital of the Company (“Shares”) representing up to an aggregate nominal amount of £827.40 (“SPARK Rights”) and provided that (unless previously renewed, varied or revoked) this authority shall expire at the close of business on the date which is five
years after the passing of this resolution, save that the Company may make an offer or agreement before this authority expires which would or might require SPARK Rights to be granted and/or Shares to be allotted after the authority expires and the directors may grant SPARK Rights and/or allot Shares pursuant to any such offer or agreement as if the authority had not expired. This power revokes and replaces all previous powers granted to allot equity securities to SPARK Advisory Partners Limited.

3.3.12 THAT, conditional upon and with effect from Admission, and subject to the passing of the resolutions at paragraphs 3.3.1, 3.3.2 and 3.3.9 above and pursuant to section 570 of the Companies Act 2006, the directors of the Company be and are generally empowered to allot equity securities (within the meaning of section 560 of the Companies Act 2006) for cash pursuant to the authorities granted by the resolution at paragraph 3.3.9 above and/or to sell ordinary shares held as treasury shares for cash as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall be limited to:

(a) the allotment of equity securities in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise, but, in the case of an allotment pursuant to the authority granted by the resolution at paragraph 3.3.9(b) of the resolution at paragraph 3.3.9 above, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue):

(i) to holders of ordinary shares in the capital of the Company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and

(ii) to holders of other equity securities in the capital of the Company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(b) the allotment of equity securities (otherwise than pursuant to the resolution at paragraph 3.3.9(a) above) up to an aggregate nominal amount of £7,168.75, being approximately 10 per cent. of the issued ordinary share capital of the Company immediately prior to Admission, and (unless previously revoked, varied or renewed) this power shall expire at the conclusion of the next annual general meeting of the Company after the passing of this resolution or close of business on the date which is fifteen months after the passing of this resolution, (whichever is the earlier), save that the Company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash (or treasury shares to be sold) after this power expires and the directors may allot equity securities for cash (or sell treasury shares) pursuant to any such offer or agreement as if this power had not expired. This power is in addition to all powers given under the resolutions at paragraphs 3.3.5, 3.3.6, 3.3.10 and 3.3.11, but otherwise revokes and replaces all unexercised powers under section 570 of the Companies Act 2006 to allot equity securities or sell treasury shares as if section 561 Companies Act 2006 did not apply, but without prejudice to any powers previously granted in respect of any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities under section 550 or section 551 of the Companies Act 2006.

3.3.14 THAT, subject to and with effect from Admission, a general meeting other than an annual general meeting may be called on not less than 14 clear days’ notice.

3.4 As at the date of this Document, the Directors and the Proposed Directors do not have any present intention of exercising the authorities referred to in paragraphs 3.3.9 or 3.3.12.
3.5 On 1 December 2021, resolutions of the Company were passed as immediately set out below.

_Special resolutions which took effect immediately on passing of the applicable resolution_

(a) THAT, the Company be re-registered as a public company under the Companies Act 2006 by the name of Aptamer Group plc.

(b) THAT, the regulations contained in the new articles of association attached to the resolutions and for the purposes of identification signed by a director of the Company be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

_Special resolution to take effect conditional upon and with effect from Admission_

(c) THAT, conditional upon and with effect from Admission, the regulations contained in the new articles of association attached to the resolutions and for the purposes of identification signed by a director of the Company, intended to take effect from Admission, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company’s articles of association adopted pursuant to the resolution referred to in paragraph 3.4(b) above.

3.6 As at 15 December 2021, being the latest practicable date prior to the date of this Admission Document, the Company held no treasury shares. No Ordinary Shares have been issued other than fully paid.

3.7 The Ordinary Shares will carry the right to receive dividends and distributions paid by the Company following Admission. The Shareholders will have the right to receive notice of and to attend and vote at all general meetings of the Company.

3.8 The ISIN of the Ordinary Shares is GB00BNRRP542.

3.9 Further information on the rights attached to the Ordinary Shares is set out in paragraphs 4 and 5 of this Part VI and further information on dealing arrangements and CREST is set out in Part I of this Admission Document.

3.10 As at the date of this Admission Document, and save as otherwise disclosed in this Part VI:

(a) no share or loan capital of the Company has, since the incorporation of the Company, been issued or agreed to be issued, or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash, to any person;

(b) there are no outstanding convertible securities, exchangeable securities or securities with warrants issued by the Company;

(c) there are no Ordinary Shares in the Company not representing capital;

(d) there are no Ordinary Shares in the Company held by the Company itself or by its subsidiaries;

(e) there are no acquisition rights and/or obligations over authorised but unissued share capital of the Company or undertakings to increase the share capital of the Company;

(f) no commission, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital; and

(g) no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.

3.11 As at the date of this Admission Document, there were 59,739,600 Ordinary Shares in issue. As at Admission, it is expected there will be 68,941,694 Ordinary Shares in issue. On Admission, Existing Shareholders who do not participate in the Placing will suffer an immediate dilution of 13.35 per cent. of their interests in the Company.
4 INFORMATION ABOUT THE ORDINARY SHARES

4.1 Description of the type and class of securities being offered
The Ordinary Shares being offered pursuant to the Placing have a nominal value of £0.001 each. Upon Admission the Company will have one class of issued shares (Ordinary Shares), the rights of which will be set out in the Articles, a summary of which is set out in paragraph 5 of this Part VI.

Each of the Ordinary Shares offered pursuant to the Placing will be credited as fully paid and free from all liens, equities, charges, encumbrances and other interests.

4.2 Legislation under which the Ordinary Shares are created
The Ordinary Shares have been created under the Act and they conform with the law of England and Wales. The Ordinary Shares have been duly authorised according to the requirements of the Company’s constitution and have and will have all necessary statutory and other consents.

4.3 Admission of the Ordinary Shares
Application has been made for all of the Ordinary Shares to be admitted to AIM. No application has been made for admission of the Ordinary Shares to trading on any other stock exchange and the Company does not currently intend to make any such application in the future.

It is expected that Admission will become effective, and that dealings in the Ordinary Shares will commence on the London Stock Exchange, at 8.00 a.m. on 22 December 2021.

4.4 Form and currency of the Ordinary Shares
The Ordinary Shares are in registered form and capable of being held in certificated and uncertificated form upon Admission. The Registrar is Link Market Services Limited.

Title to certificated Ordinary Shares will be evidenced by entry in the register of members of the Company and title to uncertificated Ordinary Shares will be evidenced by entry in the operator register maintained by Euroclear UK & Ireland Limited (which will form part of the register of members of the Company).

No share certificates will be issued in respect of Ordinary Shares held in uncertificated form. If any such Ordinary Shares are converted to be held in certificated form, share certificates will be issued in respect of those Ordinary Shares in accordance with applicable legislation. No temporary documents of title have been or will be issued in respect of the Ordinary Shares.

It is currently anticipated that the Ordinary Shares will be eligible to join CREST with effect immediately upon Admission and the commencement of dealings on the London Stock Exchange.

The Ordinary Shares are denominated in pence and the Placing Price is payable in pounds sterling.

4.5 Rights attaching to the Ordinary Shares
Subject to the provisions of the Act, any equity securities issued by the Company for cash must first be offered to Shareholders in proportion to their holdings of Ordinary Shares. The Act allows for the disapplication of pre-emption rights which may be waived by a special resolution of the Shareholders, either generally or specifically, for a maximum period not exceeding five years. Please see paragraph 3 and paragraph 5 of this Part VI for details of the waivers of pre-emption rights that apply to the Company.

Except in relation to dividends which have been declared and rights on a liquidation of the Company, the Shareholders have no rights to share in the profits of the Company.

The Ordinary Shares are not redeemable. However, the Company may purchase or contract to purchase any of the Ordinary Shares on or off-market, subject to the Act. The Company may purchase Ordinary
Shares only out of distributable reserves or the proceeds of a new issue of shares made for the purpose of funding the repurchase.

Further details of the rights attaching to the Ordinary Shares in relation to attendance and voting at general meetings, dividend rights, entitlements on a winding-up of the Company and transferability of shares are set out in paragraph 5 of this Part VI.

5 SUMMARY OF THE ARTICLES

The Articles, which were adopted by a special resolution of the Company on 1 December 2021 subject to and with effect from Admission. A copy of the Articles is available on the Company’s website, www.aptamer.group.com. The Articles do not contain any restrictions on the objects or purpose of the Company.

The Articles contain certain provisions, the material provisions of which are set out below. This is a description of significant rights and does not purport to be complete or exhaustive.

5.1 Voting rights

(a) Subject to any special terms as to voting upon which any Ordinary Shares may be issued, or may for the time being be held and any restriction on voting referred to below, every Shareholder present in person, by proxy (regardless of the number of members for whom he is a proxy) or by a duly authorised corporate representative at a general meeting of the Company shall have one vote on a show of hands and, on a poll, every Shareholder present in person, by proxy, or by a duly authorised corporate representative, shall have one vote for every Share of which he is the holder, proxy or representative.

(b) The duly authorised representative of a corporate shareholder may exercise the same powers on behalf of that corporation as it could exercise as if it were an individual shareholder.

(c) A Shareholder is not entitled to vote unless all calls or other sums due from him have been paid.

(d) Unless the Board determines otherwise, a Shareholder is also not entitled to attend or vote at meetings of the Company in respect of any shares held by him in relation to which he or any other person appearing to be interested in such shares has been duly served with a notice under section 793 of the Act and, having failed to comply with such notice within the period specified in such notice (being not less than 28 days from the date of service of such notice (or, where the shares represent at least 0.25 per cent. of their class, 14 days)), is served with a disenfranchisement notice. Such disentitlement will apply only for so long as the notice from the Company has not been complied with or until the Company has withdrawn the disenfranchisement notice, whichever is the earlier.

5.2 General meetings

(a) The Company must hold an annual general meeting each year in addition to any other general meetings held in the year. The directors can call a general meeting at any time.

(b) At least 21 clear days’ written notice must be given for every annual general meeting. For all other general meetings, not less than 14 clear days’ written notice must be given. The notice for any general meeting must state: (i) whether the meeting is an annual general meeting or general meeting; (ii) the date, time and place of the meeting; (iii) the general nature of the business of the meeting; (iv) any intention to propose a resolution as a special resolution; and (v) that a member entitled to attend and vote is entitled to appoint one or more proxies to attend, to speak and to vote instead of him and that a proxy need not also be a member. All members who are entitled to receive notice under the Articles must be given notice.

(c) Before a general meeting starts, there must be a quorum, being two members present in person or by proxy.

(d) Each director may attend and speak at any general meeting.
Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting.

5.3 Dividends and other distributions

(a) All dividends shall be paid in British pounds sterling.

(b) Subject to the Act, the Company may, by ordinary resolution, declare dividends to be paid to members of the Company according to their rights and interests in the profits of the Company available for distribution, but no dividend shall be declared in excess of the amount recommended by the Board.

(c) Subject to the Act, the Board may from time to time pay to the Shareholders of the Company such interim dividends as appear to the Board to be justified by the profits available for distribution and the position of the Company, on such dates and in respect of such periods as it thinks fit.

(d) Except insofar as the rights attaching to, or the terms of issue of, any share otherwise provide (no such shares presently being in issue), all dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid up (other than in advance of calls) on the shares during any portion or portions of the period in respect of which the dividend is paid.

(e) Any dividend unclaimed after a period of 12 years from the date of declaration shall be forfeited and shall revert to the Company.

(f) The Board may, if authorised by an ordinary resolution, offer the holders of Shares the right to elect to receive additional Ordinary Shares, credited as fully paid, instead of cash in respect of any dividend or any part of any dividend.

(g) The Board may withhold dividends payable on shares representing not less than 0.25 per cent. by number of the issued shares of any class (calculated exclusive of treasury shares) after there has been a failure to comply with any notice under section 793 of the Act requiring the disclosure of information relating to interests in the shares concerned as referred to in paragraph 5.9 below.

5.4 Return of capital

On a voluntary winding-up of the Company, the liquidator may, with the sanction of a special resolution of the Company and subject to the Act and the Insolvency Act 1986 (as amended), divide amongst the Shareholders of the Company in specie the whole or any part of the assets of the Company, or vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator, with the like sanction, shall determine.

5.5 Transfer of shares

(a) The Articles provide for shares to be held in a system for holding shares in uncertificated form, for example CREST (such shares being referred to as “Participating Securities”). The Shares are freely transferable, save as set out in this paragraph 5.5.

(b) In the case of shares represented by a certificate (“Certificated Shares”), the transfer shall be made by an instrument of transfer in the usual form or in any other form which the Board may approve. A transfer of a Participating Security need not be in writing, but shall comply with such rules as the Board may make in relation to the transfer of such shares, a CREST transfer being acceptable under the current rules.

(c) The instrument of transfer of a Certificated Share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee, and the transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members.
(d) The Board may refuse to register a transfer unless:

(i) in the case of a Certificated Share, the instrument of transfer, duly stamped (if required) is lodged at the registered office of the Company or at some other place as the Board may appoint accompanied by the relevant share certificate and such other evidence of the right to transfer as the Board may reasonably require;

(ii) in the case of a Certificated Share, the instrument of transfer is in respect of only one class of share; and

(iii) in the case of a transfer to joint holders of a Certificated Share, the transfer is in favour of not more than four such transferees.

(e) In the case of Participating Securities, the Board may refuse to register a transfer if the Uncertificated Securities Regulations 2001 (as amended) allow it to do so, and must do so where such regulations so require.

(f) The Board may also decline to register a transfer of shares if they represent not less than 0.25 per cent. by number of their class and there has been a failure to comply with a notice requiring disclosure of interests in the shares (as referred to in paragraph 5.9 below) unless the Shareholder has, and proves that no other person has, failed to supply the required information. Such refusal may continue until the failure has been remedied, but the Board shall not decline to register:

(i) a transfer in connection with a bona fide sale of the beneficial interest in any shares to any person who is unconnected with the Shareholder and with any other person appearing to be interested in the share;

(ii) a transfer pursuant to the acceptance of an offer made to all the Company’s Shareholders or all the Shareholders of a particular class to acquire all or a proportion of the shares or the shares of a particular class; or

(iii) a transfer in consequence of a sale made through a recognised investment exchange or any stock exchange outside the UK on which the Company’s shares are normally traded.

5.6 Allotment

The Company may from time to time pass an ordinary resolution authorising, in accordance with section 551 of the Act, the Board to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to the maximum nominal amount specified in the resolution. The authority shall expire on the day specified in the resolution (not being more than five years from the date on which the resolution is passed).

Subject (other than in relation to the sale of treasury shares) to the Board being generally authorised to allot shares and grant rights to subscribe for or to convert any security into shares in the Company in accordance with section 551 of the Act, the Company may from time to time resolve, by special resolution, that the Board be given power to allot equity securities for cash as if section 561 of the Act did not apply to the allotment but that power shall be limited: (A) to the allotment of equity securities in connection with a rights issue; and (B) to the allotment (other than in connection with a rights issue) of equity securities having a nominal amount not exceeding in aggregate the sum specified in the special resolution.

5.7 Variation of rights

(a) Subject to the Act, all or any of the rights attached to any class of share may (unless otherwise provided by the terms of issue of shares of that class) be varied or abrogated (whether or not the Company is being wound up) either with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate general meeting of such holders. The quorum at any such general meeting is two persons together holding or representing by proxy at least one-third in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) and at an adjourned meeting the quorum is one holder present in person or by proxy, whatever the amount of his shareholding.
Any holder of shares of the class in question present in person or by proxy may demand a poll. Every holder of shares of the class shall be entitled, on a poll, to one vote for every share of the class held by him. Except as mentioned above, such rights shall not be varied.

(b) The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the Articles or the conditions of issue of such shares, be deemed to be varied by the creation or issue of new shares ranking pari passu therewith or subsequent thereto.

5.8 Share capital and changes in capital

(a) Subject to and in accordance with the provisions of the Act, the Company may issue redeemable shares.

(b) Without prejudice to any special rights previously conferred on the holders of any existing shares, any share may be issued with such rights or such restrictions as the Company shall from time to time determine by ordinary resolution.

(c) Subject to the provisions of the Articles and the Act, the power of the Company to offer, allot and issue any shares lawfully held by the Company or on its behalf (such as shares held in treasury) shall be exercised by the Board at such time and for such consideration and upon such terms and conditions as the Board shall determine.

(d) The Company may by ordinary resolution alter its share capital, in accordance with the Act. The resolution may determine that, as between holders of shares resulting from a sub-division, any of the shares may have any preference or advantage or be subject to any restriction as compared with the others.

(e) Subject to the Act and to any rights conferred on the holders of any class of shares, the Company may purchase all or any of its own shares of any class (including any redeemable shares). The Company may only purchase Shares out of distributable reserves or the proceeds of a new issue of shares made for the purpose of funding the repurchase.

5.9 Disclosure of interests in shares

(a) Section 793 of the Act provides a public company with the statutory means to ascertain the persons who are, or have within the last three years been, interested in its relevant share capital and the nature of such interests. When a Shareholder receives a statutory notice of this nature, he or she has 28 days (or 14 days where the shares represent at least 0.25 per cent. of their class) to comply with it, failing which the Company may decide to restrict the rights relating to the relevant shares and send out a further notice to the holder (known as a “disenfranchisement notice”). The disenfranchisement notice will state that the identified shares no longer give the Shareholder any right to attend or vote at a Shareholders’ meeting or to exercise any other right in relation to Shareholders’ meetings.

(b) Once the disenfranchisement notice has been given, if the directors are satisfied that all the information required by any statutory notice has been supplied, the Company shall, within not more than seven days, withdraw the disenfranchisement notice.

(c) The Articles do not restrict in any way the provisions of section 793 of the Act.

5.10 Non-UK shareholders

Shareholders with addresses outside the UK are not entitled to receive notices from the Company unless they have given the Company an address within the UK at which such notices shall be served.
5.11 Untraced shareholders

Subject to various notice requirements, the Company may sell any of a Shareholder’s shares in the Company at the best price reasonably obtainable if, during a period of 12 years, at least three dividends (either interim or final) on such shares have become payable and no cheque or warrant or other method of payment for amounts payable in respect of such shares sent and payable in a manner authorised by the Articles has been cashed or effected and no communication has been received by the Company from the member or person concerned.

5.12 Borrowing powers

(a) The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital and, subject to the Act, to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party. Notwithstanding this, the Board shall restrict the borrowings of the Company and its subsidiary undertakings to a borrowing limit of two and a half times the aggregate of the Company’s paid up share capital and reserves (adjusted as may be necessary in respect of any variation in the paid up share capital or reserves of the Company since the date of its latest audited balance sheet) in respect of all other borrowings, save where sanctioned by an ordinary resolution of the Company in general meeting.

(b) These borrowing powers may be varied by an alteration to the Articles. Any variation of the Articles would require a special resolution of the Shareholders.

5.13 Directors

(a) Subject to the Act, and provided he has made the necessary disclosures, a director may be a party to or otherwise directly or indirectly interested in any transaction or arrangement with the Company or in which the Company is otherwise interested or a proposed transaction or arrangement with the Company.

(b) The Board has the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under section 175 of the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with, the interests of the Company. Any such authorisation will only be effective if the matter is proposed in writing for consideration in accordance with the Board’s normal procedures, any requirement about the quorum of the meeting is met without including the director in question and any other interested director and the matter was agreed to without such directors voting (or would have been agreed to if the votes of such directors had not been counted). The Board may impose terms or conditions in respect of its authorisation.

(c) Save as mentioned below, a director shall not vote in respect of any matter in which he has, directly or indirectly, any material interest (otherwise than by virtue of his interests in shares or debentures or other securities of, or otherwise in or through, the Company) or a duty which conflicts or may conflict with the interests of the Company. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(d) A director shall (in the absence of material interests other than those indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

(i) the giving of any guarantee, security or indemnity to him or any other person in respect of money lent to, or an obligation incurred by him or any other person at the request of or for the benefit of, the Company or any of its subsidiaries;

(ii) the giving of any guarantee, security or indemnity to a third party in respect of an obligation of the Company or any of its subsidiaries for which he himself has assumed any responsibility in whole or in part alone or jointly under a guarantee or indemnity or by the giving of security;
(iii) any proposal concerning his being a participant in the underwriting or sub-underwriting of an offer of shares, debentures or other securities by the Company or any of its subsidiaries;

(iv) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or Shareholder or otherwise, provided that he is not the holder of or beneficially interested in 1 per cent. or more of any class of the equity share capital of such company (or of any corporate third party through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed to be a material interest in all circumstances);

(v) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or Shareholder or otherwise, provided that he is not the holder of or beneficially interested in 1 per cent. or more of any class of the equity share capital of such company (or of any corporate third party through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed to be a material interest in all circumstances);

(vi) any arrangement for the benefit of employees of the Company (and/or the members of their families (including a spouse or civil partner or a former spouse or former civil partner) or any person who is or was dependent on such persons including but without being limited to a retirement benefits scheme and an employees’ share plan) which does not accord to any director any privilege or advantage not generally accorded to the employees to which such arrangement relates; and

(vi) any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for the benefit of any of the directors or for persons who include directors, provided that for that purpose “insurance” means only insurance against liability incurred by a director in respect of any act or omission by him in the execution of the duties of his office or otherwise in relation thereto or any other insurance which the Company is empowered to purchase and/or maintain for, or for the benefit of any groups of persons consisting of or including, directors.

(e) The directors shall be paid such remuneration (by way of salary, commission, participation in profits or otherwise) not exceeding in aggregate £1,500,000 per annum (or such larger sum as the Company may, by ordinary resolution, determine) as any committee authorised by the Board may determine and either in addition to or in lieu of his remuneration as director. The directors shall also be entitled to be repaid by the Company all hotel expenses and other expenses of travelling to and from board meetings, committee meetings, general meetings or otherwise incurred while engaged in the business of the Company or his duties as director. Any director who by request of the Board performs special services or goes or resides abroad for any purposes of the Company may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine.

(f) The Company may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, to or for the benefit of past directors who held executive office or employment with the Company or a predecessor in business of any of them or to or for the benefit of persons who are or were related to or dependents of any such directors.

(g) The Company may indemnify a director and a director of an associated company (as defined in the Act) against all losses and liabilities which they may sustain in the execution of the duties of their office, except to the extent that such an indemnity is not permitted by sections 232 or 234 of the Act. Subject to sections 205(2) to (4) of the Act, the Company may provide a director (or a director of an associated company) with funds to meet his expenditure in defending any civil or criminal proceedings brought or threatened against him in relation to the Company. The Company may also provide a director with funds to meet expenditure incurred in connection with proceedings brought by a regulatory authority.

(h) At each annual general election, each director who was appointed or last re-appointed (or is treated by virtue of the Act as if he had been appointed) at or before the annual general meeting held in the calendar year which is three years before the current year, must retire from office.

(i) There is no age limit for directors.

(j) Unless and until otherwise determined by ordinary resolution of the Company, the directors (other than alternate directors) shall not be less than three in number and not subject to a maximum.

5.14 Redemption
The Shares are not redeemable.
5.15 **Electronic communication**

The Company may communicate electronically with its members in accordance with the provisions of the Electronic Communications Act 2000.

6 **INTERESTS OF DIRECTORS, PROPOSED DIRECTORS AND MAJOR SHAREHOLDERS**

6.1 As at the date of this Admission Document and immediately following Admission, the interests (all of which are beneficial unless otherwise stated), whether direct or indirect, of the Directors, Proposed Directors and their families (within the meaning set out in the AIM Rules) in the issued share capital of the Company and the existence of which is known to or could, with reasonable diligence, be ascertained by that Director or Proposed Director, are as follows:

<table>
<thead>
<tr>
<th>Director or Proposed Director</th>
<th>Number of Ordinary Shares</th>
<th>Percentage of issued share capital</th>
<th>Number of Ordinary Shares</th>
<th>Percentage of Enlarged Share Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Arron Tolley</td>
<td>15,794,200</td>
<td>26.44</td>
<td>15,794,200</td>
<td>22.91</td>
</tr>
<tr>
<td>Dr David Bunka</td>
<td>12,524,200</td>
<td>20.96</td>
<td>12,524,200</td>
<td>18.17</td>
</tr>
<tr>
<td>Eleanor Courtman-Stock (Note 1)</td>
<td>325,800</td>
<td>0.55</td>
<td>325,800</td>
<td>0.47</td>
</tr>
<tr>
<td>Dr Ian Gilham</td>
<td>–</td>
<td>–</td>
<td>21,367</td>
<td>0.03</td>
</tr>
<tr>
<td>Dr John Richards</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Angela Hildreth</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

*Note 1: These interests are jointly owned by Eleanor Courtman-Stock and her spouse. They are held via Meneldor AG Cooperatie I U.A., a company in which she is a shareholder and through which she has an economic interest in these shares but no voting control.*

6.2 As at the date of this Admission Document, the following options over Ordinary Shares had been granted pursuant to the EMI Scheme to the following directors:

<table>
<thead>
<tr>
<th>Director or Proposed Director</th>
<th>Aggregate number of Ordinary Shares under option (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Arron Tolley</td>
<td>700,000</td>
</tr>
<tr>
<td>Dr David Bunka</td>
<td>32,600</td>
</tr>
<tr>
<td>Eleanor Courtman-Stock (Note 1)</td>
<td>33,600</td>
</tr>
<tr>
<td>Dr Ian Gilham</td>
<td>136,752</td>
</tr>
<tr>
<td>Dr John Richards</td>
<td>59,829</td>
</tr>
<tr>
<td>Angela Hildreth</td>
<td>59,829</td>
</tr>
</tbody>
</table>

*Note 1: All options have vested or vest on Admission.*

6.3 As at the date of this Admission Document, the following NED Options had been granted to the following directors:

<table>
<thead>
<tr>
<th>Director or Proposed Director</th>
<th>Number of Ordinary Shares under option</th>
<th>Date of expiry (Note 1)</th>
<th>Exercise price per Ordinary Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Arron Tolley</td>
<td>15,794,200</td>
<td>29 June 2031</td>
<td>15.54p</td>
</tr>
<tr>
<td>Dr David Bunka</td>
<td>12,524,200</td>
<td>29 June 2031</td>
<td>15.54p</td>
</tr>
<tr>
<td>Eleanor Courtman-Stock (Note 1)</td>
<td>325,800</td>
<td>29 June 2031</td>
<td>15.54p</td>
</tr>
<tr>
<td>Dr Ian Gilham</td>
<td>136,752</td>
<td>14 December 2031</td>
<td>117p</td>
</tr>
<tr>
<td>Dr John Richards</td>
<td>59,829</td>
<td>14 December 2031</td>
<td>117p</td>
</tr>
<tr>
<td>Angela Hildreth</td>
<td>59,829</td>
<td>14 December 2031</td>
<td>117p</td>
</tr>
</tbody>
</table>

6.4 Following Admission, the Remuneration Committee intends to undertake a review of the Company’s Remuneration Policy to ensure that arrangements are appropriate to support the long-term strategy of the business. It is intended that the Remuneration Policy shall include items included in the Executive Directors’ service contracts (as outlined in paragraph 7.1 of this Part VI below), an annual bonus as
well as grants under the Share Plans as defined in paragraph 11 of this Part VI and that grants be made at the discretion of the Remuneration Committee within three-months of Admission. The Remuneration Committee will be convened not less than twice a year.

6.5 Save as disclosed in paragraphs 6.1, 6.2 and 6.3 above, none of the Directors or Proposed Directors has any interest in the share capital of the Company or of any of its subsidiaries nor does any member of his or her family (within the meaning set out in the AIM Rules) have any such interest, whether beneficial or non-beneficial.

6.6 As at 15 December 2021 (being the last practicable date prior to the publication of this Admission Document) and so far as the Board is aware, the only persons (other than any Director or Proposed Director) who are or will be interested, directly or indirectly, in three per cent. or more of the issued share capital of the Company prior to and immediately following Admission are as follows:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>As at the date of this Document</th>
<th>Immediately following Admission</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Ordinary Shares</td>
<td>Percentage of issued share capital</td>
</tr>
<tr>
<td>Meneldor AG Cooperatie I U.A.</td>
<td>10,384,800</td>
<td>17.38</td>
</tr>
<tr>
<td>Stephen Hull</td>
<td>3,051,400</td>
<td>5.11</td>
</tr>
<tr>
<td>Amati Global Investors Ltd</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Gresham House Asset Management Limited</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

6.7 Save as disclosed in paragraphs 6.2 and 6.6 above, the Company and the Board is not aware of (i) any persons who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company; nor (ii) any arrangements the operation of which may at a subsequent date result in a change in control of the Company.

6.8 The voting rights of the persons listed in paragraph 6.6 above do not on Admission differ from the voting rights of any other holder of Ordinary Shares.

6.9 Immediately following Admission, the Concert Party will comprise the following Shareholders:

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Ordinary Shares held immediately following Admission</th>
<th>Percentage of Enlarged Share Capital immediately following Admission</th>
<th>Existing Founder Options as at the date of this Document</th>
<th>Maximum percentage of voting rights on exercise of the Existing Founder Options (Note 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Arron Tolley</td>
<td>15,794,200</td>
<td>22.91</td>
<td>700,000</td>
<td>23.92</td>
</tr>
<tr>
<td>Dr David Bunka</td>
<td>12,524,200</td>
<td>18.17</td>
<td>94,000</td>
<td>18.30</td>
</tr>
<tr>
<td>Karen Tolley (Note 2)</td>
<td>7,265</td>
<td>0.01</td>
<td>–</td>
<td>0.01</td>
</tr>
<tr>
<td>Alan Tolley (Note 2)</td>
<td>7,265</td>
<td>0.01</td>
<td>–</td>
<td>0.01</td>
</tr>
<tr>
<td>Kate Bunka (Note 2)</td>
<td>7,265</td>
<td>0.01</td>
<td>–</td>
<td>0.01</td>
</tr>
<tr>
<td>Lynn Stevenson (Note 2)</td>
<td>155,600</td>
<td>0.23</td>
<td>–</td>
<td>0.23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28,495,795</strong></td>
<td><strong>41.33</strong></td>
<td><strong>794,000</strong></td>
<td><strong>42.48</strong></td>
</tr>
</tbody>
</table>

Notes:
1. The maximum percentage of voting rights in the Company assumes that the members of the Concert Party exercise the Existing Founder Options in full but that there are no disposals of shares by members of the Concert Party and there are no other changes to the share capital of the Company.
2. Karen and Alan Tolley are Arron Tolley’s parents. Kate Bunka is David Bunka’s parent. Lynn Stevenson is an aunt of Arron Tolley.
6.10 There are no outstanding loans granted by any member of the Group to any Director or Proposed Directors nor are there any guarantees provided by any member of the Group for the benefit of any Director or the Proposed Directors.

6.11 Other than their directorship of the Company or other company with the Group, details of those companies and partnerships of which the Directors and the Proposed Directors are currently directors, or have been directors or partners at any time during the five years prior to the date of this Admission Document, are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Current</th>
<th>Past</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Arron Tolley</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Dr David Bunka</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Eleanor Courtman-Stock</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Dr Ian Gilham</td>
<td>Genedrive plc</td>
<td>Delta Diagnostics (UK) Ltd</td>
</tr>
<tr>
<td></td>
<td>Cytox Limited</td>
<td>Horizon Discovery Group Limited</td>
</tr>
<tr>
<td></td>
<td>Stowheath Limited</td>
<td>Horizon Discovery Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ligand UK Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Concepta Diagnostics Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Axis-Shield Diagnostics Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Axis-Shield Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Axis-Shield Laboratory Products Limited</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leeds Reproductive Bioscience Limited</td>
</tr>
<tr>
<td>Dr John Richards</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Angela Hildreth</td>
<td>Futura Medical Plc</td>
<td>Shield TX (UK) Limited</td>
</tr>
<tr>
<td></td>
<td>Futura Medical Developments Limited</td>
<td>Phosphate Therapeutics Ltd</td>
</tr>
<tr>
<td></td>
<td>Futura Consumer Healthcare Limited</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quaff Box Limited</td>
<td></td>
</tr>
</tbody>
</table>

6.12 There are no actual or potential conflicts of interest between the duties of the Board and private interests and/or other duties they may also have.

6.13 Ian Gilham was appointed a director of Axis-Shield Laboratory Products Limited on 15 September 2009. He resigned on 28 November 2011. Axis-Shield Laboratory Products Limited filed an application for voluntary strike-off on 18 November 2014 and was dissolved on 3 March 2015.

Dr Ian Gilham was appointed a director of Leeds Reproductive Bioscience Limited on 30 November 2006. He resigned on 30 April 2009. Leeds Reproductive Bioscience Limited filed an application for voluntary strike-off on 19 April 2011 and was dissolved on 2 August 2011.

6.14 Save as disclosed above, none of the Directors or Proposed Directors has:

(a) any unspent convictions in relation to indictable offences; or
(b) been bankrupt or entered into an individual voluntary arrangement; or
(c) been a director of any company at the time of or within 12 months preceding any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors; or
(d) been a partner in a partnership at the time of or within 12 months preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or
(e) had his assets the subject of any receivership or has been a partner of a partnership at the time of or within 12 months preceding any assets thereof being the subject of a receivership; or
(f) been subject to any public criticism by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.
7 DIRECTORS' AND PROPOSED DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

7.1 Executive Directors’ service contracts

Dr Arron Tolley
The Company is a party to a service agreement dated 7 December 2021 with Dr Arron Tolley under which he is employed as the Company’s chief executive officer at a current salary of £275,000 (subject to an annual review in line with the Company’s shareholder-approved Remuneration Policy and without any undertaking to increase) together with the following benefits: life assurance scheme, mobile phone, private medical insurance, 12 weeks’ Company sick pay and participation in a pension scheme. Arron is entitled to participate in a bonus scheme related to target performance which is capped at a maximum of 100 per cent. of salary. Arron is entitled to 35 days holiday, in addition to public holidays. The service agreement is terminable on 12 months’ written notice by either party and contains a payment in lieu of notice provision (which may be paid in monthly instalments) and a garden leave clause. Arron is subject to the following post-termination restrictions: two forms of non-competition covenants which each last 6 months post-termination and non-solicitation of and non-dealing with certain restricted customers, non-poaching and non-employing of certain employees and non-interference with certain suppliers restrictions which each last 12 months post-termination. The service agreement also contains confidentiality undertakings and detailed intellectual property provisions. The service agreement is governed by the law of England and Wales and is subject to the jurisdiction of the courts of England and Wales.

Dr David Bunka
The Company is a party to a service agreement dated 7 December 2021 with Dr David Bunka under which he is employed as the Company’s chief technical officer at a current salary of £200,000 (subject to an annual review in line with the Company’s shareholder-approved remuneration policy and without any undertaking to increase) together with the following benefits: life assurance scheme, mobile phone, private medical insurance, 12 weeks’ Company sick pay and participation in a pension scheme. David is entitled to participate in a bonus scheme related to target performance which is capped at a maximum of 75 per cent. of salary. David is entitled to 30 days holiday, in addition to public holidays. The service agreement is terminable on 6 months’ written notice by either party and contains a payment in lieu of notice provision (which may be paid in monthly instalments) and a garden leave clause. David is subject to the following post-termination restrictions: two forms of non-competition covenants which each last 6 months post-termination and non-solicitation of and non-dealing with certain restricted customers, non-poaching and non-employing of certain employees and non-interference with certain suppliers restrictions which each last 12 months post-termination. The service agreement also contains confidentiality undertakings and detailed intellectual property provisions. The service agreement is governed by the law of England and Wales and is subject to the jurisdiction of the courts of England and Wales.

Eleanor Courtman-Stock
The Company is a party to a service agreement dated 7 December 2021 with Eleanor Courtman-Stock under which she is employed as the Company’s chief financial officer at a current salary of £190,000 (subject to an annual review in line with the Company’s shareholder-approved remuneration policy and without any undertaking to increase) together with the following benefits: life assurance scheme, mobile phone, private medical insurance, 12 weeks’ Company sick pay and auto-enrolment into a pension scheme. Eleanor is entitled to participate in a bonus scheme related to target performance which is capped at a maximum of 75 per cent. of salary. Eleanor is entitled to 30 days holiday, in addition to public holidays. The service agreement is terminable on 6 months’ written notice by either party and contains a payment in lieu of notice provision (which may be paid in monthly instalments) and a garden leave clause. Eleanor is subject to the following post-termination restrictions: two forms of non-competition covenants which each last 6 months post-termination and non-solicitation of and non-dealing with certain restricted customers, non-poaching and non-employing of certain employees and non-interference with certain suppliers restrictions which each last 12 months post-termination. The service agreement also contains confidentiality undertakings and detailed intellectual property provisions. The service agreement is governed by the law of England and Wales and is subject to the jurisdiction of the courts of England and Wales.

7.2 Non-Executive Directors’ letters of appointment

Dr Ian Gilham
Ian Gilham has agreed to serve as Non-Executive Chairperson of the Company pursuant to a letter of appointment dated 16 June 2021 and a side letter dated 2 December 2021. His appointment is subject
to and will be effective from the date of Admission. However, if Admission has not occurred by 31 December 2021 (or such date as agreed by the parties in writing) the appointment will automatically terminate and cease to take effect. The letter of appointment provides for an annual fee (from Admission) of £80,000 paid in equal monthly instalments and the granting of share options. The fees payable cover all duties, including any service on the board of any Group Company or any board committee. The letter of appointment is terminable on six months' notice by either party. Ian is subject to confidentiality and post-termination restrictions. The letter of appointment is governed by English law and is subject to the jurisdiction of the English courts.

Dr John Richards

John Richards is a Non-Executive Director of the Company pursuant to a letter of appointment dated 16 June 2021 and a side letter dated 2 December 2021. His appointment took effect on 1 June 2021. However, if Admission has not occurred by 31 December 2021 (or such date as agreed by the parties in writing) the appointment will automatically terminate and cease to take effect. The letter of appointment provides for an annual fee (from 1 June 2021) of £35,000 paid in equal monthly instalments and the granting of share options. The fees payable cover all duties, including any service on the board of any Group Company or any board committee. The letter of appointment is terminable on three months' notice by either party. John is subject to confidentiality and post-termination restrictions. The letter of appointment is governed by English law and is subject to the jurisdiction of the English courts.

Angela Hildreth

Angela Hildreth has agreed to serve as a Non-Executive Director and of the Company pursuant to a letter of appointment dated 25 November 2021. Her appointment is subject to and will be effective from the date of Admission. However, if Admission has not occurred by 31 December 2021 (or such date as agreed by the parties in writing) the appointment will automatically terminate and cease to take effect. The letter of appointment provides for an annual fee (from Admission) of £35,000 paid in equal monthly instalments and the granting of share options. Angela is entitled to an additional fee of £5,000 if she chairs the Company's Audit or Remuneration Committee. The letter of appointment is terminable on six months' notice by either party. Angela is subject to confidentiality and post-termination restrictions. The letter of appointment is governed by English law and is subject to the jurisdiction of the English courts.

The fees payable to the Non-Executive Directors and Chairperson cover all duties, including any service on the board of any Group Company or any board committee.

8 EMPLOYEES

As at 24 November 2021, the Group employed 38 full time equivalent employees in the UK.

9 PLACING AGREEMENT

Pursuant to the Placing Agreement, Liberum has agreed, conditional upon, among other things, Admission taking place on or before 8.00 a.m. on 22 December 2021 (or such later date as the Company, SPARK and Liberum may agree, being no later than 31 January 2022), to use its reasonable endeavours to procure Placees for the New Ordinary Shares proposed to be issued by the Company at the Placing Price.

The Placing Agreement contains warranties from the Company and the Directors and the Proposed Directors and indemnities from the Company in favour of SPARK and Liberum, together with provisions which enable SPARK and Liberum, to terminate the Placing Agreement in certain circumstances before Admission, including circumstances where any of the warranties are found to be untrue, inaccurate or misleading in any material respect. The liability of the Company for breach of warranty or indemnity is unlimited. The liability of the Directors and the Proposed Directors for claims under the Placing Agreement is subject to conventional limitations.

Pursuant to the Placing Agreement, the Company has agreed to pay to SPARK a corporate finance advisory fee payable on Admission. The Company has also agreed to grant the Warrants further described in paragraph 10.5 of this Part VI. The Company has agreed to pay Liberum a Corporate Finance fee and customary commissions payable upon Admission.
10  SHARE OPTIONS AND WARRANTS

10.1 Share options

Prior to Admission, the Company has granted (or expects to have granted) share options under the EMI Scheme and under a number of unapproved standalone options agreements, as summarised in the table below:

Aggregate number of Ordinary Shares under option (Note 1)

<table>
<thead>
<tr>
<th>Name of Scheme</th>
<th>Date of grant</th>
<th>At the date of this document</th>
<th>At Admission</th>
<th>Date of expiry</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMI Scheme (Note 2)</td>
<td>31 July 2019</td>
<td>206,200</td>
<td>206,200</td>
<td>30 July 2029</td>
<td>7.675p</td>
</tr>
<tr>
<td>EMI Scheme (Note 2)</td>
<td>30 June 2021</td>
<td>1,572,800</td>
<td>1,572,800</td>
<td>29 June 2031</td>
<td>15.54p</td>
</tr>
<tr>
<td>EMI Scheme (Note 2)</td>
<td>16 December 2021</td>
<td>284,200</td>
<td>284,200</td>
<td>15 December 2031</td>
<td>63.5p</td>
</tr>
<tr>
<td>Unapproved Options (Note 3)</td>
<td>22 November 2020</td>
<td>473,800</td>
<td>473,800</td>
<td>21 November 2031</td>
<td>7.675p</td>
</tr>
<tr>
<td>Unapproved Options (Note 3)</td>
<td>30 June 2021</td>
<td>460,800</td>
<td>460,800</td>
<td>29 June 2021</td>
<td>15.54p</td>
</tr>
<tr>
<td>NED Options (Note 4)</td>
<td>15 December 2021</td>
<td>256,410</td>
<td>256,410</td>
<td>14 December 2031</td>
<td>117p</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>3,254,210</td>
<td>3,254,210</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:

1. These figures include options held by Directors which are disclosed at paragraph 6 of this Part VI.
2. EMI Options were granted in 2019 and 2021 to employees, the terms of which are summarised at paragraph 10.2 below. No further EMI Options will be granted after Admission. In the table above, 284,200 EMI Options, in aggregate, have been awarded to employees in respect of which the effective date of grant is expected to be 16 December 2021.
3. Unapproved Options were granted in 2020 and 2021 under standalone option agreements to former directors, members of the Scientific Advisory Board and certain employees, the terms of which are summarised at paragraph 10.3 below. The Unapproved Options granted in 2020 vest on Admission. The Unapproved Options granted in 2021 also vest on Admission, but cannot be exercised within the 12 months following Admission without the prior consent of the Company’s Nominated Adviser.
4. Options were granted on 15 December 2021 to the Proposed Directors and Dr John Richards (together the “NEDs”) in connection with Admission under the NED Options, the terms of which are summarised at paragraph 10.4 below. These options vest as to 50 per cent. on the first anniversary of the date of grant and 50 per cent. on the second anniversary.
5. Of the EMI Scheme Options granted on 30 June 2021, a total of 189,900 options have been waived and will not be exercised.

10.2 Principal terms of the EMI Scheme

Options (rights to acquire shares in the Company) have been granted to ‘Eligible Employees’ which includes an employee of the Group who works for a minimum period on the business of Group and does not have a material interest in the Group. The grant of an option does not form part of remuneration or benefits pursuant to the contract of employment of the option holder, and the directors have absolute discretion as to the selection of whom should be granted an option by the Company.

Vesting of Options

Certain of the EMI Options are subject to a vesting condition under which one eighth of the EMI Option vests each quarter during the first two years from the date of grant. EMI Options that are not subject to a vesting condition vested fully at the date of grant.

Exercise of Options

The EMI Options are non-transferable, save for upon death to a personal representative of the option holder. An EMI Option may not be exercised later than the tenth anniversary of the date on which the option was granted. An EMI Option may not be exercised earlier than the time specified in the option agreement, which includes Admission. To the extent that an EMI Option is not exercised at that time (including where it has not fully vested at the date of Admission), it may, subject to having vested, be exercised up to the tenth anniversary of the date of grant.
**Lapse of Options**

If an option holder ceases to be employed or hold office with any member of the Company’s group, their option will lapse and cease to be exercisable, subject to directors’ discretion.

**Takeovers**

If the board considers that a takeover is likely to occur, the board may in its absolute discretion decide that an EMI Option may be exercised within a reasonable period to be specified by the board. The board has discretion to determine that an EMI Option that is not exercised by the end of that period will lapse.

**Alteration of Plan**

The directors may at any time alter the provisions of the EMI Scheme in any respect. They must give notice to the option holders affected by any alteration as soon as reasonably practicable.

10.3 **Principal terms of the Unapproved Options**

The Unapproved Options (rights to acquire shares in the Company) have been granted under standalone option agreements but each of the Unapproved Options is on substantially similar terms. The grant of an Unapproved Option does not form part of remuneration or benefits pursuant to the contract of employment or terms of office of the option holder.

**Exercise of Options**

The Unapproved Options are non-transferable, save for upon death to a personal representative of the option holder. An Unapproved Option may not be exercised earlier than the time specified in the option agreement, which includes Admission. To the extent that an Unapproved Option is not exercised at that time, it may, subject to having vested, be exercised up to the tenth anniversary of the date of grant.

**Lapse of Options**

If an option holder ceases to be employed or hold office with any member of the Company’s group, they may generally retain their Unapproved Option.

**Takeovers**

If the Board considers that a takeover is likely to occur, the Board may in its absolute discretion decide that an Unapproved Option may be exercised within a reasonable period specified by the Board. The board has discretion to determine that an Unapproved Option that is not exercised by the end of that period will lapse.

10.4 **Principal Terms of the NED Options**

(a) **Operation and eligibility**

The Board has granted options over Ordinary Shares to the Company’s Non-Executive Directors (the “NEDs” or a “NED”) The grant of the NED Options is conditional on Admission.

The NED Options have been granted on substantially similar terms to each NED and are subject to the principal terms and conditions summarised in the paragraphs below.

Each NED Option was granted under a separate agreement entered into between the NED and the Company.

(b) **Structure of the NED options**

The NED options are structured as market value options to subscribe for newly issued Ordinary Shares. The exercise price per Ordinary Share under the NED Options is equal to the Placing Price (rounded up to the next whole number of Ordinary Shares). The total number of Ordinary Shares subject to NED Options is 256,410.
No payment was required for the grant of a NED Option. The NED Options are not transferable, except on death. The NED Options are not pensionable.

(c) **Performance conditions**
The NED options are not subject to any performance conditions.

(d) **Vesting of the NED options**
A NED Option vests as to 50 per cent. of the Ordinary Shares to which it relates on the first anniversary of Admission and as to the remaining 50 per cent. of the Ordinary Shares on the second anniversary of Admission.

A NED option may be exercised by the NED at any time after it has vested (in whole or part) over the number of Ordinary Shares that have vested.

Once vested, a NED Option may be exercised up until the tenth anniversary of grant (or such shorter period specified by the Remuneration Committee at the time of grant) unless it lapses on an earlier date. Shorter exercise periods apply in the case of “good leavers” and/or vesting of awards in connection with corporate events.

(e) **Leaving office or employment**
As a general rule, a NED Option will normally lapse upon the NED ceasing to be a director or employee within the Group.

If, however, the participant ceases to be a director or employee of the Group because of his death, disability, injury, retirement with the agreement of the Company, redundancy as determined by the Remuneration Committee, his employing company or the business for which he works being sold or transferred out of the Group or in any other circumstance at the discretion of the Remuneration Committee, (the “good leaver reasons”) then his NED Option will normally vest on the date when it would have vested as if he had not ceased such employment or office. The extent to which an award shall vest in these situations will depend upon the pro rating of the NED Option to reflect the period of time between the date of grant and the date of cessation relative to the normal vesting period, although the Remuneration Committee can decide to reduce or disapply the pro rating of an award if it regards it as appropriate to do so in the particular circumstances.

Alternatively, if a participant ceases to be a employee or director of the Group for one of the good leaver reasons, the Remuneration Committee may decide that their award shall vest on or shortly following the date of cessation, subject to: (i) the satisfaction of the performance conditions (if any) measured over a shortened period; and (ii) pro rating by reference to the time of cessation as described above.

Options that vest on cessation of employment will normally remain exercisable for 6 months from the date of vesting.

(f) **Corporate events**
In the event of a takeover, scheme of arrangement or winding up of the Company (not being an internal corporate reorganisation), all NED Options will vest early, subject to the pro rating of the NED Options to reflect the period of time between their grant and vesting relative to the normal vesting period, although the Remuneration Committee can decide to reduce or disapply the pro rating of a NED Option if it regards it as appropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation, NED Options will be replaced by equivalent new options over shares in a new holding company unless the Remuneration Committee decides that NED Options should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Remuneration Committee, would affect the market price of Ordinary Shares to a material extent, then the Remuneration Committee may decide that NED Options will vest on the basis which would apply in the case of a takeover as described above.
(g) **Holding periods**

On or prior to grant, the Board may decide that the NEDs will be required to retain a proportion of their net of tax number of vested and exercised Ordinary Shares (if any) for at least two years from the date of vesting (the “Holding Period”). The Holding Period will end early on or shortly prior to the occurrence of a takeover or winding up of the Company, the death of a participant or upon the occurrence of any other event or date that the Board, acting fairly and reasonably, may in its absolute discretion determine. The Board may also, in its discretion, allow a NED to sell, transfer, assign or dispose of some or all of such Ordinary Shares before the end of the Holding Period or take up any rights they may have in relation to those Ordinary Shares, subject to such additional terms and conditions that the Board may specify from time to time. The terms and basis upon which Ordinary Shares must be held during the Holding Period will be determined by the Board, in its discretion.

(h) **Malus and clawback**

The terms of the NED Options include malus and clawback provisions under which the Remuneration Committee may, in its discretion, reduce the number of Ordinary Shares held under a NED Option before it vests and/or decide within three years from the date on which a NED Option vests to seek to recover some or all of any overpayment of Ordinary Shares. The malus and clawback provisions may be operated by the Remuneration Committee where there has been a material misstatement of the Company’s results or accounts and such material misstatement resulted (directly or indirectly) in a NED Option being granted over a larger number of Ordinary Shares and/or a NED Option vesting to a greater degree than would otherwise have been the case. The Remuneration Committee may also operate the malus and clawback provisions where a NED has committed an act of gross misconduct.

(i) **Participants’ rights**

NED Options do not confer any Shareholder rights until the option has been exercised and Ordinary Shares acquired.

(j) **Variation of share capital**

In the event of any variation of the Company’s share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Ordinary Shares, the Board may make such adjustment as it considers appropriate to any one or more of the class of shares over which a NED Option was granted, the number of Ordinary Shares subject to the NED Options, and/or the exercise price payable (if any).

(k) **Miscellaneous terms**

Any Ordinary Share allotted on the exercise of a NED Option will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

NED Options will be satisfied only using newly issued Ordinary Shares. Ordinary Shares issued or issuable pursuant to a NED Option shall not count towards the overall 10 per cent. Share Plan dilution limits regarding the allotment and issue of Ordinary Shares under the Share Plans as described in paragraph 11.5(c) below.

The NED Options may be amended at any time, subject to the agreement of the Company and the NED.

10.5 **Warrants**

In connection with Admission, the Company has agreed to issue warrants to SPARK as follows:

<table>
<thead>
<tr>
<th>Number of Ordinary Shares under warrant</th>
<th>Expiry date</th>
<th>Exercise price</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPARK</td>
<td>689,417</td>
<td>14 December 2024</td>
</tr>
</tbody>
</table>
10.6 Principal terms of the Warrants

The warrants issued to SPARK were constituted pursuant to, and are regulated on the terms of, a warrant instrument executed by the Company on 15 December 2021 (the “Warrant Deed”). The warrants were issued conditional on Admission and subject to the Articles.

Each warrant entitles the holder to subscribe for one Ordinary Share at the Placing Price during the period commencing on Admission and ending on the third anniversary of Admission. Exercise of such right is not subject to the satisfaction of any performance or other conditions.

A holder (including SPARK) may transfer all or any of the warrants subject to the Warrant Deed as if they were Ordinary Shares in accordance with the Articles and the terms of the Warrant Deed. Any transfer made otherwise than in accordance with the terms of the Warrant Deed shall be void. The Board may decline to recognise any instrument of transfer of a warrant unless such instrument is deposited at the registered office of the Company accompanied by the certificate of the warrant to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer. No fee is payable on the transfer of a warrant.

The subscription rights attaching to the warrants may be exercised in whole or in part (in multiples of 100,000 warrants or all remaining warrants) by the relevant holder completing the notice of exercise contained in the Warrant Deed and lodging the relevant certificate at the registered office of the Company for the time being together with a remittance for the aggregate subscription price payable for the Ordinary Shares in respect of which subscription rights are to be exercised. Once lodged a notice of exercise shall be irrevocable save with the consent of the Board.

The Warrant Deed contains customary adjustment provisions in the event that the Company alters its share capital or issues additional shares in the capital of the Company.

Ordinary Shares issued upon exercise of the subscription rights attaching to the warrants shall be allotted and issued credited as fully paid to the relevant holder. The Ordinary Shares allotted will rank pari passu in all respects with the Ordinary Shares then in issue and shall rank for all dividends and distributions paid on any date or by reference to any record date on or after the date on which the relevant notice of exercise is lodged. Upon the exercise of a warrant, the Company shall apply for the Ordinary Shares which are to be issued on such exercise to be admitted to trading on AIM (provided the Ordinary Shares of the Company are so admitted at such time).

The Company shall have the right to offer to purchase warrants by tender or by private agreement. All warrants so purchased shall be cancelled and shall not be available for reissue or resale.

11 SHARE INCENTIVE SCHEMES

11.1 Overview of the Share Plans

Following Admission, the Company intends only to operate and grant share awards under the following share incentive plans: the LTIP, the CSOP and the Sharesave Plan (the “Sharesave Plan” together with the LTIP and the CSOP, the “Share Plans”), all of which were approved and adopted by the Board prior to Admission.

The LTIP and the CSOP (together, the “Discretionary Share Plans”) will cater for discretionary share-based incentive awards to selected employees within the Group, whereas the Sharesave Plan will provide the flexibility for a broad based “all-employee” share incentive policy post-Admission.

The following paragraphs first summarise the principal terms of each of the Share Plans and thereafter the terms common to the Share Plans.
11.2 The LTIP

(a) Operation and Eligibility

The Remuneration Committee will supervise the operation of the LTIP. Any employee (including an Executive Director) of the Group will be eligible to participate in the LTIP at the discretion of the Remuneration Committee.

(b) Structure of awards under the LTIP

Awards may be structured as conditional allocations of shares, nil (or nominal) cost options, or as market value options.

The Remuneration Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash.

(c) Timing of grants

Awards may be granted at any time following the date of Admission.

(d) Individual limit

Awards may be granted annually, subject to the individual limits described below.

An employee of the Group may not receive awards in any financial year of the Company over Ordinary Shares that have an aggregate market value (on grant) in excess of 125 per cent. of their annual base salary at the time of grant. In exceptional circumstances or upon the recruitment or retention of a key employee, this limit may be increased to 175 per cent. of annual base salary at the discretion of the Remuneration Committee or in the case of a buy-out award on recruitment, to such other higher amount determined by the Remuneration Committee.

For the purposes of calculating the number of Ordinary Shares over which an award is granted under the LTIP, the market value of a share over which initial awards are granted under the LTIP in the twelve months following Admission shall normally be based on the Placing Price or, if lower, on the market value of Ordinary Shares on the dealing day immediately preceding the grant of an award (or an average market value calculated by reference to a short averaging period of no more than five consecutive dealing days) or as determined by the Remuneration Committee. Thereafter, the number of Ordinary Shares awarded will normally be based solely on the market value of Ordinary Shares at the time of grant as determined by the Remuneration Committee.

(e) Performance conditions

The vesting of awards may (but need not) be subject to the satisfaction of stretching and demanding performance conditions set by the Remuneration Committee on or prior to grant of an award. Awards may also be subject to the satisfaction of a financial underpin.

The Remuneration Committee may vary or waive and replace the performance conditions or performance underpins applying to existing awards if an event or series of events has occurred and the Remuneration Committee considers that it would be appropriate to amend or waive and replace the performance conditions, provided the Remuneration Committee considers the varied or replacement conditions to be fair and reasonable.

(f) Vesting of awards

The Remuneration Committee shall determine the date(s) when an award shall normally vest and, where there is more than one normal vesting date, the proportion of shares that may vest on each vesting date.

It is currently intended that awards granted to the Executive Directors shall normally vest on the third anniversary of the date of grant of an award or, in respect of initial awards, the third anniversary of the date of Admission. The Remuneration Committee may determine that a different vesting period shall apply in relation to a recruitment award related to the buy-out of remuneration from a previous employer.
The vesting of awards may be accelerated where a participant ceases to be a director or employee within the Group and is treated as a ‘good leaver’ or where there is a corporate event, such as a takeover, as summarised below.

Awards subject to performance conditions and/or a performance underpin shall only vest to the extent that the performance conditions and/or underpin have been satisfied.

Where awards are granted in the form of options, these will then normally be exercisable up until the tenth anniversary of grant (or such shorter period specified by the Remuneration Committee at the time of grant) unless they lapse earlier. Shorter exercise periods shall apply in the case of “good leavers” and/or vesting of awards in connection with corporate events.

(g) **Leaving employment**

As a general rule, an unvested award will normally lapse upon a participant ceasing to hold employment or ceasing to be a director within the Group.

If, however, the participant ceases to be an employee or a director of the Group because of his death, disability, injury, retirement with the agreement of the Company, redundancy as determined by the Remuneration Committee, his employing company or the business for which he works being sold or transferred out of the Group or in any other circumstance at the discretion of the Remuneration Committee, (the “good leaver reasons”) then his award will normally vest on the date when it would have vested as if he had not ceased such employment or office. The extent to which an award shall vest in these situations will depend upon two factors: (i) the extent to which the performance conditions and/or any underpin (if any) have been satisfied over the original performance period; and (ii) the pro-rating of the award to reflect the period of time between the date of grant and the date of cessation relative to the normal vesting period, although the Remuneration Committee can decide to reduce or disapply the pro-rating of an award if it regards it as appropriate to do so in the particular circumstances.

Alternatively, if a participant ceases to be an employee or director of the Group for one of the good leaver reasons, the Remuneration Committee may decide that their award shall vest on or shortly following the date of cessation, subject to: (i) the satisfaction of the performance conditions (if any) measured over a shortened period; and (ii) pro-rating by reference to the time of cessation as described above.

Options that vest on cessation of employment will normally remain exercisable for six months from the date of vesting.

(h) **Corporate events**

In the event of a takeover, scheme of arrangement or winding up of the Company (not being an internal corporate reorganisation), all awards shall vest early, subject to: (i) the extent that the performance conditions and/or any underpin (if any) have, in the opinion of the Remuneration Committee, been satisfied at that time; and (ii) the pro-rating of the awards to reflect the period of time between their grant and vesting relative to the normal vesting period, although the Remuneration Committee can decide to reduce or disapply the pro-rating of an award if it regards it as appropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company unless the Remuneration Committee decides that awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Remuneration Committee, would affect the market price of Ordinary Shares to a material extent, then the Remuneration Committee may decide that awards will vest on the basis which would apply in the case of a takeover as described above.

Options that vest upon a takeover or other relevant corporate event will normally remain exercisable for up to 6 months following the date of the relevant corporate event.
(i) **Holding periods**
On or prior to grant, the Remuneration Committee may decide that the Executive Directors (and any other participant that the Remuneration Committee selects) shall be required to retain a proportion of their net of tax number of vested Ordinary Shares (if any) delivered under the LTIP (or the full number of the vested Ordinary Shares whilst held under an unexercised nil (or nominal) cost option) for a period of up to two years from the date of vesting (the “Holding Period”). The Holding Period shall end early on or shortly prior to the occurrence of a takeover or winding up of the Company, the death of a participant or upon the occurrence of any other event or date that the Remuneration Committee, acting fairly and reasonably, may in its absolute discretion determine. The Remuneration Committee may also, in its discretion, allow such participants to sell, transfer, assign or dispose of some or all of such Ordinary Shares before the end of the Holding Period or take up any rights they may have in relation to those Ordinary Shares, subject to such additional terms and conditions that the Remuneration Committee may specify from time to time. The terms and basis upon which Ordinary Shares must be held during the Holding Period shall be determined by the Remuneration Committee, in its discretion.

(j) **Dividend equivalents**
The Remuneration Committee may decide that participants will receive a payment (in cash and/or Ordinary Shares) on or shortly following the vesting of their awards of an amount equivalent to the dividends that would have been paid on those Ordinary Shares between the time when the awards were granted and the time when they vest (or where an award is structured as an option and subject to a holding period, the date of expiry of the holding period or if earlier the exercise of such award). This amount may assume the reinvestment of dividends. Alternatively, participants may have their awards increased as if dividends were paid on the Ordinary Shares subject to their award and then reinvested in further Ordinary Shares.

(k) **Malus and clawback**
The LTIP includes malus and clawback provisions under which the Remuneration Committee may, in its discretion, reduce the number of Ordinary Shares held under an award before it vests and/or decide within three years from the date on which an award vests to seek to recover some or all of any overpayment of Ordinary Shares and/or cash. The malus and clawback provisions may be operated by the Remuneration Committee where there has been a material misstatement of the Company’s results or accounts and/or an error is made in assessing the satisfaction of a performance condition and such material misstatement and/or error resulted (directly or indirectly) in an award being granted over a larger number of Ordinary Shares and/or an award vesting to a greater degree than would otherwise have been the case. The Remuneration Committee may also operate the malus and clawback provisions where a participant has committed an act of gross misconduct.

(l) **Participants’ rights**
Awards of conditional shares and options will not confer any Shareholder rights until the awards have vested or the options have been exercised and the participants have received their Ordinary Shares.

(m) **Variation of share capital**
In the event of any variation of the Company’s share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Ordinary Shares, the Remuneration Committee may make such adjustment as it considers appropriate to any one or more of the class of shares over which the award was granted, the number of Ordinary Shares subject to an award, and/or the exercise price payable (if any). The Remuneration Committee may also adjust the number of shares that count towards the Company’s share plan dilution limits as described under the section headed ‘Overall Limits’ below.
11.3 The CSOP

(a) **Operation**

The Remuneration Committee will supervise the operation of the CSOP.

It is intended that the CSOP will meet the requirements of Schedule 4 to the ITEPA as amended and re-enacted from time to time in order to provide UK tax-advantaged market value options to selected employees on a discretionary basis.

(b) **Eligibility**

Any employee (including an Executive Director) of the Group will be eligible to participate in the CSOP at the discretion of the Remuneration Committee, subject to satisfaction of the relevant statutory provisions.

(c) **Exercise price of CSOP options**

All CSOP options shall be granted at an exercise price per Ordinary Share agreed with HMRC, which will not be less than the greater of: (i) the market value of an Ordinary Share on the dealing day immediately preceding the date of grant, or averaged over the three dealing days immediately preceding the date of grant; and (ii) in the case of options over unissued shares, the nominal value of a share, but subject to any adjustment on a variation of the share capital.

(d) **Timing of grants**

CSOP options may be granted at any time.

(e) **Individual limit**

The number and value of Ordinary Shares over which a CSOP is granted shall be determined by the Remuneration Committee, provided that an eligible employee may not be granted a CSOP option over Ordinary Shares if that grant would result in the individual holding CSOP options over Ordinary Shares that have an aggregate market value (at grant) greater than the statutory limit (currently £30,000). Any options granted under the CSOP in excess of the statutory limit shall lapse as to such excess.

Options granted under the CSOP shall not count towards the individual limits applying to awards granted under the LTIP, as summarised above.

(f) **Vesting and exercise of CSOP options**

CSOP options will normally become exercisable from the third anniversary of the date of grant of the option, subject to the satisfaction of any performance conditions applying to that option (if any).

The exercise of an option will normally be dependent on the participant still being a director or employee within the Group on the date of exercise.

Options may not be exercised later than the tenth anniversary of the date of grant.

(g) **Leaving employment**

If a participant dies, then any option exercisable at the time of death shall remain exercisable by the participant’s personal representative for 12 months after death, and any other option may be exercised by the personal representatives during the 12 months after death.

If a participant ceases to be a director or employee of the Group by reason of retirement, injury or disability, redundancy, the sale or transfer of the participant’s employing company or business out of the Group, or for any other reason, if the Remuneration Committee so decides (the “good leaver reasons”), then any option capable of exercise at the time of cessation shall remain exercisable for 6 months from the date of cessation and any other option may be exercised in full
during the period of 6 months after the date of cessation or such longer period as the Remuneration Committee may determine provided such period is not longer than 42 months after the date of grant of a relevant option.

If a participant ceases to be a director or employee for any reason other than death or a good leaver reason then any unexercised option shall lapse on the date of cessation.

(h) **Corporate events**

In the event of a takeover or scheme of arrangement options will normally become exercisable in full for a period of 6 months following the date of change of control and (in certain circumstances) the options may be exercised prior to but conditional upon the change of control. In the event of a demerger, special dividend or other similar event which would affect the market price of Ordinary Shares, options may be exercised in full on or prior to the relevant event, at the discretion of the Remuneration Committee.

In the event of an internal corporate reorganisation, options will not become exercisable and shall be replaced by equivalent new options over shares in a new holding company, provided that an offer to rollover and exchange options has been made by the new holding company to the holders of such options.

(i) **Participants’ rights**

Options will not confer any Shareholder rights until the options have been exercised and the participants have received their Ordinary Shares.

(j) **Variation of share capital**

In the event of any variation of the Company’s share capital, the Remuneration Committee may make such adjustment as it considers appropriate to any one or more of the number of Ordinary Shares subject to an option, the description of shares subject to option and/or the exercise price payable (if any).

11.4 **The Sharesave Plan**

(a) **Operation**

The Sharesave Plan will be supervised by the Board.

It is intended that the Sharesave Plan will meet the requirements of Schedule 3 to the ITEPA as amended and re-enacted from time to time in order to provide UK tax-advantaged options to UK employees on an all-employee basis.

(b) **Eligibility**

Employees and full-time directors of the Company and any designated participating subsidiary who are UK resident taxpayers are eligible to participate. The Board may require employees to have completed a qualifying period of employment of up to five years before the grant of options. The Board may also allow other employees to participate.

(c) **Invitations**

Invitations to participate in the Sharesave Plan may be issued to eligible employees at any time.

(d) **Grant of options**

Options can only be granted to employees who agree to enter into HMRC approved savings contracts, under which monthly savings are normally made over a period of three or five years. Options must be granted within 30 days (or 42 days if applications are scaled back) of the first day by reference to which the option price is set. The number of Ordinary Shares over which an option is granted will be such that the total option price payable for those Ordinary Shares corresponds to the proceeds on maturity of the related savings contract.
(e) Individual participation
Monthly savings by an employee under all savings contracts linked to options granted under any share save scheme may not exceed the statutory maximum from time to time (currently £500). The Board may set a lower limit in relation to any particular grant.

(f) Option price
The price per share payable upon the exercise of an option will be agreed with HMRC, but will not normally be less than the higher of: (i) 80 per cent. of the average closing market values of an Ordinary Share over the three days preceding a date specified in an invitation to participate in the Sharesave Plan (or such other day or days as may be agreed with HMRC); and (ii) if the option relates only to issues of new Ordinary Shares, the nominal value of such share.

(g) Exercise of options
Options will normally be exercisable for a six-month period from the third or fifth anniversary of the commencement of the related savings contracts. Earlier exercise is permitted, however, in the following circumstances:

(i) following cessation of employment by reason of death, injury, disability, redundancy, retirement or the business or company that the employee works for ceasing to be part of the Group;

(ii) where employment ceases more than three years from grant for any reason other than dismissal for misconduct; and

(iii) in the event of a takeover, amalgamation, reconstruction or winding-up of the Company, except in the case of an internal corporate re-organisation when the Board may decide to exchange existing options for equivalent new options over Ordinary Shares in a new holding company.

Except where stated above or as otherwise permitted by legislation, options will lapse on cessation of employment or directorship within the Group prior to the third anniversary of grant. If a participant ceases to be a director or employee of the Group three or more years after the date of grant, they may exercise their option early unless they ceased by reason of misconduct in which case their option shall lapse.

Ordinary Shares will be allotted or transferred to participants within 30 days of exercise.

(h) Participant’s rights
Options will not confer any Shareholder rights until the options have been exercised and the participants have received their Ordinary Shares.

(i) Variation of capital
If there is a variation in the Company’s share capital, the Board may make such adjustment as it considers appropriate to the number of Ordinary Shares under option, the description of shares and/or the option price.

11.5 Principal terms common to the Share Plans

(a) Life of Share Plans
An award or option may not be granted under the Share Plans after the tenth anniversary of the date of Admission.

No payment is required for the grant of an option or award save that under the Sharesave Plan participants are required to enter into approved savings contracts.

Awards and options are not transferable, except on death. Awards and options are not pensionable.
(b) **Rights attaching to Ordinary Shares**
Any Ordinary Share allotted will rank equally with Ordinary Shares then in issue (except for
devices arising by reference to a record date prior to their allotment).

(c) **Overall limits**
The Share Plans may operate over new issue Ordinary Shares, treasury shares or Ordinary Shares
purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than
10 per cent. of the issued ordinary share capital of the Company under the Share Plans and any
other share incentive plan (executive or otherwise) adopted by the Company.

Treasury shares will count as the issue of new Ordinary Shares for the purposes of these limits
unless Shareholders decide that they need not count.

The number of Ordinary Shares that have been issued and which count towards the 10 per cent.
in ten calendar year limits described above may be notionally adjusted by the Remuneration
Committee or the Board (as the case may be) to take account of any variation to the Company's
share capital or in the event of a demerger, payment of a special dividend or similar event which
materially affects the market price of the Ordinary Shares provided that such adjustments are
made on a fair, reasonable and consistent basis.

Ordinary Shares issued or to be issued under or pursuant to awards or options granted before
Admission will not count towards these limits.

(d) **Alterations**
The Remuneration Committee (or the Board in respect of the Sharesave Plan) may, at any time,
amend the Share Plans in any respect without the prior approval of shareholders.

No amendments may be made to the material disadvantage of a participant unless either that
participant has consented to the change, or a majority of the effected participants have consented.

12 **RELATED PARTY TRANSACTIONS**
The following arrangements, which have been entered into at the date of this Admission Document constitute
related party transactions:

(a) an agreement was entered into between the Company and Stephen Hull under which Stephen Hull
would receive a 3 per cent. commission payment, equating to £61,271.09, relating to a fundraising in
2020. The Company has confirmed payment was made to Stephen Hull, that the agreement was
terminated and there is no further liability or other agreement in place;

(b) an assured shorthold tenancy agreement ("AST") dated 27 July 2018 in relation to a residential property
located in York. The AST is in the name of Dr Arron Tolley, but the Company paid the deposit of
£1,940 on behalf of Dr Arron Tolley in respect of the AST. The landlord holds the deposit in a tenant
deposit scheme. The AST expired on the 31 July 2018 and is now held by way of a statutory periodic
 tenancy (i.e., terminable on one months' notice). The Company is liable for payment of the monthly
rent, and it accounts for the tax liabilities through the P11D system. With effect from Admission, Dr
Arron Tolley will pay the rent directly.

13 **MATERIAL CONTRACTS AND ARRANGEMENTS**
Set out below is a summary of (i) each material contract (other than contracts entered into in the ordinary
course of business) to which the Company or any member of the Group is a party which has been entered
into within the two years immediately preceding the date of this Admission Document; and (ii) any other
contract (other than contracts entered into in the ordinary course of business) entered into by any member
of the Group which contains obligations or entitlements which are or may be material to the Group as at the
date of this Admission Document:
13.1 **Placing Agreement**

The Placing Agreement dated 15 December 2021, further details of which are set out in paragraph 9 of this Part VI.

13.2 **Relationship Agreement**

The Company has entered into a Relationship Agreement dated 15 December 2021 (the “Relationship Agreement”) which governs the relationship between each of the parties to it to ensure that the Company is able to carry on its business independently. Under the terms of the Relationship Agreement, each of Dr Arron Tolley and Dr David Bunka have agreed that, so long as he holds (directly or indirectly) an aggregate shareholding of at least 15 per cent. in the Company, the Company will be capable of carrying on its business independently of Dr Arron Tolley (and connected parties) and Dr David Bunka (and connected parties) and that all future transactions and relationships between them and the Company shall be on an arms’ length basis. The Relationship Agreement will continue for so long as the Ordinary Shares are admitted to trading on AIM and will terminate if Dr Arron Tolley and David Bunka are no longer interested in, for a period in excess of 12 consecutive months, Ordinary Shares representing 15 per cent. or more of the rights to vote at a general meeting of the Company.

13.3 **Nominated Adviser Agreement**

A nominated adviser agreement dated 15 December 2021 between SPARK (1) and the Company (2) pursuant to which the Company has appointed SPARK to act as nominated adviser to the Company for the purposes of the AIM Rules. The agreement contains certain undertakings and indemnities given by the Company in respect of, among other things, compliance with all applicable laws and regulations. The Company will pay a customary annual fee to SPARK for the Services provided under the terms of the agreement. The agreement has a minimum term of 12 months following which it can be terminated by either party giving the other not less than 3 months notice.

13.4 **Lock-in and Orderly Market Agreements**

(a) The Locked-In and Orderly Market Parties have entered into the Lock-In and Orderly Market Agreements dated 15 December 2021, representing in aggregate 28,318,400 ordinary shares and 41.08 per cent. of the enlarged share capital, pursuant to which each of the Locked-In and Orderly Market Parties have undertaken to the Company, Spark and Liberum that they shall not, except in certain specified circumstances, sell, transfer, grant any option over or otherwise dispose of the legal, beneficial or any other interest in any Ordinary Shares (“Interest”) held by them at the date of Admission (or rights arising from any such shares or other securities or attached to any such shares) prior to the first anniversary of Admission (“Lock-In Period”). In order to maintain an orderly market in the Ordinary Shares, the Locked-In and Orderly Market Parties have also undertaken to the Company, Spark and Liberum that for a period of 12 months following the Lock-In Period only to dispose of any interest in the ordinary shares through the Company’s broker (from time to time), to ensure an orderly market.

(b) In addition to the Lock-in and Orderly Market Parties, certain other Existing Shareholders holding, in aggregate, 44.27 per cent. of the Enlarged Ordinary Share Capital, have undertaken to the Company, SPARK and Liberum (subject to certain limited exceptions including transfers to family members or to trustees for their benefit, disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company and at the discretion of the Company, SPARK and Liberum if it is considered to be in the interests of maintaining an orderly market at that time) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Companies Act)) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission without the prior written consent of the Company, SPARK and Liberum.
13.5 **Apta Biosciences Asset Purchase Agreement**

On 11 December 2020, the Company entered into an asset sale agreement with Apta Biosciences Limited (in administration) (“Biosciences”) and Samuel Jonathan Talby and Julie Ann Swan as joint administrators of Biosciences, both of PCR Bristol LLP (the “Office-Holders”), for the sale of certain property, rights and assets of Biosciences (the “Biosciences APA”). The total value of the assets purchased from Biosciences was £122,500, and the payment for the assets was satisfied in full on entry into the Biosciences APA.

In addition to the Biosciences APA, (1) Biosciences, (2) the Office-Holders and (3) the Company entered into a deed of assignment of intellectual property rights, pursuant to which Biosciences, acting by the Office-Holders, assigned all rights, title and interest in and to the intellectual property rights to the Company.

13.6 **Share for Share Exchange Agreements**

(a) **ASL Share Exchange**

On 27 February 2015, the Company entered into a share exchange agreement with the shareholders of Aptamer Solutions Limited ("ASL") (the “ASL Exchange Agreement”), who together held 169,322 ordinary shares of £0.10 each in ASL, and Dr Arron Tolley held one subscriber share of £0.10 in the Company.

In consideration for the issue of 169,321 ordinary shares of £0.10 in the Company, the shareholders of ASL transferred the entire issued share capital of ASL to the Company. Pursuant to the ASL Exchange Agreement, the transferors agreed to waive pre-emption rights over the transfer of the shares, entered into a termination deed relating to the shareholders’ agreement of ASL in force prior to the agreement, and entered into a new shareholders’ agreement for the Company dated 27 February 2015 between the Company and all of its shareholders, and approved the adoption of new articles of association for both ASL and the Company.

(b) **ADL Share Exchange**

On 17 May 2018, the Company entered into a share exchange agreement with the shareholders of Aptamer Diagnostics Limited ("ADL") (the “ADL Exchange Agreement”), who together held 465,708 ordinary shares of £0.10 each in ADL, and the Company had an issued share capital of 178,544 ordinary shares of £0.10 each.

In consideration for the issue of 51,051 ordinary shares of £0.10 in the Company, the shareholders of ADL transferred the entire issued share capital of ADL to the Company. Pursuant to the ADL Exchange Agreement, the transferors agreed to waive pre-emption rights over the transfer of the shares, and Dr Arron Tolley and Dr David Bunka provided consent to the sale of the shares in the Company pursuant to the shareholders’ agreement of ADL, which was in place prior to the ADL Exchange Agreement.

Tax clearance from HMRC was granted in respect of both the ASL Share Exchange and ADL Share Exchange.

13.7 A shareholders’ agreement dated 27 February 2015 governs the relationship between the Company and its shareholders (the “Shareholders’ Agreement”). Pursuant to the terms of the Shareholders’ Agreement, Arron Tolley and David Bunka must provide authorisation for alteration of the Company’s share capital, the passing of any special resolutions or the adoption of new articles of association. The Existing Shareholders have each signed a termination agreement dated 19 October 2021 (the “Termination Agreement”) which confirms that the Shareholders’ Agreement will terminate conditional on Admission. If Admission does not take place on or before noon on 1 April 2022, the Termination Agreement will lapse and will be of no effect.
14 SIGNIFICANT CHANGE
Save as set out in this Document, there has been no significant change in the financial or trading position of the Group since 30 June 2021, being the latest date to which the historical financial information in Part IV of this Document was prepared.

15 WORKING CAPITAL STATEMENT
In the opinion of the Board, having made due and careful enquiry and taking into account the expected net proceeds of the Placing, the working capital available to the Company and the Group is sufficient for its present requirements, that is for at least 12 months from the date of Admission.

16 LITIGATION AND DISPUTES
There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this Admission Document, a significant effect on the Company and/or the Group's financial position or profitability.

17 TAXATION
The following statements are intended only as a general guide to certain UK tax considerations relevant to prospective investors in the Placing Shares. They do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of Placing Shares. They are based on current UK tax law and what is understood to be the current published practice (which may not be binding) of HMRC as at the date of this Admission Document, both of which are subject to change, possibly with retrospective effect. The following statements relate only to Shareholders who are resident (and, in the case of individuals, resident and domiciled or deemed domiciled) for tax purposes in (and only in) the UK (except in so far as express reference is made to the treatment of non-UK residents), who hold their Placing Shares as an investment (other than in an individual savings account or pension arrangement) and who are the absolute beneficial owners of both the Placing Shares and any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules, such as persons who acquire (or are deemed to acquire) their Placing Shares in connection with their (or another person's) office or employment, traders, brokers, dealers in securities, insurance companies, banks, financial institutions, investment companies, tax-exempt organisations, persons connected with the Company or the Group, persons holding Placing Shares as part of hedging or conversion transactions, Shareholders who are not domiciled or not resident in the UK, collective investments schemes, trusts and those who hold 5 per cent. or more of the Placing Shares, is not considered. Nor do the following statements consider the tax position of any person holding investments in any HMRC-approved arrangements or schemes, including the enterprise investment scheme or venture capital scheme, able to claim any inheritance tax relief or any non-UK resident Shareholder holding Placing Shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or, in the case of a corporate Shareholder, a permanent establishment or otherwise).

Prospective investors who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the UK are strongly recommended to consult their own professional advisers.

17.1 Taxation of dividends
The Company is not required to withhold tax when paying a dividend. Liability to tax on dividends will depend upon the individual circumstances of a Shareholder.

UK resident individual Shareholders
Under current UK tax rules, specific rates of tax apply to dividend income. As of 1 April 2016, the notional dividend tax credit system was abolished. Instead, there is a nil rate of tax (the “Nil Rate Amount”) which applies to the first £2,000 of dividend income received by an individual Shareholder who is resident for tax purposes in the UK for 2021/2022. Dividend income in excess of the Nil Rate Amount (taking account of any other dividend income received by the Shareholder in the same tax year) will be taxed at the following rates for 2021/2022: 7.5 per cent. (to the extent that it falls below the threshold for higher rate income tax); 32.5 per cent. (to the extent that it falls above the threshold for
higher rate income tax and is within the higher rate band); and 38.1 per cent. (to the extent that it is within the additional rate). For the purposes of determining which of the taxable bands dividend income falls into, dividend income is treated as the highest part of a Shareholder’s income. In addition, dividends within the Nil Rate Amount which would (if there was no Nil Rate Amount) have fallen within the basic or higher rate bands will use up those bands respectively for the purposes of determining whether the threshold for higher rate or additional rate income tax is exceeded. It has been proposed that from 6 April 2022 there will be an increase in the above dividend rates by 1.25 per cent.

**UK resident corporate Shareholders**

Shareholders within the charge to UK corporation tax which are “small companies” for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will generally not be subject to UK corporation tax on any dividend received provided certain conditions are met (including an anti-avoidance condition).

A UK resident corporate Shareholder (which is not a “small company” for the purposes of the UK taxation of dividends legislation in Part 9A of the Corporation Tax Act 2009) will be liable to UK corporation tax (currently at a rate of 19 per cent.) unless the dividend falls within one of the exempt classes set out in Part 9A. Examples of exempt classes (as defined in Chapter 3 of Part 9A of the Corporation Tax Act 2009) include dividends paid on shares that are “ordinary shares” (that is shares that do not carry any present or future preferential right to dividends or to the Company’s assets on its winding up) and which are not “redeemable”, and dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital in respect of which the distribution is made). However, the exemptions are not comprehensive and are subject to anti-avoidance rules.

**Non-UK resident Shareholders**

Non-UK resident individual Shareholders who receive a dividend from the Company are treated as having paid UK income tax on their dividend income at the dividend ordinary rate (7.5 per cent.). Such income tax will not be repayable to a non-UK resident individual Shareholder. A non-UK resident Shareholder is not generally subject to further UK tax on dividend receipts.

A non-UK resident individual Shareholder may also be subject to taxation on dividend income under local law, in their country or jurisdiction of residence and/or citizenship. A shareholder who is not solely resident in the UK for tax purposes should consult his own tax advisers concerning his tax liabilities (in the UK and any other country) on dividends received from the Company in respect of liability to both UK taxation and taxation of any other country of residence or citizenship.

17.2 Taxation of chargeable gains

Individual and corporate Shareholders who are resident in the United Kingdom may, depending on their circumstances (including the availability of allowances, exemptions or reliefs), realise a chargeable gain or an allowable loss for the purposes of taxation of capital gains on a sale or other disposal (or deemed disposal) of Placing Shares.

**UK resident individual Shareholders**

For an individual Shareholder within the charge to UK capital gains tax, a disposal (or deemed disposal) of Placing Shares may give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. Generally, where the individual’s taxable chargeable gains exceed the allowance, then these gains will be taxed at 10 per cent., but only to the extent that the individual’s taxable income and chargeable gains do not exceed the basic rate income tax band. Where the individual’s taxable income and chargeable gains exceeds the basic rate income tax band the remaining chargeable gain will be taxed at 20 per cent. An individual Shareholder is entitled to realise an annual exempt amount of gains (currently £12,300) for the year to 5 April 2022 without being liable to UK capital gains tax.
**UK resident corporate Shareholders**

For a corporate Shareholder within the charge to UK corporation tax, a disposal (or deemed disposal) of Placing Shares may give rise to a chargeable gain at the rate of corporation tax applicable to that Shareholder (currently 19 per cent.) or an allowable loss for the purposes of UK corporation tax.

17.3 **Non-UK resident Shareholders**

An individual Shareholder who is only temporarily resident outside the United Kingdom may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised when they resume UK tax residence (subject to available allowances, exemptions or reliefs) upon a sale or other disposal (or deemed disposal) of Placing Shares.

Shareholders who are not tax resident in the United Kingdom and, in the case of an individual Shareholder, also not temporarily non-resident, will not generally be subject to UK taxation of capital gains on a sale or other disposal (or deemed disposal) of Placing Shares unless such Placing Shares are used, held or acquired for the purposes of a trade, profession or vocation carried on in the UK through a branch or agency or, in the case of a corporate Shareholder, through a permanent establishment. Shareholders who are not resident in the United Kingdom may be subject to non-UK taxation on any gain under local law.

17.4 **Inheritance tax**

The Placing Shares will be assets situated in the United Kingdom for the purposes of UK inheritance tax. A gift of such assets during lifetime or on the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is or was neither domiciled in the United Kingdom nor deemed to be domiciled there, under certain rules relating to long residence or previous domicile. Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit following a gift of an asset. Special rules also apply to close companies and to trustees of settlements who hold Placing Shares bringing them within the charge to inheritance tax. A charge to inheritance tax may also arise if the shares are transferred to a trust during their lifetime or on death. Holders of Placing Shares should consult an appropriate professional adviser if they make a gift of any kind or a transfer at less than market value, or if they intend to hold any Placing Shares through a trust or similar indirect arrangements. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

17.5 **Stamp duty and stamp duty reserve tax ("SDRT")**

No UK stamp duty or SDRT will be generally payable on the issue of Placing Shares. AIM qualifies as a recognised growth market for the purposes of the UK stamp duty and SDRT legislation. Accordingly, for so long as the Placing Shares are admitted to trading on AIM and are not listed on any other market no charge to UK stamp duty or SDRT should normally arise on their subsequent transfer. If the Placing Shares cease to qualify for this exemption their transfer on sale will be subject to stamp duty and/or SDRT (generally at the rate of 0.5 per cent. of the consideration subject to a de minimis threshold), although special rules apply in respect of certain transfers including transfers to market intermediaries and transfers into clearance services or depositary receipt arrangements. The statements in this paragraph apply to any holders of Placing Shares irrespective of their residence, and are a summary of the current position and are intended to be a general guide to the current stamp duty and SDRT position. Shareholders in any doubt about their position should seek appropriate tax advice.

**THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PROSPECTIVE INVESTOR. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN THE PLACING SHARES IN LIGHT OF THE INVESTOR'S OWN CIRCUMSTANCES.**
18 CITY CODE, ‘SQUEEZE OUT’, ‘SELL OUT’ AND DISCLOSURE GUIDANCE AND TRANSPARENCY RULES

The Company is subject to the City Code. Brief details of the Takeover Panel, the City Code and the protections they afford are described below.

The City Code is issued and administered by the Takeover Panel. The City Code applies to all takeover and merger transactions, however effected, where the offeree company is, inter alia, a listed public company resident in the United Kingdom. The Company is a public company resident in the United Kingdom and its shareholders are therefore entitled to the protections afforded by the City Code.

18.1 Mandatory takeover bids

Under Rule 9 of the City Code a person who acquires, whether by a single transaction or by a series of transactions over a period of time, interests in shares which (taken together with interests in shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company, is normally required to make a cash offer (or a cash alternative) for all the outstanding shares of that company at not less than the highest price paid by him or them or any persons acting in concert during the offer period and in the 12 months prior to its commencement. This requirement would also be triggered by an acquisition of interests in shares by a person (together with its concert parties) interested in shares carrying more than 30 per cent. but does not hold shares carrying more than 50 per cent. of the voting rights in the company if the effect of such acquisition were to increase that person’s percentage of the voting rights.

18.2 Squeeze out

Under the Act, if a “takeover offer” (as defined in section 974 of the Act) is made for the Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the Shares to which the takeover offer relates (“Takeover Offer Shares”) and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding Shareholders. The consideration offered to the Shareholders whose Takeover Offer Shares are acquired compulsorily under the Act must, in general, be the same as the consideration that was available under the takeover offer.

18.3 Sell-out

The Act also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relates to all the Ordinary Shares and at any time before the end of the period within which the offer could be accepted, the offeror holds or has agreed to acquire not less than 90 per cent. of the Ordinary Shares (being voting shares that carry voting rights in the Company), any holder of Ordinary Shares to which the offer relates who has not accepted the offer is entitled by a written communication to the offeror to require it to acquire its Ordinary Shares. The offeror is required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, the giving notice. If a Shareholder exercises his other rights, the offeror is bound to acquire those Shares on the terms of the offer or on such other terms as may be agreed.

18.4 Disclosure Guidance and Transparency Rules

Pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules a person must notify the Company of the percentage of the voting rights he holds as shareholder or through his direct or indirect holding of certain financial instruments (or a combination of such holdings) if the percentage of those voting rights: (a) reaches, exceeds or falls below 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent., 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. as a result of an acquisition or disposal of shares or such financial instruments; or (b) reaches, exceeds
or falls below an applicable threshold in (a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the Disclosure Guidance and Transparency Rules.

19 CONSENTS
19.1 The nominated adviser to the Company is SPARK, which is authorised and regulated in the UK by the FCA. SPARK has given and not withdrawn its written consent to the issue of this Admission Document with inclusion herein of references to its name in the form and the context in which it appears.

19.2 The broker to the Company is Liberum, which is authorised in the UK by the FCA. Liberum has given and not withdrawn its written consent to the inclusion in this Admission Document of reference to its name in the form and context in which it appears.

19.3 The reporting accountant to the Company is Jeffreys Henry LLP. Jeffreys Henry LLP has given and not withdrawn its written consent to the issue of this Admission Document with inclusion in this Admission Document of references to its name in the form and the context in which it appears.

20 EXPENSES OF THE PLACING AND ADMISSION
The total costs and expenses of, and incidental to, the Placing and Admission (including placing commissions, the application fees, printer's fees, advisers' fees, professional fees and expenses, the costs of printing and distribution of documents) to be borne by the Company are estimated to be approximately £1.7 million.

21 GENERAL
21.1 Apart from the application for Admission, the Ordinary Shares have not been admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.

21.2 The accounting reference date of the Company is 30 June. The current accounting period will end on 30 June 2022. The Company will report unaudited interim financial statements for the six months ending 31 December 2021 by 31 March 2022, audited financial statements for the year ending 30 June 2022 by 31 December 2023 and unaudited financial statements for the six months ending 31 December 2022 by 31 March 2023.

21.3 The Placing Price of 117 pence represents a premium of 116.9 pence above the nominal value of 0.1 pence per Ordinary Share. The Placing Price is payable in full on application. The net asset value per Ordinary Share was 0.18 pence based on the balance sheet as at 30 June 2021 and the Placing Price is 117 pence per share.

21.4 The reporting accountants of the Company are Jeffreys Henry LLP, chartered accountants and registered auditors, who have reported on the financial information of the Group for the year ended 31 March 2019, year ended 31 March 2020 and the 15 month period set out in Part IV. Jeffreys Henry LLP are members of the Institute of Chartered Accountants in England and Wales.

21.5 Other than as set out in this Admission Document, there are no patents or other intellectual property rights, licenses or particular contracts which are of fundamental importance to the Group’s business.

21.6 There are no arrangements under which future dividends are waived or agreed to be waived.

21.7 The financial information set out in this Admission Document does not constitute statutory accounts within the meaning of section 434 of the Act. Statutory accounts have been delivered to the registrar of companies for the period ended 30 June 2021.

21.8 The Company currently has no significant investments in progress and the Company has made no firm commitments concerning future investments.

21.9 There are no environmental issues that the Board has determined may affect the Company’s utilisation of tangible fixed assets and the Board has not identified any events that have occurred since the end of
the last financial year and which are considered to be likely to have a material effect on the Company’s prospects for the current financial year.

21.10 Where information has been sourced from a third party, this information has been accurately reproduced. So far as the Company and the Board are aware, and are able to ascertain from information provided by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

21.11 Save as described in paragraph 21.12 below, no person (excluding professional advisers otherwise disclosed in this Admission Document and trade suppliers) has:

(a) received, directly or indirectly from the Group within the twelve months prior to the date of this Admission Document; or

(b) entered into contractual arrangements (not otherwise disclosed in this Admission Document) to receive, directly or indirectly, from the Group, on or after Admission any of the following:

   (i) fees totalling £10,000 or more;

   (ii) securities in the Company where these have a value of £10,000 or more calculated by reference to the issue price or, in the case of an introduction, the opening price of Ordinary Shares upon Admission; or

   (iii) any other benefit with the value of £10,000 or more at the date of Admission.

21.12 In connection with Admission, the Company has agreed to pay fees of more than £10,000 to each of Turner Pope Investments (TPI) Ltd, Stephenson Harwood LLP and Deloitte LLP.

21.13 The Board is not aware of (i) any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group’s prospects in the period between 30 June 2021 and the date of this Admission Document or (ii) any trends in production, sales and inventory, and costs and selling prices between 30 June 2021 and the date of this Admission Document.

22 AVAILABILITY OF THIS DOCUMENT

Copies of this Admission Document will be available free of charge from Admission during usual business hours from the Company’s registered office and at the offices of SPARK, 5 St John’s Lane, London EC1M 4BH. This Admission Document is also available on the Company’s website at www.aptamergroup.com.

Dated: 16 December 2021
PART VII

TERMS AND CONDITIONS OF THE PLACING

The terms and conditions set out in this Part VII (the “Terms and Conditions”) and the information comprising this Document are restricted and are not for publication, release or distribution, in whole or in part, directly or indirectly, in or into the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other state or jurisdiction in which such release, publication or distribution would be unlawful. The Terms and Conditions and the information contained herein is not intended to and does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person in the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or any other state or jurisdiction in which such an offer would be unlawful.

Important information for invited places (“Placees”) only regarding the Placing

Members of the public are not eligible to take part in the Placing. This Document and the Terms and Conditions set out in this Part VII are for information purposes only and are directed only at: (A) persons in member states of the EEA who are qualified investors within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended from time to time, (the “EU Prospectus Regulation”) (“Qualified Investors”), (B) if in the United Kingdom, persons who are qualified investors within the meaning of the UK version of the EU Prospectus Regulation which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018 (the “UK Prospectus Regulation”) and who (i) have professional experience in matters relating to investments who fall within the definition of ‘Investment Professionals’ in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the “Order”); (ii) are high net worth companies, unincorporated associations or partnership or trustees of high value trusts as described in Article 49(2)(A) to (D) of the Order; or (C) to persons to whom it may otherwise be lawful to communicate it to (each a “Relevant Person”). No other person should act or rely on this Document and persons distributing this Document must satisfy themselves that it is lawful to do so. By accepting the Terms and Conditions each Placee represents and agrees that it is a Relevant Person. This Document and the Terms and Conditions set out herein must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Document and the Terms and Conditions set out herein relate is available only to Relevant Persons and will be engaged in only with Relevant Persons. This Document does not itself constitute an offer for sale or subscription of any securities in the Company.

The Placing Shares have not been and will not be registered under the Securities Act, or under the applicable securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, taken up, resold, transferred or delivered, directly or indirectly within, into or in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any relevant state or other jurisdiction of the United States. There will be no public offer of the Placing Shares in the United States.

The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act.

Each Placee should consult with its own advisers as to the legal, tax, business, financial and related aspects of a subscription for the Placing Shares.

The Placees will be deemed to have read and understood this Document in its entirety and to be making such offer on the Terms and Conditions, and to be providing the representations, warranties, acknowledgements and undertakings contained in these Terms and Conditions. In particular each such Placee represents, warrants and acknowledges that:

(A) it is a Relevant Person (as defined above) and undertakes that it will subscribe for, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;

(B) in the case of a Relevant Person in the United Kingdom who acquires any Placing Shares pursuant to the Placing:

(a) it is a Qualified Investor within the meaning of Article 2(e) of the UK Prospectus Regulation; and
(b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the UK Prospectus Regulation:

i. the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the United Kingdom other than Qualified Investors or in circumstances in which the prior consent of Liberum has been given to the offer or resale; or

ii. where Placing Shares have been acquired by it on behalf of persons in the United Kingdom other than Qualified Investors, the offer of those Placing Shares to it is not treated under the UK Prospectus Regulation as having been made to such persons; and

(C) in the case of a Relevant Person in a member state of the EEA (each a “Relevant State”) who acquires any Placing Shares pursuant to the Placing:

(a) it is a Qualified Investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and

(b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation:

(i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in a Relevant State other than Qualified Investors or in circumstances in which the prior consent of Liberum has been given to the offer or resale; or

(ii) where Placing Shares have been acquired by it on behalf of persons in a Relevant State other than Qualified Investors, the offer of those Placing Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

Persons (including without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Document of which these Terms and Conditions form part should seek appropriate advice before taking any action.

Neither Liberum, nor any of its affiliates, agents, directors, officers or employees, make any representation to any Placees regarding an investment in the Placing Shares.

The Company and Liberum will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

**Application for admission to trading**

Application has been made to the London Stock Exchange for Admission. It is expected that:

- settlement of the VCT/EIS Placing Shares will be on 21 December 2021 and that Admission and dealings in the VCT/EIS Placing Shares will become effective and commence at 8.00 a.m. on 22 December 2021; and

- settlement of the General Placing Shares will be on 22 December 2021 and that Admission and dealings in the General Placing Shares will become effective and commence at 8.00 a.m. on 22 December 2021.

**EIS and VCT**

As part of the Placing, the Company is seeking to raise funds by the issue of the VCT/EIS Placing Shares to investors seeking the benefit of tax relief under EIS and through VCT.

Shareholders should note that although the Directors and Proposed Directors believe that the VCT/EIS Placing Shares should qualify for EIS Relief and that the issue of Ordinary Shares to a VCT should be regarded as a qualifying holding, no advance assurance has been received from HM Revenue & Customs, and consequently the availability of EIS Relief in relation to the VCT/EIS Placing Shares and whether Ordinary Shares issued to a VCT are a qualifying holding cannot be guaranteed.
Participation in, and principal terms of, the Placing

1. Liberum is acting as agent of the Company in connection with the Placing and is acting as agent for no one else in connection with the Placing and will not regard any other person (whether or not a recipient of these Terms and Conditions) as a client in relation to the Placing. Liberum is not responsible to anyone other than the Company for providing the protections afforded to clients of Liberum or for providing advice in connection with the contents of this Document or the transactions and arrangements described herein.

2. Participation in the Placing will be available only to persons who may lawfully be, and are, invited to participate by Liberum. Liberum and the Company will determine in their absolute discretion the extent of each Placee’s participation in the Placing, which will not necessarily be the same for each Placee.

3. These Terms and Conditions apply to Placees. Each Placee hereby agrees with Liberum to be legally and irrevocably bound by these Terms and Conditions which will be the Terms and Conditions on which the Placing Shares will be acquired in the Placing.

4. The Terms and Conditions must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which the Terms and Conditions set out herein relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

5. An offer (whether orally or in writing) to acquire Placing Shares will be made on these Terms and Conditions (which shall be deemed to be incorporated in such offer) and will be legally binding on the Placee and will not be capable of variation or revocation without Liberum’s written consent.

6. If successful, each Placee’s allocation will be confirmed to it by Liberum. Oral or written confirmation (at Liberum’s discretion) will constitute a binding irrevocable commitment by a Placee, subject to the Terms and Conditions set out below, to subscribe and pay for the relevant number of Placing Shares at the Placing Price (the “Placing Participation”). Such commitment is not capable of termination or rescission by the Placee in any circumstances except fraud. All such obligations are entered into by the Placee with Liberum in its capacity as agent for the Company and are therefore directly enforceable by the Company.

7. Each Placee’s commitment will be made solely on the basis of the information set out in the P-Proof dated 8 December 2021 (the “P-Proof”). By participating in the Placing, Placees will be deemed to have read and understood these Terms and Conditions and the P-Proof in its entirety and to be participating and making an offer for the Placing Shares on these terms and conditions. Each Placee will be deemed to have read and understood these Terms and Conditions in their entirety and to be making such offer on the Terms and Conditions and to be providing the representations, warranties and acknowledgements and undertakings contained in these Terms and Conditions.

8. All obligations under the Placing will be subject to fulfilment of the conditions referred to below under “Conditions of the Placing” and to the Placing not being terminated on the basis referred to below under “Right to terminate under the Placing Agreement”.

9. Irrespective of the time at which a Placee’s allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under “Registration and settlement”.

10. Except as required by law or regulation, no press release or other announcement will be made by Liberum or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee’s prior written consent.

11. To the fullest extent permissible by law and applicable FCA rules, neither Liberum, the Company nor any of their respective affiliates, agents, directors, officers or employees shall have any responsibility or liability (whether in contract, tort or otherwise) to Placees (or to any other person whether acting on behalf of a Placee or otherwise).
Details of the Placing Agreement and of the Placing Shares

Liberum, the Company, the Directors and the Proposed Directors have entered into a placing agreement on 16 December 2021 (the “Placing Agreement”) pursuant to which Liberum has agreed that it will, as agent for and on behalf of the Company, use its reasonable endeavours to procure Placees at the Placing Price for up to 9,202,094 New Ordinary Shares. The Placing is not underwritten by Liberum. The Placing will settle in two tranches, with the first tranche consisting of VCT/EIS Placing Shares and the second tranche consisting of General Placing Shares.

Certain of the Placing Shares, being the VCT/EIS Placing Shares, will be offered to VCTs and to those investors seeking to claim EIS Relief in relation to their investment. The remaining Placing Shares, being the General Placing Shares, will be offered to those investors who are neither seeking EIS Relief nor are VCTs.

The Placing Agreement contains customary undertakings and warranties given by the Company and the Directors and Proposed Directors to Liberum including as to the accuracy of information contained in this document, to matters relating to the Company and its business and a customary indemnity given by the Company to Liberum in respect of liabilities arising out of or in connection with the Placing.

The New Ordinary Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the Existing Ordinary Shares in issue at Admission, including the right to receive all dividends and other distributions (if any) declared, made or paid in respect of the Ordinary Shares after Admission.

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The Placing Agreement contains certain warranties from the Directors and the Proposed Directors and certain warranties and indemnities from the Company, in each case for the benefit of Liberum. Liberum may after prior consultation with the Company (to the extent reasonably practicable in the circumstances) terminate the Placing Agreement if prior to Admission, inter alia, there is a market disruption event, there is a breach of any of the undertakings or any fact or circumstances arise which cause a warranty to become untrue, inaccurate or misleading.

None of the Company, the Directors, the Proposed Directors or Liberum owes any fiduciary duty to any Placee in respect of the representations, warranties, undertakings or indemnities in the Placing Agreement.

If (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled (or, where permitted, waived or extended in writing by Liberum) or have become incapable of fulfilment on or before the date or time specified for the fulfilment thereof (or such later date and/or time as Liberum may agree), or (ii) the Placing Agreement is terminated in the circumstances specified below, the Placing will not proceed and the Placees’ rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof. Liberum may waive certain conditions contained in the Placing Agreement. Any such extension or waiver will not affect Placees’ commitments as set out in this Document.

If (i) any of the conditions in the Placing Agreement are not satisfied (or, where relevant, waived) or (ii) the Placing Agreement is terminated or (iii) the Placing Agreement does not otherwise become unconditional in all respects, the Placing will not proceed and all funds delivered by the Placee to Liberum will be returned to the Placee at its own risk without interest, and each Placee’s rights and obligations hereunder shall cease and determine at such time and no claim shall be made by the Placee in respect thereof.

Neither Liberum nor any of its affiliates, agents, directors, officers or employees shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or the date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Liberum.

144
**Lock-In**

The Company has agreed with Liberum that it will not at any time during the period of 180 days from the date of Admission, without the prior written consent of Liberum (such consent not to be unreasonably withheld or delayed), offer, issue, sell, contract to sell, issue options in respect of or otherwise dispose of any securities of the Company (or any interest therein or in respect thereof) or any other securities exchangeable for, or convertible into, or substantially similar to, Ordinary Shares or enter into any transaction having substantially the same effect or agree to do any of the foregoing, other than pursuant to such share option schemes and other employee incentive arrangements as are described in this Document or as contemplated by the Placing Agreement.

Dr Arron Tolley and Dr David Bunka, (together the “Locked-in and Orderly Market Parties”), are interested in shares representing, in aggregate, 41.08 per cent. of the Enlarged Ordinary Share Capital and have undertaken to the Company, SPARK and Liberum (subject to certain limited exceptions including transfers to family members or to trustees for their benefit, disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company and at the discretion of the Company, SPARK and Liberum if it is considered to be in the interests of maintaining an orderly market at that time) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Companies Act)) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission (the “Lock-in Period”) without the prior written consent of the Company, SPARK and Liberum.

Each of the Locked-in and Orderly Market Parties has also undertaken to the Company, SPARK and Liberum not to dispose of the Restricted Shares for the period of 12 months following the expiry of the Lock-in Period otherwise than through Liberum (or another broker to the Company, if Liberum is no longer broker to the Company).

In addition to the Lock-in and Orderly Market Parties, certain other Existing Shareholders holding, in aggregate, 44.27 per cent. of the Enlarged Ordinary Share Capital, have undertaken to the Company, SPARK and Liberum (subject to certain limited exceptions including transfers to family members or to trustees for their benefit, disposals by way of acceptance of a recommended takeover offer of the entire issued share capital of the Company and at the discretion of the Company, SPARK and Liberum if it is considered to be in the interests of maintaining an orderly market at that time) not to dispose of the Ordinary Shares held by each of them (and their connected persons (within the meaning of section 252 of the Companies Act)) following Admission or any other securities issued in exchange for or convertible into, or substantially similar to, Ordinary Shares (or any interest in them or in respect of them) at any time prior to the first anniversary of Admission without the prior written consent of the Company, SPARK and Liberum.

**Right to terminate under the Placing Agreement**

At any time before Admission, Liberum is entitled to terminate the Placing Agreement by giving notice in writing to the Company if, amongst other things: (i) the Company, the Directors or the Proposed Directors fail to comply with any of their obligations under the Placing Agreement; or (ii) any of the representations and warranties is, or has ceased to be, true and accurate or not misleading; or (iii) in the opinion of Liberum (acting in good faith) there has been a material adverse change in, or any development involving or reasonably likely to involve a prospective material adverse change in, or affecting, the condition (financial, operational, legal or otherwise) or the earnings, management, business affairs, properties, assets, solvency, credit rating or prospects of the Company, or of the Group (taken as a whole), whether or not arising in the ordinary course of business; (iv) in the opinion of Liberum (acting in good faith) the occurrence of a market disruption event as specified in the Placing Agreement; (v) in Liberum’s good faith opinion any statement in the Admission Document, the press release or any presentation materials (the “Placing Documents”) is or has become untrue, inaccurate or misleading, or that a new matter has arisen or a change has taken place which would, if the Placing Documents were issued at that time, require publication of a supplementary admission document; or (vi) the application by or on behalf of the Company to the London Stock Exchange for Admission is withdrawn or refused by the London Stock Exchange and/or is withdrawn by SPARK pursuant to its obligations as nominated adviser under the AIM Rules for Companies and AIM Rules for Nominated Advisers.
Upon such notice being given, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions.

By participating in the Placing, Placees agree that the exercise by Liberum of any right of termination or other discretion under the Placing Agreement shall be within its absolute discretion and that they do not need to make any reference to Placees and that Liberum shall not have any liability to Placees whatsoever in connection with any such exercise and neither the Company nor Liberum nor any of their respective directors, officers, employees, agents or affiliates shall have any liability to Placees whatsoever in connection with any such exercise or failure so to exercise.

**No Prospectus**

No offering document or prospectus has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing and no such prospectus is required (in accordance with the UK Prospectus Regulation or other applicable law) to be published and Placees’ commitments will be made solely on the basis of the information contained in this Document released by the Company today and any information publicly announced to a RIS by or on behalf of the Company on or prior to the date of this Document and subject to the further terms set forth in the contract note to be provided to individual prospective Placees.

Each Placee, by participating in the Placing, agrees that its commitment will be made solely on the information contained in the P-Proof. Each Placee agrees that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or Liberum or any other person and none of the Company, Liberum or any of their respective affiliates will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph should exclude or limit the liability of any person for fraudulent misrepresentation by that person.

**Registration and settlement**

Settlement of transactions in the VCT/EIS Placing Shares following the VCT/EIS Placing, and in the General Placing Shares following Admission will take place within the CREST system administered by Euroclear, subject to certain exceptions. Liberum and the Company reserve the right to require settlement for and delivery of the Placing Shares (or a portion thereof) to Placees in certificated form if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this document or would not be consistent with the regulatory requirements in the Placee’s jurisdiction.

Settlement will be on a delivery versus payment basis in accordance with the instructions set out in the trade confirmation.

If Placees do not provide any CREST details or if the Placees provide insufficient CREST details to match within the CREST system to its details, Liberum may at its discretion deliver the Placees’ Placing Participation in certificated form provided payment has been made in terms satisfactory to Liberum and all conditions in relation to the Placing have been satisfied or waived.

Subject to the conditions set out above, payment in respect of the Placees’ Placing Participation in respect of the VCT/EIS Placing is due as set out below. Each Placee should provide its settlement details in order to enable instructions to be successfully matched in CREST. The relevant settlement details are as follows:

- **CREST participant ID of Liberum:** 7BUAG
- **Expected Trade date:** 16 December 2021
- **Settlement date for VCT/EIS Placing Shares:** 21 December 2021
- **ISIN code for the Placing Shares:** GB00BNRRP542
- **Deadline for Placee to input instructions into CREST:** 12.00 p.m. (UK time) on 20 December 2021
Subject to the conditions set out above, payment in respect of the Placees’ Placing Participation in respect of the General Placing is due as set out below. Each Placee should provide its settlement details in order to enable instructions to be successfully matched in CREST. The relevant settlement details are as follows:

<table>
<thead>
<tr>
<th>CREST participant ID of Liberum:</th>
<th>7BUAG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected Trade date:</td>
<td>16 December 2021</td>
</tr>
<tr>
<td>Settlement date for General Placing Shares</td>
<td>22 December 2021</td>
</tr>
<tr>
<td>ISIN code for the Placing Shares:</td>
<td>GB00BNRRP542</td>
</tr>
<tr>
<td>Deadline for Placee to input instructions into CREST:</td>
<td>12.00 p.m. (UK time) on 21 December 2021</td>
</tr>
</tbody>
</table>

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation is copied and delivered immediately to the Relevant Person within that organisation. So long as any transfer on sale, or unconditional agreement to transfer, the Placing Shares occurs at a time when the Placing Shares are admitted to trading on AIM and are not listed on a recognised stock exchange and included in the Official List thereof, such transfer or agreement to transfer the Placing Shares should, subject to the representations and warranties provided below, be registered free from any liability to UK stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

**Representations, warranties and further terms**

By submitting a bid and/or participating in the Placing, each prospective Placee (and any person acting on such Placee’s behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) to the Company and to Liberum (in its capacity as agent of the Company) and its directors, agents and advisers, in each case as a fundamental term of its application for Placing Shares, that:

(A) it has read and understood this document and these Terms and Conditions in their entirety and that its participation in the Placing and its acquisition of Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Document;

(B) no offering document or prospectus or offering document has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus or other offering document in connection with the Placing;

(C) the Placing does not constitute a recommendation or financial product advice and Liberum has not had regard to its particular objectives, financial situation and needs;

(D) it has the power and authority to carry on the activities in which it is engaged, to subscribe and/or acquire Placing Shares and to execute and deliver all documents necessary for such acquisition;

(E) that none of the Company, the Directors, the Proposed Directors, Liberum, any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and none of them will provide, it with any material regarding the Placing Shares or the Company or any other person other than information included in this Document, nor has it requested Liberum, the Company, any of their respective affiliates or any person acting on behalf of any of them to provide it with any such information;

(F) has not relied on, received or requested, nor does it have any need to receive, any prospectus, offering memorandum, listing particulars or any other document other than this Document describing the business and affairs of the Company which has been prepared for delivery to prospective investors in order to assist them in making an investment decision in respect of the Placing Shares. It further confirms, represents and warrants that it is not relying on any information given or any representations, warranties, agreements the Directors, the Proposed Directors, or undertakings (express or implied), written or oral, or statements made at any time by the Directors, the Proposed Directors, the Company or Liberum or by any of their respective officers, directors, agents, employees or advisers, or any other person in connection with the Placing other than information contained in this Document and none of the Directors, the Proposed Directors, Liberum, the Company or any of their respective directors and/or employees and/or person(s) acting on behalf of any of them shall, to the maximum extent permitted under law, have any liability (except in the case of fraud) in respect of any such other
information, representation, warranty, agreement, undertaking or statement. It irrevocably and unconditionally waives any right it may have in respect of such other information, representation, warranty, agreement, undertaking or statement. It further confirms, represents and warrants that in making its application under the Placing it will be relying solely on the information contained in this Document and these Terms and Conditions and that it has reviewed this Document, including the discussion of the conditions of the Placing Agreement, commission payable to Liberum, and the risk factors relating to the Company, its operations and the Ordinary Shares;

(G) (i) none of the Company, the Directors, the Proposed Directors, Liberum or any of their respective affiliates has made any representations to it, express or implied, with respect to the Company, the Placing and the Placing Shares or the accuracy, completeness or adequacy of any publicly available information, and each of them expressly disclaims any liability in respect thereof; and (ii) it will not hold Liberum or any of its affiliates responsible for any misstatements in or omissions from any publicly available information. Nothing in this paragraph or otherwise in this Document excludes the liability of any person for fraudulent misrepresentation made by that person;

(H) it and each account it represents is not and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be a resident of Australia, Canada, Japan, New Zealand or the Republic of South Africa or any other jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares and further acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of Australia, Canada, Japan, New Zealand or the Republic of South Africa and, subject to certain exceptions, may not be offered, sold, transferred, taken up, renounced, distributed or delivered, directly or indirectly, within or into those jurisdictions;

(I) it and each account it represents is outside the United States and will be (i) outside the United States at the time that any buy order for Placing Shares is originated by it; (ii) acquiring the Placing Shares in an “offshore transaction” as defined in Regulation S under the Securities Act; and (iii) not acquiring any of the Placing Shares as a result of any form of “directed selling efforts” (within the meaning of Regulation S under the Securities Act);

(J) it understands, and each account it represents has been advised that, (i) the Placing Shares have not been and will not be registered under the Securities Act or under the applicable securities laws of any state or other jurisdiction of the United States; (ii) the Placing Shares are being offered and sold only in an “offshore transaction” within the meaning of and pursuant to Regulation S under the Securities Act; and (iii) no representation has been made as to the availability of any exemption under the Securities Act or any relevant state or other jurisdiction’s securities laws for the reoffer, resale, pledge or transfer of the Placing Shares;

(K) it will not distribute, forward, transfer or otherwise transmit this Document or any other materials concerning the Placing (including any electronic copies thereof), in or into the United States;

(L) if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of any Placing Shares, it will do so only in compliance with an exemption from the registration requirements of the Securities Act and under circumstances which will not require the Company to register under the Investment Company Act 1940;

(M) the content of this Document is exclusively the responsibility of the Company and the Board and that neither Liberum, nor any of its affiliates, agents, directors, officers or employees or any person acting on behalf of Liberum has or shall have any liability for any information, representation or statement contained in this Document or any information previously or subsequently published by or on behalf of the Company, and will not be liable for any Placee’s decision to participate in the Placing based on any information, representation or statement contained in this Document or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the Placing Shares is contained in this Document and any information previously published by the Company by notification to a RIS, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Liberum or the Company and neither Liberum nor the Company will be liable for any Placee’s decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement;

(N) time shall be of the essence as regards obligations pursuant to these Terms and Conditions;
it is the responsibility of any person outside of the United Kingdom wishing to subscribe for or purchase Placing Shares to satisfy himself that, in doing so, he complies with the laws of any relevant territory in connection with such subscription or purchase and that he obtains any requisite governmental or other consents and observes any other applicable formalities;

it is acting as principal and for no other person and that its acceptance of the Placing Participation will not give any other person a contractual right to require the issue by the Company of any Placing Shares;

from the point at which a request for admission to trading on AIM is made by the Company, the Company and its financial instruments will be subject to the provisions of the retained UK law version of Market Abuse Regulation (Regulation 596/2014 EU) pursuant to the Market Abuse (Amendment) (EU Exit) Regulations 2019 (S1 2019/388) (“UK MAR”) and that it will observe the provisions of UK MAR in relation to the Company's financial instruments, including in relation to the control of any inside information;

if in the United Kingdom, it has complied with its obligations under the Criminal Justice Act 1993, FSMA, UK MAR and, in connection with money laundering and terrorist financing, under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Terrorism Act 2006, and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the “Regulations”) and the Money Laundering Sourcebook of the FCA and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

if a financial intermediary, as that term is used in the UK Prospectus Regulation, that the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to, persons in the United Kingdom other than Qualified Investors, Relevant Persons, or in circumstances in which the prior consent of Liberum has been given to the proposed offer or resale;

it and any person acting on its behalf falls within Article 19(5) and/or 49(2)(A) to (D) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;

it has not offered or sold and will not offer or sell any Placing Shares to the public in the United Kingdom or any member state of the EEA except to Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or within the meaning of the UK Prospectus Regulation, or an offer to the public in any member state of the EEA within the meaning of the EU Prospectus Regulation;

it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;

it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;

if in a member state of the EEA, it is a “Qualified Investor” within the meaning of the EU Prospectus Regulation;

if in the United Kingdom, it is a qualified investor within the meaning of the UK Prospectus Regulation and a person (i) having professional experience in matters relating to investments and who falls within the definition of ‘investment professionals’ in Article 19(5) of the Order; or (ii) who is a high net worth entity falling within Article 49(2)(A) to (D) of the Order; or (iii) to whom this Document may otherwise lawfully be communicated;

no action has been or will be taken by either the Company or Liberum or any person acting on behalf of the Company or Liberum that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;

(i) it and any person acting on its behalf is entitled to subscribe for the Placing Shares under the laws of all relevant jurisdictions which apply to it; (ii) it has paid any issue, transfer or other taxes due in connection with its participation in any territory; (iii) it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may
be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in Liberum, the Company or any of their respective affiliates, directors, officers, agents, employees or advisers acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing; and (iv) that the acquisition of the Placing Shares by it or any person acting on its behalf will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;

(BB) it has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to its participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Document) and will honour such obligations;

(CC) it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with the Terms and Conditions and this Document, on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other persons or sold as Liberum may in its absolute discretion determine and without liability to such Placee;

(DD) its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for or purchase, and that Liberum or the Company may call upon it to subscribe for or purchase a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;

(EE) neither it, nor the person specified by it for registration as holder of Placing Shares is, or is acting as nominee or agent for, and the Placing Shares will not be allotted or transferred to, a person who is or may be liable to stamp duty or stamp duty reserve tax under any of sections 67, 70, 93 and 96 of the Finance Act of 1986 (depositary receipts and clearance services) and the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer Placing Shares into a clearance system;

(FF) none of the Company, the Directors, the Proposed Directors or Liberum will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes resulting from a failure to observe the requirement in (EE) above. Each Placee and any person acting on behalf of such Placee agrees to indemnify on an after-tax basis and hold harmless the Company, the Directors, the Proposed Directors and Liberum and their respective affiliates, agents, directors, officers and employees in respect of any such liability and each Placee and any person acting on behalf of such Placee agrees that, on Admission becoming effective, the Placing Shares will be allotted to the Stock Account of Liberum who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;

(GG) neither Liberum nor any of its affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them, is making any recommendations to it or, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of Liberum and that Liberum does not have any duties or responsibilities to it for providing the protections afforded to Liberum’s clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;

(HH) in making any decision to subscribe for the Placing Shares, it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for and/or acquiring the Placing Shares. It further confirms that it is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing. It further confirms that it relied on its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved, and not upon any view expressed or information provided by or on behalf of Liberum;

(I) in connection with the Placing, Liberum and any of its affiliates acting as investors for their own account may take up Placing Shares in the Company and in that capacity may subscribe for, retain, purchase or sell for their own account such Ordinary Shares in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placing. Liberum does not intend to disclose the extent of any
such investment or transactions otherwise than in accordance with any legal or regulatory obligation
to do so;

(JJ) these Terms and Conditions and any agreements entered into by it pursuant to these Terms and
Conditions and any non-contractual obligations arising out of or in connection with such agreements
shall be governed by and construed in accordance with the laws of England and Wales and it submits
(on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive
jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such
contract, except that enforcement proceedings in respect of the obligation to make payment for the
Placing Shares (together with any interest chargeable thereon) may be taken by the Company or
Liberum in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities
have a quotation on a recognised stock exchange;

(KK) the Company, the Directors, the Proposed Directors and Liberum and their respective affiliates and
others will rely upon the truth and accuracy of acknowledgements, representations, warranties and
agreements set forth herein and which are given to Liberum on its own behalf and on behalf of the
Company and are irrevocable and it irrevocably authorises the Company and Liberum to produce
any announcement, pursuant to, in connection with, or as may be required by any applicable law or
regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth
herein. It agrees that if any of the acknowledgements, representations, warranties and agreements
made in connection with its subscribing and/or acquiring of Placing Shares is no longer accurate, it
shall promptly notify the Company and Liberum;

(LL) it will indemnify on an after-tax basis and hold the Company, the Directors, the Proposed Directors
and Liberum and their respective affiliates harmless from any and all costs, claims, liabilities and
expenses (including legal fees and expenses) arising out of or in connection with any breach of the
representations, warranties, acknowledgements, agreements and undertakings in these Terms and
Conditions and further agrees that the provisions of these Terms and Conditions shall survive after
completion of the Placing;

(MM) acknowledges that the Company has not applied for, nor has it received, advance assurance from
HMRC that the VCT/EIS Placing Shares will qualify for EIS Relief nor that the issue of New Ordinary
Shares to a VCT should be regarded as a qualifying holding for the purposes of the Income Tax Act
2007. Further, none of the Company, the Directors or any of the Company’s advisers give any
warranty or undertaking that reliefs will be available and not withdrawn at a later date;

(NN) none of the Company, the Directors, the Proposed Directors or Liberum owe any fiduciary or other
duties to any Placee in respect of any acknowledgements, confirmations, undertakings, representations,
warranties or indemnities in the Placing Agreement;

(OO) its acquisition of Placing Shares is in full compliance with applicable laws and regulations; and

(PP) its commitment to take up Placing Shares on the Terms and Conditions will continue notwithstanding
any amendment that may or in the future be made to these Terms and Conditions of the Placing and
that Placees will have no right to be consulted or require that their consent be obtained with respect
to the Company, the Directors, the Proposed Directors or Liberum’s conduct of the Placing.

The foregoing acknowledgements, confirmations, undertakings, representations and warranties are given for
the benefit of each of the Company, the Directors, the Proposed Directors and Liberum (for their own benefit
and, where relevant, the benefit of their respective affiliates and any person acting on their behalf) and are
irrevocable and shall not be capable of termination in any circumstances.

Please also note that the agreement to allot and issue or transfer Placing Shares to Placees (or the persons for
whom Placees are contracting as nominee or agent) free of UK stamp duty and stamp duty reserve tax relates
only to their allotment and issue or transfer to Placees, or such persons as they nominate as their agents,
direct from the Company for the Placing Shares in question and is subject to the representations, warranties
and further terms above and assumes and is based on the warranty from each Placee that the Placing Shares
are not being subscribed for, or acquired, in connection with arrangements to issue depositary receipts or to
issue or transfer the Placing Shares into a clearance service. If there are any such arrangements, or the
settlement relates to any other dealing in the Placing Shares, stamp duty or stamp duty reserve tax or other
similar taxes may be payable, for which neither the Company nor Liberum will be responsible and the Placees
shall indemnify on an after-tax basis and hold harmless the Company and Liberum and their respective
affiliates, agents, directors, officers and employees for any stamp duty, stamp duty reserve tax or other similar
taxes paid by them in respect of any such arrangements or dealings. If this is the case, each Placee should seek its own advice and notify Liberum accordingly.

None of the Company, the Directors, the Proposed Directors or Liberum is liable to bear any capital duty, stamp duty or any other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable in or outside the United Kingdom by any Placee or any other person on a Placee's acquisition of any Placing Shares or the agreement by a Placee to acquire any Placing Shares. Each Placee agrees to indemnify on an after-tax basis and hold harmless the Company, the Directors, the Proposed Directors, Liberum and their respective affiliates, agents, directors, officers and employees from any and all such capital duty, stamp duty and other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including interest, fines or penalties relating thereto).

Each Placee should seek its own advice as to whether any of the above tax liabilities arise and notify Liberum accordingly.

Each Placee and any person acting on behalf of each Placee acknowledges and agrees that Liberum or any of its affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

When a Placee or person acting on behalf of the Placee is dealing with Liberum, any money held in an account with Liberum on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Liberum’s money in accordance with the client money rules and will be used by Liberum in the course of its own business; and the Placee will rank only as a general creditor of Liberum.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The rights and remedies of Liberum, the Company, the Directors and the Proposed Directors under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others. If a Placee is a discretionary fund manager, he may be asked to disclose, in writing or orally, to Liberum the jurisdiction in which the funds are managed or owned.

All times and dates in this Document may be subject to amendment by Liberum (in its absolute discretion). Liberum shall notify the Placees and any person acting on behalf of the Placees of any changes.

In this Part VII, “after-tax basis” means in relation to any payment made to the Company, Liberum or their respective affiliates, agents, directors, officers and employees pursuant to this Part VII that such payment shall be calculated in such a manner as will ensure that, after taking into account (i) any tax required to be deducted or withheld from the payment; (ii) the amount and timing of any additional tax which becomes payable by the recipient as a result of the payment’s being subject to tax in the hands of the recipient of the payment, and (iii) the amount and timing of any tax benefit which is obtained by the recipient of the payment to the extent that such tax benefit is attributable to the matter giving rise to the payment or to the entitlement to, or receipt of, the payment, or to any tax required to be deducted or withheld from the payment, the recipient of the payment is in the same after-tax position as that in which it would have been if the matter giving rise to the payment had not occurred.