Nuformix plc

Annual Report and Accounts

For the year ended 31st March 2018

Contents

Company Information

Directors	Dr D J Tapolczay Dr J M Holland Dr D J Gooding Prof. F J Lidgey Mr K D Siderman-Wolter Dr C P Blackwell
Company Secretary	SGH Company Secretaries Limited
Registered Office	6th Floor 60 Gracechurch Street London EC3V 0HR
Auditors	haysmacintyre 10 Queen Street Place London EC4R 1AG
Registrars	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Company Website	www. nuformix.com

Chairman's Statement

Overview

2017/18 was a year of both transition and breakthrough for Nuformix plc (the Company).

On 13 October 2017 the Company successfully completed both a reverse takeover of Nuformix Limited, now renamed Nuformix Technologies Limited (Nuformix), and a parallel placing of new shares, raising £2.3m to predominantly fund entry to clinical development for Nuformix's technology and associated lead programmes for the first time. The resulting enlarged group (the 'Group') conducts pharmaceutical development activities, minimising risk in clinical development by creating innovative new therapies based on known drugs.

The Group's innovative therapies are made possible via cocrystal technology, which provides new intellectual property plus performance and commercial advantages to enable the development of new products. The Group now seeks to maximise the value of its existing intellectual property portfolio by ultimately conducting patient proof-of-concept studies for a small number of compelling assets prior to out-licensing, leveraging its capital markets facing position to further develop and broaden its portfolio to maximise mid to long-term shareholder value.

Following completion of the transaction, the Board has been strengthened and a new early revenue generating licensing agreement was put in place and as such, the Group is now positioned for considerable future growth. The positive pilot results for NXP002 announced in January 2018 for liver and lung fibrosis provide further evidence of the exciting opportunities within the Group's product pipeline as it continues to execute its strategy of better harnessing the therapeutic potential of known drugs for the treatment of unmet patient needs.

Prior to the acquisition, the Company, previously called Levrett plc, was an investment company formed with the intention of acquiring a target company with realisable or developed commercial technologies in the pharmaceutical and biotechnology sector. The acquisition of Nuformix by the Company has been accounted for as a reverse acquisition. As part of the completion of this reverse merger, the name of the Company was changed from Levrett plc to Nuformix plc on 13 October 2017.

The total loss for the year amounted to £1,838,263 (2017: £286,913). The results for 2017/18 year-end are highly impacted by the expenses relating to the reverse acquisition and related due diligence. The operating loss (which includes the costs of the reverse merger completed in October 2017) for the year ended 31 March 2018 amounted to £1,961,506 (2017: £333,990). Assuming the costs relating to the acquisition were excluded, the operating loss would be £899,364 (2017: a loss of £333,990).

Board changes

During the year, the Company has made some changes in order to strengthen the Board of Directors:

On 13 October 2017 the Group completed the reverse takeover process and at that time appointed me as Chairman, Kirk Siderman-Wolter as non-executive director and CFO and Francis John Lidgey as non-executive director. Furthermore, Dan Gooding (CEO) and Joanne Holland (CSO) were appointed executive directors for the Company.

Subsequent to year-end, the Company announced that Chris Blackwell was appointed non-executive director on 10 May 2018.

Chairman’s Statement

continued

Current trading and outlook

This year saw the Group achieve transformational change, putting it on a new path towards significant growth and is testament to the skills and experience of our people. With licensing income of £2.5m due in 2019 and the formation of strategic collaborations, the foundations are in place for the next stage of the journey and I believe that our strategy and business model will deliver significant growth in shareholder value.

David Tapolczay
Chairman

26 July 2018

Strategic Report

Nuformix plc, (the 'Company') a pharmaceutical development company, with shares are traded on the Main Market of the London Stock Exchange.

Objective and strategy

The Company is focussed on building value for shareholders through its activities in drug development and by out-licensing. Nuformix uses cocrystal technology to re-engineer the crystalline form of known small molecule drugs. The resulting novel drug cocrystals have new and improved physical properties that can enable advantageous new products, in addition to strategic benefits. Furthermore, the resulting drug cocrystals are protected with new 'substance of matter' intellectual property protection. Nuformix's cocrystal technology expertise generates value and revenue by developing new cocrystal-based therapies using known drugs and licensing them to pharmaceutical and biotechnology companies. The initial product development focus is in the fields of oncology supportive care and fibrosis. However, the Company is building a pipeline of additional products behind its lead programmes, which it will continue to develop both in-house and in collaboration with external partners.

Operational Highlights

2018 was a transformational year for the Company. Since completing its successful reverse takeover of Levrett plc and a placing of new ordinary shares raising £2.3m, the Company and its subsidiary, Nuformix Technologies Limited (the 'Group') immediately focused all efforts and resources into progressing its lead programmes and establishing key commercial relationships with both research partners and licensees.

Strategic Review

The Company has completed a full Strategic, Commercial and Operational Review in respect of Nuformix's lead programmes, its wider portfolio and early-stage pipeline. All previously planned research and development activities are fully supported by the newly formed Advisory Panel and the Board, as are the associated commercial objectives.

Team

Nuformix has added world class members to its team to support the Group's technical and commercial aspirations. Nuformix announced the creation of its Advisory Panel, with Dr Andy Richards as Chairman. Within Research and Development, Dr Alex Eberlin has joined the team as Head of Chemistry. Post year end, key additions have followed, including Dr Chris Blackwell joining the Nuformix Board as a Non-Executive Director. These additions bring a wealth of proven expertise in life sciences value creation and broadens the Group's network.

Lead Programmes

In respect of NXP001, the Group is currently awaiting confirmation that its first pre-clinical milestone has been achieved, which will result in an initial payment of £500,000 from Newsummit Biopharma ("NSB"). In addition, the Group is on track to deliver its first human pharmacokinetic data in early 2019. MHRA clearance is expected in November 2018 with patients scheduled for dosing in January 2019. All clinical materials have been generated and are ready for the commencement of a study at Quotient. Demonstration of bioequivalence to the reference product will trigger a further £2 million payment from NSB, whilst the marketing of the Rest of World rights will commence in Q3 2018.

Strategic Report

continued

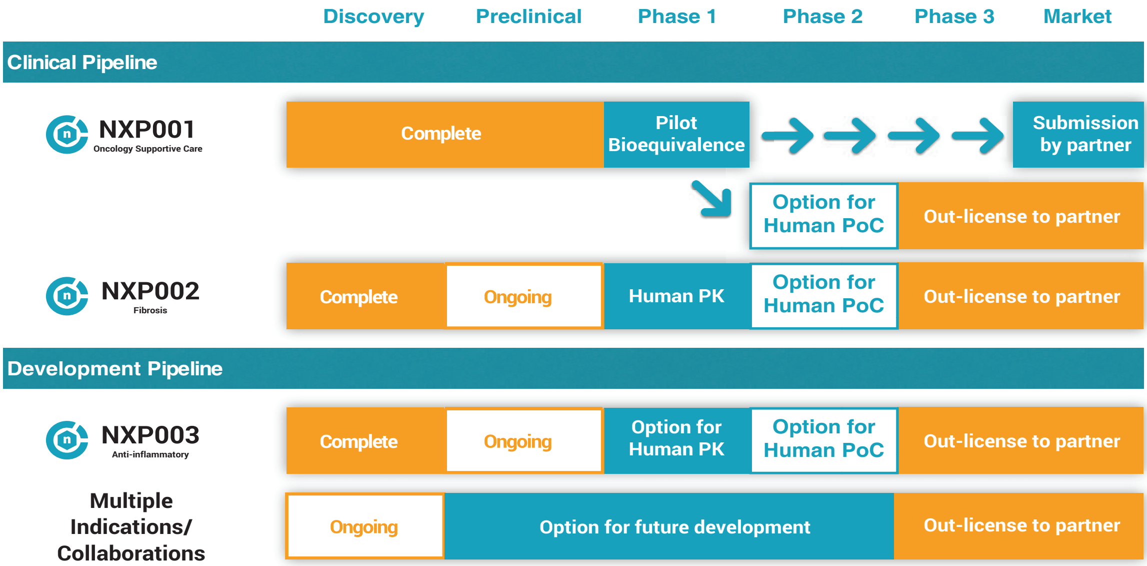
In respect of NXP002, our Strategic Review combined with emerging pre-clinical data strongly supports primary development towards a treatment for Idiopathic Pulmonary Fibrosis ("IPF"). The Group expects to announce completion of its pre-clinical IPF programme shortly, following initial positive pilot study results as previously announced. Formulation development activities are on-going as the Group positions itself for an initial patient proof-of-concept study in IPF prior to commercial out-licensing. Additional development opportunities and further partnerships are being explored in parallel.

Pipeline Development

The Group has made additional progress with its product pipeline to maximise the opportunity to address unmet patient needs using cocrystal technology and de-risking commercial success. In pipeline development, we continue to validate a select number of early-stage cocrystal-based products to support future progression to clinic. The Group is pleased to announce that it has discovered new cocrystal drug forms for molecules of therapeutic and commercial interest.

Product Development Pipeline

The outline product development pipeline for our current portfolio of clinical and pre-clinical programmes is as follows:



Commercial Highlights

On 15 December 2017, the Group announced its first licensing agreement with Newsummit Biopharma Group Company Limited, Shanghai ("Newsummit") to license NXP001 exclusively for the Chinese market. Newsummit has agreed to pay an aggregate fee of £2,500,000, upon attainment of agreement milestones, in addition to double-digit royalties on all Newsummit revenues derived from NXP001. Nuformix is currently in commercial discussions with a number of companies in relation to the out-licensing of its NXP001 and NXP002 assets, in-line with its stated business strategy.

Furthermore, the Company is also currently in commercial discussions with a number of companies in relation to the formation of collaborative development partnerships where Nuformix will share future development risk with partner companies in supporting their development of proprietary assets using Nuformix technology. Collaborations allow rapid growth in the number and value of Nuformix assets and, in addition, generate upfront and near-term revenue.

Strategic Report

continued

Financial Highlights

- Net assets at year-end of £4,493,142 (2016: £221,512), which include £338,167 cash at bank (2016: £4,446). The Company has seen growth in the value of its patents following continued investment into its intellectual property portfolio.
- Loss on ordinary activities (after tax credit) of £1,838,263 (2017: loss of £286,913). Loss per share of 0.49p (2017: 0.10p). Loss is driven primarily by transaction costs but also the acceleration of product development costs post-merger in preparation for commencement of clinical studies.
- Successful completion of the acquisition of Nuformix Technologies Limited in October 2017 for £11.25 million in shares.
- Successful placing in October 2017 to raise £2.3 million before expenses.
- Transaction expenses of £360,000, which are higher than expected due to the protracted nature of the transaction. A significant time passed following the initial announcement of the merger, largely spent satisfying regulatory requirements to allow completion. An opportunity arose for early settlement of the Corvus success fee resulting in a 35% discount, which the Directors accepted. While this has impacted the Company's cash position, the discount achieved has helped to offset the increase in costs of the business combination.
- Share based payment charges, which are not cash reducing, to incentivise directors and key management of £702,142.
- Licensing agreement signed with Newsummit will generate £2.5 million in income in 2019. The Company is in commercial discussions with a number of organisations regarding additional out-licensing and collaborative development opportunities, which will also be revenue generating in 2019.

Performance

The following are the key performance indicators ("KPIs") considered by the Board in assessing the Group's performance against its objectives. These KPIs are:

Progress of Lead Programmes: Lead programmes are progressing at an acceptable rate. Clinical data from NXP001 will shortly trigger commercial milestones to support the Company's development and commercial objectives.

Financial Resources: Company cash position of £338,167 allows lead programmes to maintain progression towards their key milestones.

Dan Gooding
CEO

26 July 2018

Board of Directors

Dr David Tapolczay, Non-Executive Chairman

David is the CEO LifeArc a UK Charity (formerly known as Medical Research Technology). He was previously CSO at Sigma Aldrich and VP Technology Development at GSK and has over 30 years' experience of Pharmaceutical and Agrochemical R&D management and licensing. His past roles include founding CEO and Chairman of Pharmorphix, CEO of Stylacats, Senior Vice President Pharmaceutical Sciences at Millennium, Vice President R&D Cambridge Discovery Chemistry, and worldwide head of chemistry for Zeneca agrochemicals and senior manager of chemical development for Glaxo. David brings a wealth of experience in creating value in early-stage companies and is a cofounder of Nuformix. David is the currently the Chair of the Board and of the Audit, Remuneration and Nomination Committees. He is also a member of the Disclosure Committee.

Dr Daniel Gooding, Chief Executive Officer

Dan brings over 18 years' experience in commercialisation and business development within the pharmaceutical industry, having received his PhD in Chemistry from Leeds University. Dan began his career in commercial roles with pharmaceutical excipients companies including FMC and Dow Corning. At Accelrys Dan was responsible for sales across the UK and Southern Europe driving new business development within the emerging nanotechnology, drug delivery and formulation sectors. Dan has also led successful licensing deals within the pharmaceutical industry with companies such as Johnson & Johnson and AstraZeneca. Dan is a cofounder of Nuformix. Dan is a member of the Nomination Committee.

Dr Joanne Holland, Chief Scientific Officer

Joanne received her PhD in Chemistry from Leeds University. She joined the process R&D group at Millennium Pharmaceuticals before moving to a combined research and commercial role at Stylacats Ltd. After this Joanne worked for Medeor Pharma Ltd and Medeor Ltd undertaking commercial and scientific research on new business and investment opportunities. Joanne is a cofounder of Nuformix, and is responsible for R&D, intellectual property and regulatory issues.

Mr Kirk Siderman-Wolter, Non-Executive Director

Kirk Siderman-Wolter is a Non-Executive Director with Nuformix plc. He comes with extensive finance experience, from audit to Board Level in the private, public and charities sectors in the UK, Europe, Asia and the Americas. He has supported start-ups and large corporations including Cable & Wireless, O2 and Vodafone and has held posts with the Ministry of Justice, BIS, the Home Office and the Foreign & Commonwealth Office. Kirk has an MBA from the London Business School and is a Fellow of the Royal Society for Arts, Manufactures and Commerce. Kirk is a member of the Audit, Remuneration and Nomination Committee and is the Senior Independent Director and Chairman of the Disclosure Committee.

Professor Francis John Lidgey, Non-Executive Director

Francis John (John) Lidgey, formerly Chairman of Levrett plc, is a Non-Executive Director with Nuformix plc. The majority of his career was spent as an academic, initially with the University of Newcastle, Australia and then at Oxford Brookes University. His principal area of expertise is electronic engineering and he has gained significant international recognition for his research achievements in analogue circuit and system design, with applications covering many sectors including bio-medical electronics and diagnostic instrumentation. John is Emeritus Professor of Electronic Engineering at Oxford Brookes University.

Board of Directors

continued

Dr Christopher Blackwell – Non-Executive Director

Chris Blackwell, formerly CEO of Vectura Group Plc from February 2004 to June 2015 was appointed a Non-Executive Director with Nuformix plc on 10 May 2018. His primary role with Vectura was to refocus drug development capabilities from a research led biotechnology company to a commercially driven pharmaceutical development company. Chris initially joined GSK as a Clinical Pharmacologist post PhD studies at Bath, moving to Hoffman La-Roche as UK Director, Global Project Management. At Scotia Pharma Ltd Chris served as Director of Drug Development and Executive Director. Chris is a non-executive Director of AGI Therapeutics plc.

Mr Pascal Hughes

Pascal Hughes, the former CEO of Levrett, resigned from the Board on 16 October 2017 following the completion of the acquisition of Nuformix Limited.

Mr Anthony Reeves

Anthony Reeves, the former Non-Executive Director of Levrett, resigned from the Board on 16 October 2017 following the completion of the acquisition of Nuformix Limited.

Corporate Governance Report

As a standard listed company, the Board of Nuformix plc is not required to comply with the UK Corporate Governance Code published by the Financial Reporting Council in April 2016 ('the Code'). However, the Board is committed to maintaining high standards of corporate governance and business ethics. Copies of the Code are available from the Financial Reporting Council's website at www.frc.org.uk.

This report sets out how the Company has applied the principles in the Code and the extent to which it has complied with the detailed provisions of the Code. The Board considers that the Company has complied with all of the provisions of the Code throughout the year ended 31 March 2018, except as follows:

- Independence of the Chairman. The current Chairman David Tapolczay is not deemed as independent as a result of being a co-founder and shareholder in the Company.
- The constitution of the Board Committees. The constitution of the Board Committees are currently being reviewed to ensure the correct balance of independence and suitable candidates are maintained and necessary for a smaller listed company. The Board is actively seeking professional advice on skills, succession planning and recruitment.
- The Chairman of the Audit Committee. The current Chairman of the Audit Committee is also the Chairman of the Board, an appointment which was in keeping with the prospectus document at the time of the reverse takeover. As stated above the Company is currently undergoing a review of its Committees and the number of independent non-executive directors needed to constitute an effective Board.
- Carrying out a Board effectiveness evaluation. The current board have only been in place since October 2017. The intention is that an evaluation will be carried out during the current year and in any event before the expiry of the 12 months from the date of the reverse takeover.
- External audit. The current board have only been in place since October 2017. The intention is that the Audit Committee will conduct a review of the external audit, including its effectiveness and independence on an annual basis and will make recommendations to the Board regarding the re-appointment or removal of the external auditor, their terms of engagement and the level of their remuneration. The Committee will also review process which is in place to ensure the independence and objectivity of the external auditor.

Board of Directors

The Board is responsible to the Company's shareholders for the performance, overall strategic direction, values and governance of the Company. It provides the leadership necessary to enable the Company's business objectives to be met within the framework of the internal controls detailed in the report.

Composition

The Board currently comprises four non-executive Directors and two executive Directors. Brief biographies of the Directors appear on pages 8 to 9. The Board considers that it has an appropriate balance of skills, knowledge and experience available to it.

David Tapolczay is the Chairman and he is responsible for the effective running of the Board, including setting the Board's agenda and ensuring that all matters relating to performance and strategy are fully addressed. The role description of the Chairman is documented and has been approved by the Board.

Corporate Governance Report

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Non-executive Directors

Each non-executive Director is appointed for an initial term of one year. Subject to agreement, satisfactory performance and re-election by shareholders, their appointments may be renewed for further terms of one year.

Director independence and commitment

In the opinion of the Board, Professor John Lidgey and Kirk Siderman-Wolter are considered to be independent in character and judgement and there are no relationships or circumstances which are likely to affect (or could appear to affect) their judgement.

Chris Blackwell was appointed to the Board on 10 May 2018 following a formal, rigorous and transparent procedure. He is not considered to be independent as he has entered into a consultancy agreement with the Company, details of which can be obtained from the Company's Registered Office and will be available for examination 15 minutes before the start of the AGM on 19 September 2018.

Directors' conflicts of interests

The Company's Articles of Association allow the Directors to authorise conflicts of interest and a register has been set up to record all actual and potential conflict situations which have been declared. All declared conflicts have been approved by the Board. The Company has instituted procedures to ensure that Directors' outside interests do not give rise to conflicts with its operations and strategy.

Where there is any conflict of interests, the relevant director does not participate in Board discussions or decisions on such matters and minutes relating to such matters are not circulated to those individuals.

The Board is of the view that the Chairman and each of the non-executive Directors who held office during the 2018 period committed sufficient time to fulfilling their duties as members of the Board.

Senior Independent Director

No Senior Independent Director was appointed during the 2018 period as the Company was in the early stages of putting the necessary policies and procedures in place. Kirk Siderman-Wolter has since been appointed as the Senior Independent Director with effect from 16 July 2018.

Director re-election

In order to comply with the UK Corporate Governance Code, all Directors will offer themselves for re-election by shareholders at each AGM.

Board support

There are agreed procedures for the Directors to take independent professional advice, if necessary, at the Company's expense. All Directors have access to the advice and services of the Company Secretary. In addition, newly appointed Directors are provided with comprehensive information about the Company as part of their induction process.

Corporate Governance Report

continued

While no formal structured continuing professional development programme has been established for the non-executive Directors, every effort is made to ensure that they are fully briefed before Board meetings on the Company's business and its investments. In addition, they receive updates from time to time from the executive Directors on specific topics affecting the Company and from the Company Secretary on recent developments in corporate governance and compliance. The Company also arranges Director training from time to time on Corporate Governance topics and general Director's responsibilities. Each of the non-executive Directors also independently ensures that they update their skills and knowledge sufficiently to enable them to fulfil their duties appropriately.

The Board has adopted a schedule of matters reserved to it for approval. These include the approval of changes to the issued share capital of the Company, any material changes in the nature or scope of the business of the Company, any borrowing or raising of money by the Company which would result in the aggregate borrowing of the Company exceeding £100,000 and any lending or giving security on behalf of any shareholder or associate of any shareholder of the Company. The Board delegates specific responsibilities to its Committees, which operate within written terms of reference approved by the Board. These Committees report regularly to the Board.

Board effectiveness

The current board have only been in place since October 2017. The intention is that an evaluation will be carried out during the current year and in any event before the expiry of the 12 months from the date of the reverse takeover.

Board meetings

Two scheduled Board meetings were held, with the newly constituted Board for the period following the reverse takeover and the 2018 year-end period. The Board currently has four scheduled meetings for the coming year. At each scheduled meeting, the Board considers a report from the CEO on current operational, risk, strategic and health and safety matters, as well as a financial and human resources report. Papers for each scheduled Board meeting are usually provided during the week before the meeting.

Attendance at Board meetings

The following were Directors of the Company during the 2018 period. The list includes the attendance at the scheduled meetings during the year. Note: details of meeting attendance from the former Directors of Levrett are also included.

	Board	*Audit*	*Nomination*	*Remuneration*	*Disclosure*
Meetings held[1]	**6**	**–**	**–**	**–**	**–**
Pascal Hughes*	2	–	–	–	–
Anthony Reeves*	4	–	–	–	–
Francis John Lidgey*	6	–	–	–	–
David Tapolczay	2	–	–	–	–
Dan Gooding	2	–	–	–	–
Kirk Siderman-Wolter	2	–	–	–	–
Joanne Holland	2	–	–	–	–

* Includes attendance at the four Levrett's meetings held prior to the reverse takeover.

1 For the period April 2017 to 2018 year-end and include pre reverse takeover meetings.

Corporate Governance Report

continued

Board committees

The Board has an Audit, Remuneration, Nomination and a Disclosure Committee.

Each Board committee has established terms of reference detailing its responsibilities and powers. These are available in the Policies section of the Company's website at www.nuformix.com.

Audit Committee

In its obligation to establish formal and transparent arrangements for considering risk management and internal controls in addition to maintaining an appropriate relationship with the Company's auditors, the Board has established an Audit Committee, which comprises of David Tapolczay as Chairman and Kirk Siderman-Wolter as a member. Both members of the Committee have been deemed to possess competence relevant to the sector in which the Company operates and Kirk has recent and relevant financial experience.

The Chairman of the Committee may invite non-members to attend Committee meetings and these typically include a representative of the Company's external auditor and the CEO. No meeting of the Committee took place during the period following the reverse takeover (October 2017) to the Companies year end (31 March 2018). The Committee has three meetings scheduled for the coming year.

The terms of reference for the Committee take into account the requirements of the Code and are available on the Company's website at www.nuformix.com. The current composition of the Committee meets the requirement set out for smaller companies. A key role of the Committee is to assist the Board with the discharge of its responsibilities in relation to the Company's financial statements in the areas set out below.

Going forward, the Committee Chairman will report to the full Board at each scheduled Board meeting immediately following a Committee meeting.

Corporate reporting

The Committee monitors the integrity of the financial statements of the Company and formal announcements relating to the Company's financial performance, reviewing significant financial reporting judgements contained therein. It reviews the draft annual financial statements and half year results statements prior to discussion and approval by the Board. It also reviews the external auditor's detailed reports on these statements.

The Committee then reports to the Board on matters which it considers the Board should take into account in ensuring the publication of the financial reports provide a fair; balanced and understandable assessment of the Company's position. The Committee also considers the findings reported to it by the external auditor's process.

The Company has control mechanisms in place for the engagement of the external auditor in the supply of non-audit services. These controls ensure that the objectivity and independence of the external auditor in monitored and maintained in projects of a non-audit nature. These controls are reviewed annually to consider their continued appropriateness and effectiveness. It is however acknowledged that, due to their detailed understanding of the Company's business, it may sometimes be necessary or desirable to involve the external auditor in non-audit related work to the extent permitted.

Internal control and risk management

On the 2 January 2018 SGH Company Secretaries Limited was appointed as Company Secretary, upon the resignation of St James Corporate Service Limited.

Corporate Governance Report

continued

Risk management and internal controls is a standing agenda item for each Audit Committee Meeting.

The Committee reviews the effectiveness of the internal controls throughout the year and will take any necessary actions should any significant failings or weaknesses be identified. Details of the principal risks and uncertainties potentially facing the Company can be found in the Strategic Report on pages 5 to 7.

Remuneration Committee

The Board has established a Remuneration Committee in order to set formal and transparent procedures and policies for development of Directors remuneration packages. The Remuneration Committee currently comprises of David Tapolczay, the Chairman and Kirk Siderman-Wolter. David was appointed as Chairman, which was in keeping with the prospectus document at the time of the reverse takeover. As stated above the Company is currently undergoing a review of its Committees and the number of independent non-executive directors needed to constitute an effective Board.

Going forward the Committee Chairman will report to the full Board at each scheduled Board meeting immediately following a Committee meeting.

The terms of reference for the Committee take into account the requirements of the Code and are available on the Company's website at www.nuformix.com.

The Committee has two meetings scheduled for the coming year and as mentioned above, the composition of the Committee is under review.

Nomination Committee

The Company's Nomination Committee comprises of David Tapolczay, the Chairman, Kirk Siderman-Wolter and Dan Gooding. The Committee is responsible for assisting the Board in determining the composition and make-up of the Board. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors, as the need arises. The selection process is, in the Board's view, both rigorous and transparent in order to ensure that appointments are made on merit and against objective criteria set by the Committee. In reviewing potential candidates, the Committee takes into account the need to consider the benefits of diversity on the Board, while ensuring that appointments are made based on merit and relevant experience.

The Committee in consideration of skills and succession planning, looks at the balance, structure and composition of the Board and takes into account the future challenges and opportunities facing the Company.

The Nomination Committee meets as required, but at least once each year. There are two scheduled meetings for the coming year in order to review the current constitution of the Board and its Committees and to discuss the outcomes of the professional advice obtained on the skills, succession planning and recruitment of new members.

The terms of reference for the Committee are available on the Company's website at www.nuformix.com.

Corporate Governance Report

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Disclosure Committee

The Board has established a Disclosure Committee with responsibilities which include the maintenance of procedures, systems and controls for inside information, ensuring that all regulatory announcements, shareholder circulars and other regulatory documents are properly scrutinised to ensure compliance with applicable requirements and monitor compliance with the Company's Disclosure Procedures. The members of the Disclosure Committee include Kirk Siderman-Wolter, the Chairman and Dan Gooding.

The terms of reference for the Committee take into account the requirements of the UK Listing Rules (LRs) and the Disclosure Guidance and Transparency Rules (DTRs) and are available on the Company's website at www.nuformix.com. The role of the Committee is to assist the Board with the discharge of its responsibilities in relation to the Company's financial statements in the areas set out below.

The Committee meets as required, but at least once each year.

Shareholder Communications

The Board regularly communicates with shareholders via their PR Agents, RNS announcements, VOX markets and CoreTV London. Additionally, the Board uses the AGM as an occasion to communicate with all shareholders, including private investors, who are provided with the opportunity to ask questions. At the AGM the level of proxy votes lodged on each resolution is made available, both at the meeting and subsequently on the Company's website. Each substantially separate issue is presented as a separate resolution. The Committee Chairmen are available to answer questions from shareholders.

The interim and annual results of the Company, along with all other press releases, are posted on the Company's website, www.nuformix.com as soon as possible after they have been announced to the market. The website also contains general information on the Company's business, its technology, strategy, business model and R&D activities, plus details of the reverse takeover transformation with Levrett and links to related documents. The website is currently undergoing a transition period and will soon contain information on the Company's share price and other trading-related access, in addition to all shareholder-relevant information and PR material.

Financial Reporting

The Directors have acknowledged, in the Statement of Directors' Responsibilities set out on page 22, their responsibility for preparing the financial statements of the Company. The external auditor has included, in the Independent Auditor's Report set out on pages 24 to 27, a statement about its reporting responsibilities.

The Directors are also responsible for the publication of a half year report for the Company, which provides a balanced and fair assessment of the Company's financial position for the first six months of each accounting period.

David Taploczay
Chairman

26 July 2018

Remuneration Report

Introduction from the Chairman

I am pleased to present our report on Directors' remuneration for 2018, which includes amounts actually paid to Directors in 2018, on which shareholders will be asked to vote in an advisory manner at the AGM in September 2018. It includes information subject to audit. The members of the Remuneration Committee from 16 October 2017, (post the reverse takeover) are David Tapolczay, the Committee Chairman and Kirk Siderman-Wolter.

The Board's policy is to set Directors' remuneration at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the expected contribution of the Board as a whole in continuing to achieve the commercial and corporate development objectives as per the Strategic Report. Following the reverse acquisition, the Directors took the opportunity to review a number of policies, including the Remuneration Policy. This new Remuneration Policy will be presented to the shareholders at the AGM in September 2018 for approval. The Company is only permitted to make a payment to a Director if that payment is in line with the policy. A copy of the policy can be found on pages 19 to 20.

David Tapolczay
Chairman

26 July 2018

Remuneration Report

continued

Remuneration for the year ended 31 March 2018

The tables below (which have been subject to audit) sets out amounts paid to each Director during the financial years ended 31 March 2018 and 2017:

	2018					
	Annual fees £'000	*Taxable benefits £'000*	*Carried interest £'000*	*Consulting Fees £'000*	*Bonus £'000*	*Total £'000*
Dan Gooding	110	0	0	0	0	110
Joanne Holland	100	0	0	0	0	100
TOTALS	210	0	0	0	0	210
Pascal Hughes[1]	24[3]	0	0	0	0	24[3]
Anthony Reeves[2]	2[4]	0	0	0	0	2[4]
David Tapolczay	8	0	0	0	0	8
John Lidgey	11	0	0	0	0	11
Kirk Siderman-Wolter	5	0	0	0	0	5
TOTALS	50	0	0	0	0	50

1 & 2 Resigned as Directors of Levrett on 16 October 2017 as a result of the reverse takeover.

3 & 4 Negotiated settlement for services rendered.

On 16 October 2017 Pascal Hughes and Anthony Reeves resigned as Directors of the Company and received payments of £24,000 and £2,000 respectively, representing a negotiated settlement for services rendered as Directors for the period 1 April 2017 to 16 October 2017.

	2017							
	Salary and fees £'000	*Taxable benefits £'000*	*Pension contributions £'000*	*Carried interest £'000*	*Bonus £'000*	*Compensation loss of office £'000*	*Consulting fees £'000*	*Total £'000*
Pascal Hughes[1]	32[3]	–	–	–	–	–	–	32[3]
Anthony Reeves[2]	24[4]	–	–	–	–	–	–	24[4]
John Lidgey	24[5]	–	–	–	–	–	–	24[5]
TOTALS	80[6]	–	–	–	–	–	–	80[6]

1 & 2 Resigned as Directors of Levrett on 16 October 2017 as a result of the reverse takeover.

3, 4 & 5 As a result of a decision taken by the Levrett Board in December 2016, to freeze directors pay, only £16k was paid with the balance of fees written off.

6 Actual totals paid £48k

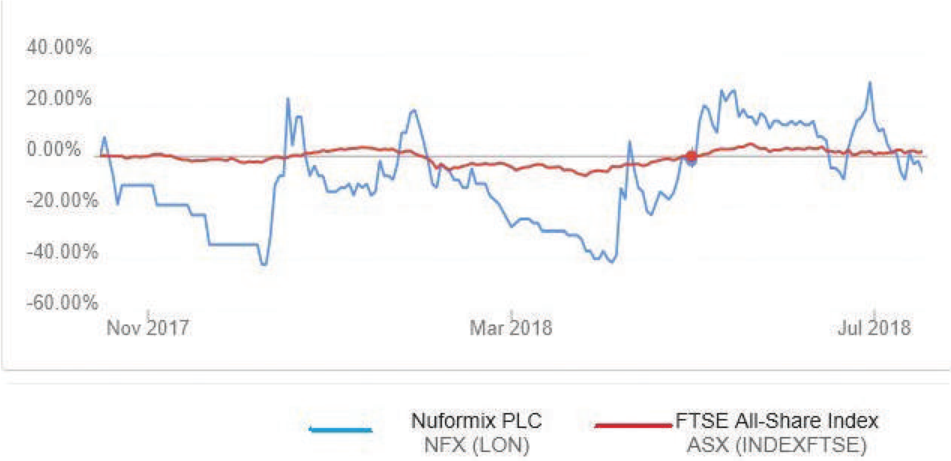
Remuneration Report

continued

Performance graph

The Committee considers the FTSE All-Share Index a relevant index for Total Shareholder Return and comparison disclosure as it represents a broad equity market index of which the Company is a member.

The performance graph below shows the Company's Total Shareholder Return performance for the past year compared with that of the FTSE All-Share Index.



Directors' letters of appointment

The following table provides details of the non-executive Directors' letters of appointment:

Name	*Date of Appointment*	*Date of expiry of current term*
P Hughes	8 July 2015	N/A[1]
A Reeves	8 July 2015	N/A[2]
D Tapolczay	16 October 2017	16 October 2019
K Siderman-Wolter	16 October 2017	16 October 2019
F J Lidgey	16 October 2017	16 October 2019

[1 & 2] Resigned at the time of reverse takeover on 16 October 2017.

Directors' interests in shares

The beneficial interests of the Directors in the ordinary shares of the Company are set out below:

	31 March	
	2018	*2017*
P Hughes	7,000,000	3,250,000
A Reeves	5,000,000	3,500,000
D Gooding	37,500,000	–
J Holland	37,500,000	–
D Tapolczay	45,000,000	–
F J Lidgey	1,000,000	1,000,000

Except as stated above, the Company is not aware of any other interests of any Director in the ordinary share capital of the Company. There are no requirements or guidelines concerning share ownership by Directors.

This report has been approved by the Board.

David Tapolczay
Chairman

26 July 2018

Remuneration Policy

This is the initial Directors' Remuneration Policy which will be proposed for adoption at the Annual General Meeting on Wednesday 19 September 2018 at 1pm.

The Remuneration Policy is designed to reflect remuneration trends and employment conditions across the Company, to support the Company's business strategy and to help the Company promote and attain its objective of long-term success.

The Remuneration Committee intends for the Remuneration Policy to apply for 3 years and will undertake an annual review of the policy to ensure the content continues to reflect the Company's business strategy.

Below is a table summarising the main aspects of the Remuneration Framework.

Fixed Element and Purpose	Operation	Maximum Potential Salary/Opportunity	Performance Metrics
Base Salary To provide a basic salary commensurate with role and experience which is comparable with that for similar pharma/ biotech, companies of a similar size in the Cambridge Region (we use Radford's recent Cambridge Survey as a comparator). The quantum of salary is also traded off against the Company's financial resources and its ability to pay salary for a sustainable period.	Salary is paid monthly. Salaries are reviewed annually by the Company's Remuneration Committee. Factors affecting salary pay are: • any relevant deductions (the Company offers childcare and cycle scheme vouchers); and • attainment of any bonus-related pay within a specified period in which the salary is paid.	There is no maximum salary opportunity. Salaries are paid based upon business performance and individual contributions towards this within the financial year. Salaries will be paid in accordance with the 2017 Radford Report which provides a benchmark for pay for numerous technical and management roles within the pharma/biotech and related companies in the Cambridge area.	Not applicable.
Pensions Our purpose at present is to comply with current legislation. In the future we are looking to provide a pension contribution commensurate with role and experience which is comparable with that for similar pharma/ biotech, companies of a similar size in the Cambridge Region (we use Radford's recent Cambridge Survey as a comparator) when cash resources within the business allow it.	Employees are automatically signed up to the Company pension plan. The current contribution that the Company pays as part of the defined contribution plan is 2%, subject to the employee paying 3%. Executives cannot receive a cash equivalent or salary supplement. Contributions are subject to legislative change however employees are not restricted in their contributions.	At present, the maximum Company contributions required by law are 2% (from 6 April 2018 – 5 April 2019). However, this will be increasing to 3% from 6 April 2018 where the employee will be subject to contributing a minimum of 5%. There are no maximum employee contributions. There are no cash allowances. These rules apply to all employees of the Company.	Not applicable.
Other Benefits (in cash or kind) The Company aims to provide a broader benefits package to employees.	Childcare and cycle scheme vouchers are available to employees.	Benefits are limited to maximum tax-free allowances.	Not applicable.

Remuneration Policy

continued

Variable Element and Purpose	Operation	Maximum Potential Salary/Opportunity	Performance Metrics
Bonuses The Company aims to provide an appropriate incentivised programme relating to individual performance.	The discretionary annual bonus scheme is designed to reward contributions made to the Company which exceed the expectations of the work levels expected and are connected with commercial events, specifically income from intellectual property out-licensing, collaborative development programmes or fundraising. Senior management currently receive bonus payments in relation to commercial transactions relating to the Company's lead programmes NXP001 and NXP002 (1% of License Fees received from the out-licensing of Nuformix patents for a period of 3 years from commencement). The Committee determines the annual targets and key performance indicators ("KPIs") and assess the performance against these targets and KPIs.	There is no maximum.	Bonuses are paid in the event of securing License fees from the out-licensing of Nuformix patents. Future metrics to be agreed as the Company continues to execute its Corporate Development strategy.
Long Term Incentive Schemes ("LTIS") Bonus payment effectively provides this for three years, as do the option agreements.	The Committee determines awards under LTIS annually.	There is no maximum.	Bonuses are paid in the event of securing License Fees from the out-licensing of Nuformix patents.
Profit sharing and Specific Incentive Remuneration Schemes/Arrangements There are no current plans for profit sharing.			
Share Option Schemes and Share Option Plans Provide employees with tax efficient means to benefit as they contribute to the growth of the company.	Specific bonus schemes awarded as disclosed.	No maximum.	Employees must stay with the business and be good leavers.

Safeguards (i.e. clawback)

The Committee has implemented a safeguard to ensure the business and remuneration targets are met in a sustainable way and performance reflects genuine achievement against those targets and therefore represents the delivery of value for shareholders. For each performance measure, the impact of any acquisition, divestment, out-licensing event or collaboration will be quantified and adjusted for after the event. Any major adjustment in the calculation of performance measures will be disclosed to shareholders on vesting. The Chairman of the Audit Committee and other members, who are also members of the Remuneration Committee, provide input on the Audit & Committee's review of the Company's performance and oversight of any risk factors relevant to remuneration decisions.

Directors' Report

The directors present their report and the financial statements for the year ended 31 March 2018.

Results and Dividends

The loss for the period, after tax, amounted to £1,838,263 (2017 Loss: £286,913). The Directors do not propose a dividend.

Substantial shareholdings

As at 31 March 2018 the Company is aware of the following notifiable interests in its voting rights:

	Number of ordinary shares	*Percentage of voting rights*
Spreadex Limited	64,200,000	13.93%
Centre for Process Innovation Limited	62,700,000	13.61%
Dr D J Tapolczay	45,000,000	9.77%
Mr A Chorlton	42,000,000	9.12%
Dr J M Holland	37,500,000	8.14%
Dr D J Gooding	37,500,000	8.14%
Raymond James Investment Services Limited	22,500,000	4.88%
Novum Securities Limited	22,500,000	4.88%

Directors' of the Company

The directors, who held office during the year, were as follows:

Mr P D Hughes (resigned 16 October 2017)
Prof F J Lidgey
Mr A H Reeves (resigned 16 October 2017)
Dr D J Tapolczay (appointed 16 October 2017)
Dr J M Holland (appointed 16 October 2017)
Dr D J Gooding (appointed 16 October 2017)
Mr K D Siderman-Wolter (appointed 16 October 2017)

Following the year-end Dr C P Blackwell was appointed to the board on 10 May 2018.

Directors' interests in shares

The interests of in the equity of the Company held by Directors, who were directors at the year end, are set out below:

	As at 31 March 2018 Number of ordinary shares	*As at 31 March 2018 Number of share options and warrants*	*As at 31 March 2017 Number of ordinary shares*	*As at 31 March 2017 Number of share options and warrants*
Dr J M Holland	37,500,000	36,860,000	–	–
Dr D J Tapolczay	45,000,000	18,430,000	–	–
Dr D J Gooding	37,500,000	36,860,000	–	–
Mr K D Siderman-Wolter	–	–	–	–
Prof F J Lidgey	1,000,000	–	1,000,000	–

Directors' Report

continued

Directors' and officers' liability insurance

The Company has, as permitted by s234 and 235 of the Companies Act 2006, maintained insurance cover on behalf of the directors and company secretary indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

In the case of each person who was a director at the time of this report was approved:

- so far as that director is aware there is no relevant audit information of which the Company's auditor is unaware; and,
- that director has taken all steps that the director ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors’ Report
continued

Auditors

A resolution to re-appoint haysmacintyre as auditors will be presented to the members at the Annual General Meeting in accordance with Section 485(2) of the Companies Act 2006.

On behalf of the board,

Dan Gooding
CEO

26 July 2018

Independent Auditor's Report

to the Members of Nuformix plc

Opinion on financial statements of Nuformix Plc

We have audited the financial statements of Nuformix PLC (the 'parent company') and its subsidiary (the 'Group') for the year ended 31 March 2018 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated and Parent Company Cash Flow Statement 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 2018 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of financial statements is not appropriate; or
- the directors' have not disclosed in the financial statements or identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorized for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report

to the Members of Nuformix plc – continued

Risk	Our response
Going Concern **Ongoing losses may indicate that the accounts should not be prepared on a going concern basis.**	Review of cash flow forecasts and budgets prepared by the directors for the period ending 31 July 2019 to assess the reasonableness of the ongoing viability of the company and Group. Discussion with directors on future plans. Scrutinizing the sensitivities forecasted and assessment of the assumptions for reasonableness.
Carrying value of intangible assets **Losses may indicate that the intangible assets, including goodwill on consolidation, are impaired.**	Review of directors' impairment assessment of intangibles, including goodwill on consolidation. Critically challenging the directors' forecasts and projections used in the impairment review.
Valuation of options and warrants **Valuation of options and warrants may be incorrect due to assumptions and the key data from the agreements not being included appropriately.**	Assumptions critically discussed with management and assessed as to whether they are reasonable. Review of option and warrant agreements to ensure that terms have been appropriately reflected within the calculations and assumptions.
Accounting treatment for intangible assets **Goodwill arising on acquisition may be incorrectly calculated and not split across other intangible assets acquired.**	Review of goodwill calculations performed. Challenging management as to what other intangibles might have been acquired in the acquisition.

Our application of materiality

We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality both in planning our audit and in evaluating the results of our work.

We determined planning materiality for the Group to be £40,000, which is approximately 2% of 2017/18 expenditure. Overall performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the Group was 75% of materiality, namely £30,000.

We have agreed to report to the Audit Committee all audit differences in excess of £2,000, as well as differences below that threshold that, in our view, warrant reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Independent Auditor's Report

to the Members of Nuformix plc – continued

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the company and its environment, including internal control, and assessing the risks of material misstatement.

Based on that understanding our audit was focused on the key risks as described above.

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. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of other information. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 during the course of the audit:

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

Matters on which we are required to report by exception

In light of our 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 Strategic Report and 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.

Independent Auditor's Report

to the Members of Nuformix plc – continued

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 22, 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 company or to cease operations, or have no realistic alternative but to do so.

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

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Other matters which we are required to address

We were appointed by the directors to audit the financial statements for the period ending 31 March 2016. Our total uninterrupted period of engagement is three years, covering the period ending 31 March 2016 and the years ended 31 March 2017 and 2018.

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

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

Use of 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.

Ian Daniels
(Senior Statutory Auditor)
for and on behalf of haysmacintyre, Statutory Auditor
10 Queen Street Place, London, EC4R 1AG

26 July 2018

Consolidated Income Statement and Statement of Comprehensive Income

for the year-ended 31 March 2018

	Note	31 March 2018 £	31 March 2017 £
Revenue	5	15,000	–
Cost of sales		(203,868)	(86,187)
Gross loss		(188,868)	(86,187)
Administrative expenses before exceptional items		(729,016)	(282,975)
Exceptional items	4	(1,062,142)	–
Total administrative expenses		(1,791,158)	(282,975)
Other operating income	6	18,520	35,172
Operating loss	7	(1,961,506)	(333,990)
Finance costs	8	(3,547)	(21,363)
Loss before tax		(1,965,053)	(355,353)
Income tax receipt	12	126,790	68,440
Loss for the year and total comprehensive income for the year		(1,838,263)	(286,913)
Loss per share – basic and diluted	13	(0.49)p	(0.10)p

The above results were derived from continuing operations.

The accompanying notes to the financial statements on pages 32 to 49 form an integral part of the financial statements.

Consolidated Statement of Financial Position

as at 31 March 2018

(Registration number: 09632100)

	Note	*31 March 2018* *£*	*31 March 2017* *£*
Assets			
Non-current assets			
Property, plant and equipment	14	37,494	1,733
Intangible assets	15	4,275,920	234,334
		4,313,414	236,067
Current assets			
Trade and other receivables	16	180,322	84,175
Income tax asset		195,236	–
Cash and cash equivalents	17	338,167	4,446
		713,725	88,621
Total assets		5,027,139	324,688
Equity and liabilities			
Equity			
Share capital	18	460,750	95,750
Share premium		2,932,590	737,440
Merger relief reserve		10,950,000	–
Reverse acquisition reserve		(8,005,195)	(345,820)
Share option reserve		724,837	22,695
Retained earnings		(2,569,840)	(731,577)
Total equity		4,493,142	221,512
Current liabilities			
Trade and other payables	23	511,041	358,289
Loans and borrowings	20	22,956	187,911
		533,997	546,200
Total equity and liabilities		5,027,139	324,688

These financial statements were approved by the board on 26 July 2018 and were signed on its behalf by:

Dan Gooding

CEO

The accompanying notes to the financial statements on pages 32 to 49 form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

for the year-ended 31 March 2018

	Share capital £	Share premium £	Merger relief reserve £	Reverse acquisition reserve £	Share option reserve £	Retained earnings £	Total £
At 1 April 2017	95,750	737,440	–	(345,820)	22,695	(731,577)	(221,512)
Loss for the year and total comprehensive loss	–	–	–	–	–	(1,838,263)	(1,838,263)
Issue of shares as consideration	300,000	–	10,950,000	–	–	–	11,250,000
Share issue costs	–	(339,850)	–	–	–	–	(339,850)
Arising on reverse acquisition	–	–	–	(7,659,375)	–	–	(7,659,975)
Issue of share capital	57,500	2,242,500	–	–	–	–	2,300,000
Share based payment	7,500	292,500	–	–	702,142	–	1,002,142
At 31 March 2018	460,750	2,932,590	10,950,000	(8,005,195)	724,837	(2,569,840)	4,493,142

	Share capital £	Share premium £	Merger relief reserve £	Reverse acquisition reserve £	Share option reserve £	Retained earnings £	Total £
At 1 April 2016	100	509,965	–	–	–	(444,664)	65,401
Loss for the year and total comprehensive loss	–	–	–	–	–	(286,913)	(286,913)
At 31 March 2017	100	509,965	–	–	–	(731,577)	(212,512)
Arising on reverse acquisition	95,650	227,475	–	(345,820)	22,695	–	–
At 31 March 2017	95,750	737,440	–	(345,820)	22,695	(731,577)	(221,512)

The accompanying notes to the financial statements on pages 32 to 49 form an integral part of the financial statements.

Consolidated Statement of Cash Flows

for the year-ended 31 March 2018

	Note	*31 March 2018 £*	*31 March 2017 £*
Cash flows from operating activities			
Loss for the year		(1,838,263)	(286,913)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	7	47,433	35,030
Finance costs	8	3,547	21,363
Income tax expense	12	(126,790)	(68,440)
Share based payment		1,002,142	–
		(911,992)	(298,960)
Working capital adjustments			
Decrease in trade and other receivables	16	80,434	109,943
(Decrease)/increase in trade and other payables	23	(631,321)	205,819
Cash generated from operations		(1,462,819)	16,802
Income taxes (paid)/received	12	(68,445)	100,693
Net cash flow from operating activities		(1,531,264)	117,495
Cash flows from investing activities			
Cash acquired on reverse acquisition		678	–
Acquisitions of property plant and equipment		(44,094)	(751)
Acquisition of intangible assets	15	(57,202)	(92,503)
Net cash flows from investing activities		(100,618)	(93,254)
Cash flows from financing activities			
Proceeds of share issue		1,960,150	–
Interest paid	8	(2,061)	(1,765)
Foreign exchange (gains)/losses	8	7,514	(19,598)
Net cash flows from financing activities		1,965,603	(21,363)
Net increase in cash and cash equivalents		333,721	2,878
Cash and cash equivalents at 1 April		4,446	1,568
Cash and cash equivalents at 31 March		338,167	4,446

The accompanying notes to the financial statements on pages 32 to 49 form an integral part of the financial statements.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018

1 General information

Nuformix plc ("the Company") and its subsidiary (together, "the Group") operate in the field of complex scientific research, specifically drug development through the use of cocrystallisation.

The company is a public limited company which is listed on the London Stock Exchange, domiciled in the United Kingdom ("the UK") and incorporated in England and Wales.

The address of its registered office is:

6th Floor
60 Gracechurch Street
London
EC3V 0HR

2 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with adopted IFRSs and under historical cost accounting rules. The financial statements are presented in Pounds Sterling which is the Group's functional and presentational currency.

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

Statement of compliance

The Group financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations adopted by the European Union ("adopted IFRS's"). At the date of the authorisation of these financial statements the following Standards and Interpretations affecting the Group, which have not been applied in these financial statements, were in issue, but not yet effective. The Group does not plan to adopt these standards early.

- Amendments to IFRS 2 Share based payments (effective for accounting period beginning on or after 1 January 2018)
- IFRS 9 Financial Instruments (effective for accounting period beginning on or after 1 January 2018)
- IFRS 15 Clarification of Revenue from Contracts with Customers (effective for accounting period beginning on or after 1 January 2018)
- IFRS 16 Leases (effective for accounting period beginning on or after 1 January 2019)

Critical Accounting Estimates and Judgements

The preparation of financial statement in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

2 Accounting policies continued

The critical accounting estimates are considered to relate to the following:

Intangible assets

The Group recognises intangible assets in respect of goodwill arising on consolidation. This recognition requires the use of estimates, judgements and assumptions in determining whether the goodwill is impaired at each year end.

Share options

The Group fair values equity settled share based payments transactions using the Black Scholes model. The use of the model involves judgements and estimates including an assessment of whether the shares will vest. Should actual future outcomes differ from these assessments the amounts recognised on a straight line basis would vary from those currently recognised.

Basis of consolidation

On 16 October 2017 the Company acquired the entire issued ordinary share capital of Nuformix Technologies Limited and became the legal parent of Nuformix Technologies Limited. The accounting policy adopted by the Directors applies the principles of IFRS 3 (Revised) "Business Combinations" in identifying the accounting parent as Nuformix Technologies Limited and the presentation of the Group consolidated statements of the Company (the legal parent) as a continuation of financial statements of the accounting parent or legal subsidiary (Nuformix Technologies Limited).

This policy reflects the commercial substance of this transaction as follows:

- The original shareholders of the legal subsidiary undertaking were the most significant shareholders following admission to the London Stock Exchange, owning 65.1% of the issued share capital;
- The assets and liabilities of the legal subsidiary Nuformix Technologies Limited are recognised and measured in the Group financial statements at the pre-combination carrying amounts without restatement to fair value;
- The retained earnings and other equity balances recognised in the Group financial statements reflect the retained earnings and other equity balances of Nuformix Technologies Limited immediately before the business combination;
- The results of the period from 1 April 2017 to the date of the business combination are those of Nuformix Technologies Limited;
- The equity structure appearing in the Group financial statements reflects the equity structure of the legal parent, including the equity instruments issued under the share-for-share exchange to effect the business combination and adjusted in accordance with IFRS 3. This results in the creation of a "reverse acquisition reserve" as at 1 April 2017, being the difference between the Company equity structure and that of Nuformix Technologies Limited.

The consolidated financial statements cover the year ended 31 March 2018. The financial statements for the comparative year ended 31 March 2017 represent the substance of the reverse acquisition and are those of Nuformix Technologies Limited.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

2 Accounting policies continued

Going concern

The financial statements have been prepared on the going concern basis of preparation which, inter alia, is based on the directors' reasonable expectation that the Group has adequate resources to continue to operate as a going concern for at least twelve months from the date of their approval. In forming this assessment, the directors have prepared cashflow forecasts covering the period ending 31 July 2019 which take into account the likely run rate on overheads and research expenditure and the prudent expectations of income from its lead programmes. Whilst there can be no guarantee of the successful outcome of future trials, in compiling the cashflow forecasts the directors have made cautious estimates of the likely outcome of such trials, when income might be generated and have considered alternative strategies should projected income be delayed or fails to materialise. These strategies include postponing non-committed research expenditure, securing alternative licensing arrangements from those currently planned and using the Group's established network of licensed brokers for fundraising.

After careful consideration, the directors consider that they have reasonable grounds to believe that the Group can be regarded as a going concern and, for this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

Exceptional items

Exceptional items are defined as items which are non-recurring in nature and material.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 April 2017 have had a material effect on the financial statements.

Other than the adoption of IFRS 16 Leases, none of the standards, interpretations and amendments which are effective for periods beginning after 1 April 2017 and which have not been adopted early, are expected to have a material effect on the financial statements. The directors are evaluating the impact of IFRS 16 and will report on its impact in the results for the year ending 31 March 2019.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and,
- specific criteria have been met for each of the Group activities.

Segmental information

There is one continuing class of business, being the research and experimental development on biotechnology.

Given that there is only one continuing class of business, operating within the UK no further segmental information has been provided.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

2 Accounting policies continued

Tax

The tax expense represents the sum of tax currently payable and deferred tax.

Tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Temporary differences include those associated with shares in subsidiaries and joint ventures and are only not recognised if the Group controls the reversal of the difference and it is not expected for the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statements, except where they relate to items that are charged or credited to equity in which case the related deferred tax is also charged or credited directly to equity.

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Lab equipment	25% straight line
Computer and office equipment	33.33% straight line
Leasehold improvements	20% straight line

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

2 Accounting policies continued

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ('CGUs') for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group currently only has one CGU.

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	**Amortisation method and rate**
Patents	10% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade receivables

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

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

2 **Accounting policies** continued

Trade payables

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

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

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 date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Equity

Equity comprises the following:

- “Share capital” represents the nominal value of equity shares.
- “Share Premium” represents the amount paid for equity shares over the nominal value.
- “Reverse acquisition reserve” arises due to the elimination of the Company’s investment in Nuformix Technologies Limited.
- “Merger relief reserve” represents the share premium arising on issue of shares in respect of the reverse acquisition takeover.
- “Share option reserve” represents the fair value of options issued.
- “Retained losses” represents retained losses.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

2 Accounting policies continued

For defined contribution plans contributions are paid into publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

Financial assets and liabilities

The Group's financial assets comprise intangible and tangible fixed assets, trade and other receivables and cash and cash equivalents.

The Group's financial liabilities comprise trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instruments.

3 Business combinations

On 16 October 2017 Nuformix plc acquired 100% of the share capital of Nuformix Technologies Limited for a total consideration of £11,250,000, satisfied through a share-for-share exchange. The acquisition of Nuformix Technologies Limited by Nuformix plc is deemed to be a reverse acquisition under the provisions of IFRS 3 "Business Combinations".

In accounting for a reverse acquisition (rather than an acquisition) the combined financial statements are deemed to be a continuation of the books of the legal acquiree (Nuformix Technologies Limited) rather than a continuation of those of the legal acquirer (Nuformix plc).

The assets and liabilities of Nuformix Technologies Limited are recognised and measured in the Group financial statements at the pre-combination carrying amounts, without restatement to fair value and no goodwill arises in relation to them.

Conversely, the assets of Nuformix plc are consolidated at their fair values.

The overall effect is that the consolidated financial statements are prepared from a Nuformix Technologies Limited perspective rather than Nuformix plc, and in summary this means:

- the comparative consolidated financial information is that of Nuformix Technologies Limited rather than that of Nuformix plc;
- the result for the year and consolidated cumulative profit and loss reserves are those of the Nuformix Technologies Limited plus the post-acquisition results of the Nuformix plc;
- a reverse acquisition reserve of (£8,005,195) has been created;
- the share capital, share premium account and the share option reserve are that of Nuformix plc; and,
- the cost of the combination has been determined from the perspective of Nuformix Technologies Limited.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

3 Business combinations continued

Goodwill arises on the reverse acquisition when comparing the consideration of Nuformix plc acquiring the shares of Nuformix Technologies Limited. The fair value of the consideration is the market capitalisation of Nuformix plc at the acquisition date based on the closing share price on 16 October 2017 of 3.75p per share.

	£
Consideration effectively paid (95,750,000 at 3.75p per share)	3,590,625
Add net liabilities acquired (no difference between book and fair value):	
Trade and other receivables	176,582
Cash and cash equivalents	678
Trade and other payables	(610,119)
	432,859
Goodwill arising on consolidation	4,023,484

The Group incurred share issue costs of £339,850 in respect of the fund raising in relation to the reverse acquisition.

4 Exceptional items

As part of the reverse acquisition the Group issued a number of options and warrants to existing directors, new directors and for the provision of professional services in relation to the successful completion of the transaction and in respect of the new directors' future service. Details of the share based payments can be found in note 19. The Group also incurred stamp duty of £60,000 which has been expensed.

	2018 £	*2017* £
Share option charge	702,142	–
Acquisition costs	360,000	–
	1,062,142	–

5 Revenue

The analysis of the Group's revenue for the year from continuing operations is as follows:

	2018 £	*2017* £
Rendering of services	15,000	–

6 Other operating income

The analysis of the Group's other operating income for the year is as follows:

	2018 £	*2017* £
Miscellaneous other operating income	18,520	35,172

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

7 Operating profit

Arrived at after charging/(crediting)	*2018* £	*2017* £
Depreciation expense	8,333	1,651
Amortisation expense	39,100	33,379
Research and development expenditure	876,580	471,999
Operating lease expense – plant and machinery	–	49
Operating lease expense – property	19,784	–

8 Finance income and costs

	2018 £	*2017* £
Finance costs		
Interest expense on other financing liabilities	(11,061)	(1,765)
Foreign exchange gains/(losses)	7,514	(19,598)
Total finance costs	(3,547)	(21,363)

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	*2017* £
Wages and salaries	244,516	146,143
Social security costs	26,968	13,870
Pension costs, defined contribution scheme	1,318	–
Other employee expense	5,180	4,968
	277,982	164,981

The average number of persons employed by the Group (including directors) during the year, analysed by category was as follows:

	2018 No.	*2017* No.
Research and development	3	2

The Company has one employee other than the executive directors who are employed by Nuformix Technologies Limited. The non executive directors are engaged under service, not employment contracts.

10 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	*2017* £
Remuneration	209,705	127,209

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

10 Directors' remuneration continued

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2018 No.	*2017 No.*
Accruing benefits under money purchase pension scheme	2	–

In respect of the highest paid director:

	2018 £	*2017 £*
Remuneration	109,519	79,254

11 Auditors' remuneration

	2018 £	*2017 £*
Audit of the financial statements – Group	24,950	6,000
Audit of the financial statement – Company	13,500	6,000

In addition to the above, the auditors charged fees of £65,750 (2017 – nil) in respect of corporate finance work which is included in the acquisition costs.

12 Income tax

Tax charged/(credited) in the income statement

	2018 £	*2017 £*
Current taxation		
UK corporation tax	(126,790)	(68,440)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 – the same as the standard rate of corporation tax in the UK) of 19% (2017 – 20%).

The differences are reconciled below:

	2018 £	*2017 £*
Loss before tax	(1,965,053)	(355,353)
Corporation tax at standard rate	(373,360)	(71,071)
Excess of capital allowances over depreciation	(6,428)	(85)
Expenses not deductible in determining taxable profit (tax loss)	147,422	941
Tax losses for which no deferred tax asset was recognised	161,604	29,172
Adjustment in respect of research development tax credit	(56,027)	(27,397)
Total tax credit	(126,790)	(68,440)

No deferred tax asset has been recognised as Directors cannot be certain that future profits will be sufficient for this asset to be realised. As at 31 March 2018 the Group has tax losses carried forward of approximately £2,430,000 (2017 – £610,000).

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

13 Loss per share

Loss per share is calculated by dividing the loss after tax attributable to the equity holders of the Group by the weighted average number of shares in issue during the year. In calculating the weighted average number of shares during the period in which the reverse acquisition occurs:

a) The number of shares outstanding from the beginning of the period to the acquisition date is computed on the basis of the weighted average number of shares of the legal acquirer (accounting acquirer) outstanding during the period multiplied by the exchange ratio established in the merger agreement; and,

b) The number of shares outstanding from the acquisition date to the end of that period is the actual number of shares of the legal acquirer (accounting acquiree) outstanding during the period.

The basic earnings per share for each comparative period before the acquisition date shall be calculated by dividing the profit of the legal acquiree in each of those period by the legal acquiree's historical weighted average number of shares outstanding multiplied by the exchange ratio.

	2018 £	*2017* £
Loss before tax	(1,838,263)	(286,913)
Weighted average number of shares – basic and diluted	373,548,630	300,000,000
Basic and diluted loss per share	(0.49)p	(0.10)p

On 18 April 2017, the company announced that it entered into a convertible loan note agreement for £200,000 with a private investor. The loan can be converted into new ordinary shares at 4p per share. If conversion into ordinary shares of the company occurs, the lender will be granted a one for one warrant to subscribe for new ordinary shares at 4p per share, exercisable for a three-year period from conversion. These warrants are currently anti-dilutive.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

14 Property, plant and equipment

	Leasehold improvements *£*	*Computer equipment* *£*	*Lab equipment* *£*	*Total* *£*
Cost or valuation				
At 1 April 2016	–	12,358	9,923	22,281
Additions	–	750	–	750
Disposals	–	(250)	(2,355)	(2,605)
At 31 March 2017	–	12,858	7,568	20,426
At 1 April 2017	–	12,858	7,568	20,426
Additions	32,204	10,696	1,194	44,094
Disposals	–	(6,209)	–	(6,209)
At 31 March 2018	32,204	17,345	8,762	58,311
Depreciation				
At 1 April 2016	–	11,314	8,333	19,647
Charge for year	–	907	744	1,651
Eliminated on disposal	–	(250)	(2,355)	(2,605)
At 31 March 2017	–	11,971	6,722	18,693
At 1 April 2017	–	11,971	6,722	18,693
Charge for the year	5,367	2,427	539	8,333
Eliminated on disposal	–	(6,209)	–	(6,209)
At 31 March 2018	5,367	8,189	7,261	20,817
Carrying amount				
At 31 March 2018	26,837	9,156	1,501	37,494
At 31 March 2017	–	887	846	1,733

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

15 Intangible assets

	Goodwill £	Patents £	Total £
Cost			
At 1 April 2016	–	241,287	241,287
Additions	–	92,504	92,504
At 31 March 2017	–	333,791	333,791
At 1 April 2017	–	333,791	333,791
Additions	4,023,484	57,202	4,080,686
At 31 March 2018	4,023,484	390,993	4,414,477
Amortisation			
At 1 April 2016	–	66,078	66,078
Amortisation charge	–	33,379	33,379
At 31 March 2017	–	99,457	99,457
At 1 April 2017	–	99,457	99,457
Amortisation charge	–	39,100	39,100
At 31 March 2018	–	138,557	138,557
Net book value			
At 31 March 2018	4,023,484	252,436	4,275,920
At 31 March 2017	–	234,334	234,334

For impairment testing purposes, management consider the operations of the Group to represent a single CGU focused on the research and development. Consequently, the goodwill is effectively allocated and considered for impairment against the business as a whole being the single CGU.

The fair value of the CGU as at 31 March 2018 is considered to be the market value of Nuformix plc. The shares price of Nuformix plc as at 31 March 2018 was 2.00 p per share and there were 460,750,000 shares giving a fair value of £9,215,000 substantially in excess of the Group's net assets, including goodwill, of £4,493,142.

As such, the directors do not consider there to be any indication that the Goodwill is impaired.

16 Trade and other receivables

	31 March 2018 £	31 March 2017 £
Trade receivables	9,233	–
Accrued income	3,449	–
Prepayments	25,522	1,002
Other receivables	142,118	83,173
	180,322	84,175

The fair value of trade and other receivables is considered by the Directors not to be materially different to the carrying amounts. No trade receivables are overdue and not impaired.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

17 Cash and cash equivalents

	31 March 2018 £	*31 March 2017 £*
Cash at bank	338,167	4,446

The Directors consider that the carrying value of cash and cash equivalents represents their fair value.

18 Share capital

Allotted, called up and fully paid shares

	31 March 2018		*31 March 2017*	
	No.	*£*	*No.*	*£*
Ordinary shares of £0.001 each	460,750,000	460,750	95,750,000	95,750

The following share transactions have taken place during the period ended 31 March 2018:

	No.
As at 1 April 2016 and 1 April 2017	95,750,000
Acquisition of Nuformix Technologies Limited	365,000,000
At 31 March 2018	460,750,000

On 16 October 2017 the Company announced that it completed the reverse acquisition of Nuformix Technologies Limited. In aggregate, 365,000,000 new Ordinary Shares were allotted and issued comprising 57,500,000 new placing shares, 5,250,000 Success fee shares, 2,250,000 Whitman Howard shares and 300,000,000 consideration shares. The Success fee shares were issued to Messrs P Hughes and A H Reeves in connection with services rendered for the acquisition of Nuformix Technologies Limited. The Whitman Howard shares were issued to Whitman Howard in connection with services rendered for the acquisition of Nuformix Technologies Limited.

19 Share options and warrants

The Group operates share-based payments arrangements to remunerate directors and key employees in the form of a share option scheme. Equity-based share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value is determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

As part of the reverse acquisition of Nuformix Technologies Limited the following share-based payments were made in the year:

- 5,250,000 Success Fee shares were issued on 16 October 2017. The fair value of the shares awarded was £210,000 based on the placement price of 4 p per share and was recognised in the year.
- 2,250,000 Whitman Howard fee shares were issued in connection with the placing on 16 October 2017. The fair value of the shares awarded was £90,000 based on the placement price of 4 p per share and was recognised in the year.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

19 Share options and warrants continued

- 79,650,050 unapproved share options were issued on 16 October 2017. The options have a 1 year vesting period, an exercise price of 4 p per share and a 4 year exercise period from vesting. The fair value of the options was determined as 1.7p per share and a charge of £583,082 has been recognised in the current year.

- 12,499,950 options under an EMI share options scheme were issued on 16 October 2017. The options have a 1 year vesting period, an exercise price of 4 p per share and a 4 year exercise period from vesting. The fair value of the options was determined as 1.6 p per share and a charge of £97,726 has been recognised in the current year.

- 1,625,000 Existing director warrants were issued on 15 September 2017. The warrants have a 1 year vesting period, an exercise price of 4 p per share and a 2 year exercise period from vesting. The fair value of the warrants was determined as 1.4 p per share and a charge of £12,341 has been recognised in the current year.

- 1,250,000 Shakespeare Martineau warrants were issued on 15 September 2017. The warrants have a 1 year vesting period, an exercise price of 4 p per share and a 2 year exercise period from vesting. The fair value of the options was determined as 1.4 p per share and a charge of £9,493 has been recognised in the current year.

The fair value of the options and warrants was determined using the Black-Scholes option pricing model and was an average of 1.61 p per option (2017: 1.25p per option). The significant inputs into the model in respect of the options and warrants granted in the year ended 31 March 2018 and the year ended 31 March 2017 were as follows:

	2018 Unapproved options	*2018 EMI options*	*2018 Existing director warrants*	*2018 Shakespeare Martineau warrants*	*2017 Howard Whitman warrants*
Grant date share price	4p	4p	4p	4p	4p
Exercise price	4p	4p	4p	4p	4p
No. of share options	79,650,050	12,499,950	1,625,000	1,250,000	250,000
Risk free rate	0.5%	0.5%	0.5%	0.5%	0.5%
Expected volatility	50%	50%	50%	50%	50%
Expected option life	5 years	5 years	3 years	3 years	2 years

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

19 Share options and warrants continued

The following table sets out details of the warrants and options granted:

Warrant holder	*Number of warrants / options at 1 April 2017*	*Issued in the year*	*Number of warrants / options at 31 March 2018*	*Exercise price*	*Expiry date*
Directors during the year					
David Tapolczay	–	18,430,000	45,000,000	4p	16/10/22
Joanne Holland	–	36,860,000	36,830,000	4p	16/10/22
Daniel Gooding		36,860,000	36,830,000	4p	16/10/22
Pascal Hughes	5,000,000	1,625,000	6,625,000	4p	17/12/18
Anthony Reeves	1,000,000	–	1,000,000	4p	17/12/18
Success warrants					
Whitman Howard	250,000	–	250,000	4p	16/10/19
Shakespeare Martineau	–	1,250,000	1,250,000	4p	16/10/20
Other warrants	44,000,000	–	44,000,000	4p	17/12/18
	51,207,500	95,025,000	146,232,500		

20 Loans and borrowings

	31 March 2018 £	*31 March 2017 £*
Current loans and borrowings		
Other borrowings	22,956	187,911

The fair value of other borrowings is considered by the Directors not to be materially different to the carrying amounts.

21 Obligations under leases and hire purchase contracts

Operating leases

The Group signed a lease for rental of business premises for 5 years from 17 July 2017. There is a break clause in the lease allowing notice to be given at the 3 year mark. The total future value of minimum lease payments is as follows:

	31 March 2018 £	*31 March 2017 £*
Within 1 year	29,400	–
In two to five years	38,542	–

The amount of non-cancellable operating lease payments recognised as an expense during the year was £19,784 (2017 – £Nil).

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

22 Pension and other schemes

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £1,318 (2017 – £880).

Contributions totalling £853 (2017 – £Nil) were payable to the scheme at the end of the year and are included in creditors.

23 Trade and other payables

	31 March 2018 £	*31 March 2017 £*
Trade payables	89,613	270,002
Accrued expenses	87,697	35,684
Social security and other taxes	109,398	39,428
Outstanding defined contribution pension costs	853	–
Other payables	223,480	13,175
	511,041	358,289

The fair value of trade and other payables is considered by the Directors not to be materially different to the carrying amounts. All payables are due within 3 months.

24 Financial instruments

Credit risk

The main credit risk relates to liquid funds held at banks. The credit risk in respect of these bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

The Group seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs.

An analysis of trade and other payables is given in note 23.

Capital risk management

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Group's growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

Notes to the Consolidated Financial Statements

for the year-ended 31 March 2018 – continued

24 Financial instruments continued

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

25 Related party transactions

All transactions with related parties are conducted on an arms length basis.

The remuneration of the key management personnel of the Group, who are defined as the directors, is set out in the directors' remuneration report.

Transactions with directors

During the year the Group was invoiced £14,000 for management services by John Lidgey, a director, £24,000 for management services by Pascal Hughes, a director and £2,000 by Anthony Reeves, a director.

Other transactions with directors

During the period the Group made the following related party transactions:

Dr D Gooding (Director)

Included in creditors due in less than one year is an interest free loan from Dr D Gooding. At the balance sheet date the amount owed to Dr D Gooding was £5,520 (2017 – £43,734).

Dr J Holland (Director)

Included in creditors due in less than one year is an interest free loan from Dr J Holland. At the balance sheet date the amount owed to Dr J Holland was £1,836 (2017 – £24,979).

Dr D Tapolczay (Director)

Included in creditors last year was an interest free loan of £93,700 which was repaid in the year. At the balance sheet date the amount owed to Dr D Tapolczay was £nil (2017 – £93,700).

26 Ultimate controlling party

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

Company Statement of Financial Position

as at 31 March 2018

Rigistration number 09632100

	Note	*31 March 2018* £	*31 March 2017* £
Assets			
Non-current assets			
Investment in subsidiary	30	11,250,000	–
		11,250,000	–
Current assets			
Trade and other receivables	31	1,476,945	13,727
Cash and cash equivalents	32	567	5,895
		1,477,512	19,622
Total assets		12,727,512	19,622
Equity and liabilities			
Equity			
Share capital	18	460,750	95,750
Share premium		2,932,590	37,440
Merger relief reserve		10,950,000	–
Share option reserve		724,837	22,695
Retained earnings		(2,623,105)	(1,035,477)
Total equity		12,445,072	(179,592)
Current liabilities			
Trade and other payables	33	282,440	199,214
		282,440	199,214
Total equity and liabilities		12,727,512	19,622

The loss attributable to the company in the year was £1,587,627 (2017: loss £685,057).

These financial statements were approved by the board on 26 July 2018 and were signed on its behalf by:

Dan Gooding
CEO

26 July 2018

The accompanying notes to the financial statements on pages 53 to 55 form an integral part of the financial statements.

Company Statement of Changes in Equity

for the year-ended 31 March 2018

	Share capital £	*Share premium* £	*Merger relief reserve* £	*Share option reserve* £	*Retained earnings* £	*Total* £
At 1 April 2017	95,750	737,440	—	22,695	(1,035,477)	(179,592)
Loss for the year and total comprehensive income	—	—	—	—	(1,587,628)	(1,587,627)
Share issues	357,500	2,242,500	10,950,000	—	—	13,550,000
Share issue costs	—	(339,850)	—	—	—	(339,850)
Share based payment	7,500	292,500	—	701,542	—	1,002,142
At 31 March 2018	460,750	2,932,590	10,950,000	724,837	(2,623,104)	12,445,072

	Share capital £	*Share premium* £	*Merger relief reserve* £	*Share option reserve* £	*Retained earnings* £	*Total* £
At 1 April 2016	95,750	737,440	—	19,570	(350,420)	502,340
Loss for the year and total comprehensive income	—	—	—	—	(685,057)	(685,057)
Share based payment	—	—	—	3,125	—	3,125
At 31 March 2017	95,750	737,440	—	22,695	(1,035,477)	(179,592)

The accompanying notes to the financial statements on pages 53 to 55 form an integral part of the financial statements.

Company Statement of Cash Flows

for the year-ended 31 March 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Loss for the year		(1,587,628)	(685,057)
Adjustments to cash flows from non-cash items			
Share based payments		1,002,142	3,125
Finance costs		18,000	–
		(567,486)	(681,932)
Working capital adjustments			
(Increase)/decrease in trade and other receivables	31	(73,850)	28,851
(Decrease)/increase in trade and other payables	32	(134,775)	156,763
Net cash flow from operating activities		(776,111)	(496,318)
Cash flows from investing activities			
Loan to subsidiary		(2,338,750)	–
Loan repayments from subsidiary		949,382	–
Net cash used in investing activities		(1,389,368)	–
Cash flows from financing activities			
Issue of shares (net of costs)		1,960,150	–
Issue of convertible debt		200,000	–
Net cash flows from financing activities		2,160,150	–
Net increase in cash and cash equivalents		(5,328)	(496,318)
Cash and cash equivalents at 1 April		5,895	502,213
Cash and cash equivalents at 31 March		567	5,895

The accompanying notes to the financial statements on pages 53 to 55 form an integral part of the financial statements.

Notes to the Company Financial Statements

for the year-ended 31 March 2018

27 Significant accounting policies

Basis of preparation

The separate financial statements of the company are presented as required by the Companies Act 2006. As permitted by that Act, the separate financial statements have been prepared in accordance with IFRSs as adopted by the EU.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those set out in note 2 to the consolidated financial statements. In addition, Investments in subsidiaries are stated at cost less, where appropriate, provision for impairment.

28 Loss attributable to shareholders

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own income statement. The loss attributable to the Company in the year was £1,587,628 (2017: loss £685,057).

29 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 *£*	*2017* *£*
Wages and salaries	–	24,000

The average number of persons employed by the Group (including directors) during the year was as follows:

	2018 *No.*	*2017* *No.*
	0	1

30 Investment in Subsidiary

	£
As at 1 April 2016 and 1 April 2017	–
Acquisition of Nuformix Technologies Limited	11,250,000
As at 31 March 2018	11,250,000

Details in respect of the reverse acquisition of Nuformix Technologies Limited, registered offices at Unit 153, Cambridge Science Park, Milton Road, Cambridge, England, CB4 0GN, which was completed on 16 October 2017, are shown in note 3 to the Consolidated Financial Statements.

The Company has the following interests in subsidiaries:

		Equity interest	
Name	*Country of Incorporation*	*2018*	*2017*
Nuformix Technologies Limited	United Kingdom	100%	0%

Notes to the Company Financial Statements

for the year-ended 31 March 2018 – continued

31 Trade and other receivables

	31 March 2018 £	*31 March 2017 £*
Amount owed by Group undertakings	1,389,368	–
Prepayments	13,579	–
Other receivables	73,998	13,727
	1,476,945	13,727

The fair value of trade and other receivables is considered by the Directors not to be materially different to the carrying amounts.

32 Cash and cash equivalents

	31 March 2018 £	*31 March 2017 £*
Cash at bank	567	5,895

The Directors consider that the carrying value of cash and cash equivalents represents their fair value.

33 Trade and other payables

	31 March 2018 £	*31 March 2017 £*
Trade payables	8,281	163,414
Accrued expenses	56,059	35,800
Other payables	218,100	–
	282,440	199,914

The fair value of trade and other payables is considered by the Directors not to be materially different to the carrying amounts.

34 Financial instruments

Credit risk

The main credit risk relates to liquid funds held at banks. The credit risk in respect of these bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs.

An analysis of trade and other payables is given in note 33.

Notes to the Company Financial Statements

for the year-ended 31 March 2018 – continued

34 Financial instruments continued

Capital risk management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Company's growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

35 Related parties

The company's related parties are the directors and other Group companies.

The remuneration of the key management personnel of the group, who are defined as the directors, is set out in the directors' remuneration report. Details of the fair value of transaction with key management and their close family members is included in note 25.

All amounts outstanding with related parties are unsecured and will be settled in cash. No guarantees have been given or received in respect of amounts outstanding. No provisions have been made for doubtful debts in respect of the amounts owed by the related parties.

At the balance sheet date, the amounts due from other Group companies were as follows:

	31 March 2018 £	*31 March 2017 £*
Nuformix Technologies Limited	1,389,368	–

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in Nuformix plc, please send this document and the accompanying Annual Financial Report and Form of Proxy as soon as possible to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Notice of Annual General Meeting

NOTICE IS GIVEN that the Annual General Meeting (the "AGM") of Nuformix plc (the "Company") will be held at 1.00 pm on Wednesday 19 September 2018 at the office of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London, EC3V 0HR to consider and if thought fit, pass the following resolutions. Resolutions 1 to 12 will be proposed as ordinary resolutions and resolutions 13 to 15 will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. To receive the Company's annual report and accounts for the year ended 31 March 2018.
2. To approve the Directors' Remuneration Policy, as set out on pages 19 to 20 of the 2018 Annual Financial Report, which takes effect immediately after the end of the AGM.
3. To approve the remuneration report set out on pages 16 to 18 of the annual report for the year ended 31 March 2018.
4. To re-appoint David Tapolczay as a director.
5. To re-appoint Daniel Gooding as a director.
6. To re-appoint Joanne Holland as a director.
7. To re-appoint John Lidgey as a director.
8. To re-appoint Kirk Siderman-Wolter as a director.
9. To re-appoint Christopher Blackwell as director.
10. To re-appoint haysmacintyre as auditor of the Company.
11. To authorise the Directors to determine the auditor's remuneration.
12. That, the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') and in substitution for all existing authorities under that section, 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 ('Rights') up to an aggregate nominal amount of £153,583.33 during the period commencing on the date of the passing of this resolution and expiring at the conclusion of the next Annual General Meeting of the Company or on 19 September 2019, whichever is earlier, and provided further that the Company shall be entitled before such expiry to make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights under such offer or agreement as if this authority had not expired.

Notice of Annual General Meeting

continued

SPECIAL RESOLUTIONS

13. That, subject to the passing of resolution 12 above, the Directors be empowered under section 570 of the Act to allot equity securities as defined in section 560 of the Act, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment or allotments of equity securities up to a nominal amount or (in the case of any other equity securities) giving the right to subscribe for or convert into relevant shares having a nominal amount, not exceeding in aggregate £23,037.50 and this power shall expire, unless previously revoked, renewed or varied, at the conclusion of the next Annual General Meeting of the Company or on 19 September 2019, whichever is earlier, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot securities under such offer or agreement as if this power had not expired.

14. That the Company be generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10 pence each in the capital of the Company, provided that:

    a. the maximum number of shares which may be purchased is 69,112,500;

    b. the minimum price (exclusive of expenses) that may be paid for a share is 0.001 pence;

    c. the maximum price, exclusive of expenses, which may be paid for a share shall be an amount equal to 5% above the average market value for the Company's shares for the five business days immediately preceding the day on which the share is contracted to be purchased; and

    d. the authority conferred by this resolution shall, unless previously renewed, expire at the end of the next Annual General Meeting of the Company, or on 19 September 2019, whichever is earlier, save that the Company may, before such expiry, enter into a contract for the purchase of shares which would or might be completed wholly or partly after such expiry and the Company may purchase shares under any such contract as if this authority had not expired.

15. That a general meeting of the Company (other than an annual general meeting) may be called on not less than 14 clear days' notice.

By Order of the Board

SGH Company Secretaries Limited
Company Secretary

15 August 2018

Registered Office

6th Floor, 60 Gracechurch Street
London EC3V 0HR

Notice of Annual General Meeting

continued

Notes:

Right to attend and vote

In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders entered in the register of members of the Company as at close of business on 17 September 2018 or, if the meeting is adjourned, at close of business two days (excluding non-working days) before the day of any adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after close of business on 17 September 2018 or, if the meeting is adjourned, after close of business two days (excluding non-working days) before the day of the adjourned meeting, shall be disregarded in determining the rights of any person to attend, speak or vote at the meeting or at any such adjournment.

Voting rights

At 14 August 2018, (being the latest practicable date prior to the publication of this notice) the issued share capital of the Company consisted of 460,750,000 Ordinary Shares of 0.001p each in the capital of the Company. Each share carries one vote. The Company held no shares in treasury, therefore the total voting rights in the Company as at 14 August 2018 were 460,750,000.

Proxies

A member of the Company is entitled to appoint a proxy to attend, speak and vote instead of them. The proxy need not be a member of the Company. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to different shares.

To be effective, the instrument appointing a proxy and any authority under which it is executed (or a copy of such authority notarially certified or certified in some other way approved by the board) must be deposited with the Company's registrars, Link Asset Services, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not less than 48 hours (excluding non-working days) before the time for holding the meeting or, in the event of an adjournment, not less than 48 hours (excluding non-working days) before the time of the adjournment. A form of proxy and a reply-paid envelope are enclosed. A member can also appoint a proxy online using the service provided on the Company's registrars' website, www.signalshares.com, where full instructions are given. In order to register their votes online, members will require their investor code, which can be found on their personalised proxy form.

If a shareholder is a CREST member, they can use the electronic proxy service provided by Euroclear (see below). Forms of proxy may not be submitted via the Nuformix plc website or via any email address given on the Nuformix plc website. The valid appointment of a proxy will not preclude members from attending and voting in person at the meeting or any adjournment of the meeting.

CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment(s) of the meeting) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

Notice of Annual General Meeting

continued

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent, Link Asset Services (CREST participant ID RA10), no later than 48 hours (excluding non-working days) before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the Act) to enjoy information rights (a "Nominated Person") may have a right, under an agreement between them and the member by whom they were nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

Corporate representatives

Any corporation which is a member may appoint one or more corporate representatives to exercise all of its powers as a member on its behalf, provided that not more than one corporate representative may exercise powers over the same share.

Right to ask questions

Under section 319A of the Act, shareholders (or their proxies) have the right to ask questions in relation to the business being dealt with at the meeting. However, the Company is not obliged to answer a question raised at the meeting if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer has already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Notice of Annual General Meeting

continued

Website publication of audit concerns

Under section 527 of the Act shareholders who meet the threshold requirements that are set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting; or (ii) any circumstances connected with the auditor of the Company ceasing to hold office since the previous meeting at which the annual report and accounts were laid in accordance with section 437 of the Act.

The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with either section 527 or 528. Where the Company is required to place a statement on a website under section 527, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on a website under section 527.

Documents available for inspection

Copies of the terms of appointment of the non-executive Directors will be available for inspection at the registered office of the Company, 6th Floor, 6 Gracechurch Street, London, EC3V 0HR during normal business hours from the date of this notice until the date of the meeting and also at the meeting for 15 minutes before the meeting until its conclusion.

Company's website

A copy of this notice of Annual General Meeting and any other information required by section 311A of the Act can be found in the investors section of the Company's website, www.nuformix.com. The website also contains a copy of the annual report.

Notice of Annual General Meeting

continued

EXPLANATION OF BUSINESS

Resolution 1: To receive the annual report and accounts

Company law requires the Directors to present the annual report and accounts of the Company to shareholders in respect of each financial year.

Resolution 2: To approve the remuneration policy

Shareholders are being asked to approve the remuneration policy as set out on pages 19 to 20 of the annual financial report, which takes effect immediately after the end of the annual general meeting. Shareholders are being asked to give a binding vote on the new Directors' Remuneration Policy at the 2018 AGM. The Remuneration Committee intends to put the Directors' Remuneration Policy to shareholders for approval every three years, unless there is a need for the Directors' Remuneration Policy to be approved at an earlier stage.

Resolution 3: To approve the remuneration report

The remuneration report is set out on pages 16 to 18 of the annual financial report. It gives details of the Directors' remuneration for the year ended 31 March 2018. The vote is advisory and does not affect the actual remuneration paid to any individual Director.

Resolutions 4 to 9: To re-elect Directors

The Company's articles of association provide for each director to retire from office at the third annual general meeting after the annual general meeting at which he/she was previously appointed or re-appointed. However, in line with the recommendations set out in the UK Corporate Governance Code, all Directors will be standing down and offering themselves for re-election by shareholders at this year's AGM. Directors' biographical details are given on pages 8 and 9 of the annual financial report.

Resolution 10 and 11: To reappoint the auditor and authorise the Board to determine their remuneration

The Company is required to appoint an auditor at each general meeting at which accounts are laid before the members, to hold office until the conclusion of the next such meeting. Resolution 10 is for members to reappoint haysmacintyre as auditors of the Company and resolution 11 proposes that shareholders authorise the Board to determine the remuneration of the auditors. In practice, the audit committee will consider the audit fees and recommend them to the Board.

Resolution 12: Directors' authority to allot shares

At the 2017 Annual General Meeting, the Directors were given authority to allot shares in the Company and Resolution 12 seeks to renew that authority until the conclusion of the next AGM or 19 September 2019, whichever is earlier. The resolution would give the Directors authority to allot ordinary shares, and grant rights to subscribe for or convert any security into shares in the Company, up to an aggregate nominal value of £153,583.33. This amount represents one-third of the issued ordinary share capital of the Company as at 14 August 2018, the latest practicable date prior to the publication of this document. The Directors have no present intention to allot new shares.

Resolution 13: Disapplication of pre-emption rights

If Directors of a Company wish to allot shares in the Company, or to sell treasury shares, for cash (other than in connection with an employee share scheme) company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

Notice of Annual General Meeting

continued

The purpose of Resolution 13 is to authorise the Directors to allot ordinary shares in the Company, or sell treasury shares, for cash (i) in connection with a rights issue; and, otherwise, (ii) up to a nominal value of £23,037.50, equivalent to 5 per cent of the total issued ordinary share capital of the Company as at 14 August 2018 without the shares first being offered to existing shareholders in proportion to their holdings.

Resolution 14: Authority to buy back shares

Under company law, the Company requires authorisation from shareholders if it wishes to purchase its own shares. The resolution specifies the maximum number of shares that may be purchased (approximately 15 per cent of the Company's issued share capital) and the highest and lowest prices at which they may be bought.

If the Company buys back its own shares it may cancel them immediately or hold them in treasury. Treasury shares may be sold for cash or cancelled. The Directors believe that it is desirable for the Company to have this choice as it will give flexibility in the management of its capital base.

The Directors have no present intention of exercising this authority but will keep under review the Company's potential to buy back its shares, taking into account other investment and funding opportunities. The authority will only be used if in the opinion of the Directors this would be in the best interests of shareholders generally.

No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

Resolution 15: Approval for calling of general meetings (other than AGMs) on 14 days' notice

Under company law, the Company is required to give 21 clear days' notice for a general meeting of the Company unless shareholders approve a shorter notice period, which cannot be less than 14 clear days (AGMs must continue to be held on at least 21 clear days' notice).

Resolution 15 proposes a special resolution, and seeks shareholder approval to enable the Company to call general meetings, other than AGMs, on at least 14 clear days' notice. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The flexibility offered by this resolution will be used where, taking into account the circumstances, the Directors consider to be appropriate in relation to the business to be considered at the meeting in question and where it is thought to be to the advantage of shareholders as a whole. In order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

For Your Notes

For Your Notes

Registered Office
6th Floor, 60 Gracechurch Street
London EC3V 0HR

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