Registered number: 05474163

RENEURON GROUP PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

RENEURON GROUP PLC

COMPANY INFORMATION

Directors	Randolph Corteling Iain Ross Barbara Staehelin
Registered number	05474163
Registered office	Belgrave House 39-43 Monument Hill Weybridge Surrey KT13 8RN
Independent auditors	Frazier & Deeter (UK Audit) LLP 20 St Dunstan's Hill London EC3R 8HL

RENEURON GROUP PLC

CONTENTS

	Page
Directors' Report	1 - 2
Independent Auditors' Report	3 - 6
Consolidated Statement of Comprehensive Income	7
Consolidated Balance Sheet	8
Company Balance Sheet	9
Consolidated Statement of Changes in Equity	10
Company Statement of Changes in Equity	11
Notes to the Financial Statements	12 - 24

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Directors present their report and the financial statements for the year ended 31 March 2024.

The Company was placed into administration along with its UK subsidiaries on 20 March 2024, successfully exiting administration on 17 March 2025 as a going concern.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The Directors who served during the year were:

Iain Ross
Barbara Staehelin
Mark Smith of Cork Gully LLP, Administrators (appointed 20 March 2024, resigned 17 March 2025)
Stephen Cork of Cork Gully LLP, Administrators (appointed 20 March 2024, resigned 17 March 2025)
John Hawkings (resigned 7 May 2024)
Michael Owen (resigned 21 March 2025)
Martin Walton (resigned 24 March 2025)

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Frazier & Deeter (UK Audit) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 July 2025 and signed on its behalf.

Randolph Corteling
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENEURON GROUP PLC

Opinion

We have audited the financial statements of ReNeuron Group plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2024 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that based on the current financial forecasts, the Directors have considered the current cash runway to extend until 31 July 2026 and there is no guarantee that attempts to secure adequate cash inflows from the Company's exosome platform, intellectual property and legacy assets will be successful. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENEURON GROUP PLC (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Group Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Company and determined that the most significant are those that relate to regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation) and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected noncompliance.

We assessed the risks of material misstatement in respect of fraud through reading board minutes and using analytical procedures to identify any unusual or unexpected relationships, alongside enquiring of Directors and other management as to the company's high level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud. We also performed procedures including identifying journal entries to test based on a risk assessment and comparing the identified entries to supporting documentation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities due to fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect all non-compliance with laws and regulations.

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

Use of our report

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

Peter Hine (Senior Statutory Auditor)

for and on behalf of
Frazier & Deeter (UK Audit) (Statutory Auditors)

20 St Dunstan's Hill
London
EC3R 8HL

28 July 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Turnover	**1,412,849**	*529,873*
Gross profit	**1,412,849**	*529,873*
Administrative expenses	**(5,079,400)**	*(7,646,028)*
Operating loss	**(3,666,551)**	*(7,116,155)*
Interest receivable and similar income	**169,877**	*477,561*
Interest payable and similar expenses	**(14,565)**	*(19,670)*
Loss before taxation	**(3,511,239)**	*(6,658,264)*
Tax on loss	**640,015**	*1,249,514*
Loss for the financial year	**(2,871,224)**	*(5,408,750)*
Total comprehensive income for the year	**(2,871,224)**	*(5,408,750)*
Loss for the year attributable to:		
Owners of the parent Company	**(2,871,224)**	*(5,408,750)*
	(2,871,224)	*(5,408,750)*
Total comprehensive income for the year attributable to:		
Owners of the parent Company	**(2,871,224)**	*(5,408,750)*
	(2,871,224)	*(5,408,750)*

The notes on pages 12 to 24 form part of these financial statements.

RENEURON GROUP PLC
REGISTERED NUMBER: 05474163

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		2023 £
Fixed assets					
Intangible assets	4		-		*186,344*
Tangible assets	5		366,002		*620,519*
			366,002		*806,863*
Current assets					
Debtors: amounts falling due within one year	7	880,582		*1,684,505*	
Cash at bank and in hand		2,580,710		*7,152,922*	
		3,461,292		*8,837,427*	
Creditors: amounts falling due within one year	8	(1,257,986)		*(4,322,765)*	
Net current assets			2,203,306		*4,514,662*
Total assets less current liabilities			2,569,308		*5,321,525*
Creditors: amounts falling due after more than one year	9		-		*(265,064)*
Net assets			2,569,308		*5,056,461*
Capital and reserves					
Called up share capital	11		571,738		*571,738*
Share premium account			113,925,011		*113,925,011*
Capital redemption reserve			40,294,147		*40,294,147*
Merger reserve			2,223,304		*2,223,304*
Profit and loss account			(154,444,892)		*(151,957,739)*
Equity attributable to owners of the parent Company			2,569,308		*5,056,461*
			2,569,308		*5,056,461*

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 July 2025.

Randolph Corteling
Director

The notes on pages 12 to 24 form part of these financial statements.

RENEURON GROUP PLC
REGISTERED NUMBER: 05474163

COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	5		**182,699**		*278,020*
			182,699		*278,020*
Current assets					
Debtors: amounts falling due within one year	7	**2,705**		*25,660*	
Cash at bank and in hand		**1,948,685**		*6,616,478*	
		1,951,390		*6,642,138*	
Creditors: amounts falling due within one year	8	**(283,514)**		*(151,333)*	
Net current assets			**1,667,876**		*6,490,805*
Total assets less current liabilities			**1,850,575**		*6,768,825*
Creditors: amounts falling due after more than one year	9		**-**		*(265,064)*
Net assets			**1,850,575**		*6,503,761*
Capital and reserves					
Called up share capital	11		**571,738**		*571,738*
Share premium account			**113,925,011**		*113,925,011*
Capital redemption reserve			**40,294,147**		*40,294,147*
Merger reserve			**1,858,304**		*1,858,304*
Profit and loss account brought forward		**(150,145,439)**		*(126,182,431)*	
Loss for the year		**(5,037,257)**		*(24,539,264)*	
Other changes in the profit and loss account		**384,071**		*576,256*	
Profit and loss account carried forward			**(154,798,625)**		*(150,145,439)*
			1,850,575		*6,503,761*

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 July 2025.

Randolph Corteling
Director

The notes on pages 12 to 24 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital	Share premium account	Capital redemption reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 April 2022	571,738	113,925,011	40,294,147	2,223,304	(147,125,245)	9,888,955
Loss for the year	-	-	-	-	(5,408,750)	(5,408,750)
Share based payments	-	-	-	-	576,256	576,256
At 1 April 2023	571,738	113,925,011	40,294,147	2,223,304	(151,957,739)	5,056,461
Loss for the year	-	-	-	-	(2,871,224)	(2,871,224)
Share based payments	-	-	-	-	384,071	384,071
At 31 March 2024	571,738	113,925,011	40,294,147	2,223,304	(154,444,892)	2,569,308

The notes on pages 12 to 24 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Called up share capital	Share premium account	Capital redemption reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 April 2022	**571,738**	**113,925,011**	**40,294,147**	**1,858,304**	**(126,182,431)**	**30,466,769**
Loss for the year	-	-	-	-	(24,539,264)	(24,539,264)
Share based payments	-	-	-	-	576,256	576,256
At 1 April 2023	**571,738**	**113,925,011**	**40,294,147**	**1,858,304**	**(150,145,439)**	**6,503,761**
Loss for the year	-	-	-	-	(5,037,257)	(5,037,257)
Share based payments	-	-	-	-	384,071	384,071
At 31 March 2024	**571,738**	**113,925,011**	**40,294,147**	**1,858,304**	**(154,798,625)**	**1,850,575**

The notes on pages 12 to 24 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

ReNeuron Group plc ("the Company") and its subsidiaries (together, "the Group") research and develop therapies using stem cells. The Company is a private company, limited by shares and incorporated in England and Wales. The registered office address is Belgrave House, 29-43 Monument Hill, Weybridge, Surrey, KT13 8RN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The consolidated financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2024.

2. Accounting policies (continued)

2.3 Going concern

The operations of the Group and Company have historically been financed from funds that have been raised from previous share placings, commercial partnerships and grants. The Company was placed into administration along with its UK subsidiaries on 20 March 2024, successfully exiting administration on 17 March 2025 as a going concern. On exit from administration, the Chairman's note to shareholders highlighted the opportunity for the company to be re-launched as a small private biotech, focused on stem cell line development expertise, intellectual property (IP) and know-how. A key goal of the Group continues to be achieving the commercial validation of the CustomExTM platform by generating in vivo data aimed at differentiating the platform from that of the Group's competitors.

In assessing going concern, the Directors have considered the current cash runway forecasts which extend until 31 July 2026, at which point under base case assumptions the Group still has significant cash balances and headroom based on conservative assessments of known inflows and outflows. The Directors have also considered further severe but plausible downside scenarios, which exclude certain of these inflows and higher outflows. Based on the forecasts prepared and considered by the Board, the Directors consider it appropriate to continue to adopt the going concern basis in the preparation of these financial statements. However, there is no guarantee that attempts to secure adequate cash inflows from the group's exosome platform, IP and legacy assets within the timescales stated above will be successful. Coupled with the recent entry and exit from administration, these conditions therefore indicate the existence of a material uncertainty, which may cast significant doubt on the Group's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Licensing agreements may contain a number of elements and provide for varying consideration terms, such as initial fees, sales, development and regulatory milestones together with sales-based royalties and similar payments. The distinct performance obligations within the contract and the arrangement transaction price are identified. The fair value of the arrangement transaction price is allocated to the different performance obligations based upon the relative standalone selling price of those obligations, together with the performance obligation activities to which the terms of the payments specifically relate. The allocated transaction price is recognised over the respective performance period of each performance obligation.

Initial fees relating to the immediate transfer of intellectual property are non-refundable and are recognised as revenue upon signature of the contract.

Development and regulatory milestone payments are recognised in the period when the related sales occur or when the relevant milestone is achieved.

Agreements that are related to development activities or technology transfer can contain a number of elements and provide for varying consideration terms, payment for utilisation of staff resources and for the purchase of cell line related products. The distinct performance obligations (that can include agreed assigned staff resources) within the contract and the arrangement transaction price are identified. The fair value of the arrangement transaction price is allocated to the different performance obligations based upon the relative standalone selling price of those obligations, together with the performance obligation activity to which the terms of the payments specifically relate. The allocated transaction price relating to the utilisation of staff is recognised over time and that relating from the sale of cell lines is at a point in time.

2. Accounting policies (continued)

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Research and development expenditure

Capitalisation of expenditure on research and development commences from the point at which technical feasibility and commercial viability of the product can be demonstrated and the Company is satisfied that it is probable that future economic benefits will result from the product once completed. No such costs have been capitalised to date, given the early stage of the Company's intellectual property.

Expenditure on research and development activities that do not meet the above criteria, including ongoing costs associated with acquired intellectual property rights and intellectual property rights generated internally by the Company, is charged to the Statement of Comprehensive Income as incurred.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.11 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.12 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Accounting policies (continued)

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 3-8 years
Computer equipment	- 3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.16 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.18 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 Financial instruments

The Group has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS

2. Accounting policies (continued)

2.19 Financial instruments (continued)

102 to all of its financial instruments.

Financial instruments are recognised in the Group's Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

2. Accounting policies (continued)

2.19 Financial instruments (continued)

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

3. Employees

The average monthly number of employees, including directors, during the year was 26 *(2023 - 34)*.

4. Intangible assets

Group and Company

	Licence fees and intellectual property rights £
Cost	
At 1 April 2023	**7,099,784**
At 31 March 2024	**7,099,784**
Amortisation	
At 1 April 2023	**6,913,440**
Charge for the year	**186,344**
At 31 March 2024	**7,099,784**
Net book value	
At 31 March 2024	**-**
At 31 March 2023	*186,344*

All of the Group's intangible fixed assets are held in the Parent Company.

5. Tangible fixed assets

Group

	Plant and equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2023	**3,108,924**	**216,021**	**3,324,945**
Disposals	**(99,847)**	**(40,395)**	**(140,242)**
At 31 March 2024	**3,009,077**	**175,626**	**3,184,703**
Depreciation			
At 1 April 2023	**2,510,648**	**193,778**	**2,704,426**
Charge for the year	**242,095**	**10,106**	**252,201**
Disposals	**(97,531)**	**(40,395)**	**(137,926)**
At 31 March 2024	**2,655,212**	**163,489**	**2,818,701**
Net book value			
At 31 March 2024	**353,865**	**12,137**	**366,002**
At 31 March 2023	*598,276*	*22,243*	*620,519*

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2024 £	*2023* £
Plant and equipment	**-**	*2,333*
	-	*2,333*

5. Tangible fixed assets (continued)

Company

	Plant and equipment £
Cost or valuation	
At 1 April 2023	**953,207**
At 31 March 2024	**953,207**
Depreciation	
At 1 April 2023	**675,187**
Charge for the year	**95,321**
At 31 March 2024	**770,508**
Net book value	
At 31 March 2024	**182,699**
At 31 March 2023	*278,020*

6. Investment in subsidiaries

The Company holds 100% of the following direct subsidiaries:

- ReNeuron Limited, United Kingdom
- ReNeuron Holdings Limited, United Kingdom
- ReNeuron Inc, United States of America

The Company holds 100% of the following indirect subdiairies:

- ReNeuron (UK) Limited, United Kingdom
- ReNeuron Ireland Limited, Republic of Ireland

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. Debtors

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Trade debtors	**-**	*159,856*	**-**	*-*
Other debtors	**33,490**	*66,170*	**2,705**	*25,660*
Prepayments and accrued income	**244,092**	*273,479*	**-**	*-*
Tax recoverable	**603,000**	*1,185,000*	**-**	*-*
	880,582	*1,684,505*	**2,705**	*25,660*

8. Creditors: Amounts falling due within one year

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Trade creditors	**386,060**	*296,419*	**-**	*-*
Other taxation and social security	**59,720**	*96,123*	**-**	*-*
Obligations under leases	**267,689**	*156,277*	**265,064**	*151,333*
Other creditors	**12,526**	*22,131*	**-**	*-*
Accruals and deferred income	**531,991**	*3,751,815*	**18,450**	*-*
	1,257,986	*4,322,765*	**283,514**	*151,333*

Amounts owed to group undertakings are not interest bearing and have no fixed repayment date. Included in accruals and deferred income are government grants of £84,000 (2023: £457,000).

9. Creditors: Amounts falling due after more than one year

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Net obligations under leases	**-**	*265,064*	**-**	*265,064*
	-	*265,064*	**-**	*265,064*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. Leases

The Group has early adopted updates to FRS 102 section 20 which require the Group to recognise a right of use asset and a lease liability on the balance sheet at commencement date. The Group depreciates the right of use assets on a straight line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. Such assets have been classified within tangible assets for the purposes of applying section 1A of FRS 102. Lease liabilities are recorded at the commencement date at the present value of unpaid lease payments, discounted using the Group's incremental borrowing rate. Short term leases and low-value leases are recognised on a straight line basis as an expense in the profit or loss account.

Minimum lease payments under finance leases fall due as follows:

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Within one year	**267,689**	*151,333*	**265,064**	*151,333*
Between 1-5 years	**-**	*265,064*	**-**	*265,064*
	267,689	*416,397*	**265,064**	*416,397*

11. Share capital

	2024 £	*2023 £*
Allotted, called up and fully paid		
57,173,760 *(2023 - 57,173,760)* Ordinary shares of £0.01 each	**571,738**	*571,738*

12. Controlling party

There is no ultimate controlling party.