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**THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately and before taking any action consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000, as amended ("FSMA") if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you sell or have sold or transferred all of your Ordinary Shares please forward this document as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected for transmission to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the United Kingdom if to do so would constitute a violation of the relevant law and/or regulations of such jurisdiction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold or transferred only part of your registered holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

Neither the Placing, Subscription nor the Retail Offer constitutes an offer to the public requiring an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for the purposes of the Prospectus Regulation Rules made by the Financial Conduct Authority of the United Kingdom ("**FCA**") pursuant to sections 73A(1) and (4) of FSMA and has not been approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

The Company's Ordinary Shares are currently admitted to trading on AIM, the market of that name operated by the London Stock Exchange ("**AIM**"). Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. The New Ordinary Shares will not be admitted to trading on any other investment exchange. Subject to certain conditions being satisfied, it is expected that admission will become effective and that dealings will commence at 8:00 a.m. on 9 August 2024 in relation to the New Ordinary Shares.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange nor the FCA has examined or approved the contents of this document. The AIM Rules are less demanding than those of the Official List. It is emphasised that no application is being made for admission of the Existing Ordinary Shares or the New Ordinary Shares to the Official List.**

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# **Arecor Therapeutics plc**

*(Incorporated and registered in England and Wales under the Companies Act 2006 with registered number 13331147)*

## **Placing, Subscription and Retail Offer**

**of 7,129,615 New Ordinary Shares at 90 pence per New Ordinary Share**

**and**

## **Notice of General Meeting**

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You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company explaining the background to, and reasons for, the Fundraising which is set out in Part I of this document.

Panmure Liberum Limited ("**Panmure Liberum**"), which is authorised and regulated in the United Kingdom by the FCA, is the Company's nominated adviser, global coordinator, joint bookrunner and joint broker for the purposes of the AIM Rules. Panmure Liberum is acting for the Company in relation to the Fundraising and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Fundraising and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the contents of this document or any other matter referred to herein. Panmure Liberum's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed to the London Stock Exchange and not to any other person in respect of their decision to acquire New Ordinary Shares in reliance on any part of this document. Panmure Liberum has not authorised the contents of this document for any purpose and no liability whatsoever is accepted by Panmure Liberum nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this document or for the omission of any information. Panmure Liberum expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

WG Partners LLP (“**WG Partners**”), which is authorised and regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange, is the Company’s joint bookrunner and joint broker for the purposes of the AIM Rules. WG Partners is acting for the Company and for no one else in connection with the matters described in this document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to herein. WG Partners has not authorised the contents of this document for any purpose and no liability whatsoever is accepted by WG Partners nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this document or for the omission of any information. WG Partners expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

Beech Hill Securities, Inc. (“**Beech Hill**”) is authorised and regulated in the United States by the Financial Industry Regulatory Authority. Beech Hill is acting for the Company and for no one else in connection with the matters described in this document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to herein. Beech Hill has not authorised the contents of this document for any purpose and no liability whatsoever is accepted by Beech Hill nor does it make any representation or warranty, express or implied, as to the accuracy of any information or opinion contained in this document or for the omission of any information. Beech Hill expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

This document does not constitute an offer to sell, or the solicitation of an offer to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful, and may not be taken, transmitted, distributed or sent, directly or indirectly, in or into any such jurisdiction. While Placing Shares have been conditionally placed with investors in the United States, no Ordinary Shares are being offered or placed pursuant to this document in the United States. The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or under the applicable securities laws of any state or other jurisdiction of the United States or any province or territory of Australia, Canada, Japan, New Zealand or the Republic of South Africa. Accordingly, unless a relevant exemption from such requirements is available, the New Ordinary Shares may not, subject to certain exceptions, be offered, sold, taken up, re-sold or delivered, directly or indirectly, into or within the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa or in any other country, territory or possession where to do so may contravene local securities laws or regulations.

The Placing, Subscription and Retail Offer are conditional, *inter alia*, on the passing of the Resolutions at the General Meeting. The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive dividends and other distributions declared, made or paid on or in respect of such Existing Ordinary Shares after the date of Admission.

Notice of the General Meeting of Arecor Therapeutics plc, to be held at 1:00 p.m. on 8 August 2024 at the offices of Covington & Burling LLP at 22 Bishopsgate, London EC2N 4BQ, is set out at the end of this document. A Form of Proxy is enclosed for use by Shareholders in connection with the meeting. To be valid, Forms of Proxy, completed in accordance with the instructions printed thereon, must be received by the Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, as soon as possible but in any event by no later than 1:00 p.m. on 6 August 2024. Shareholders who are CREST members may submit their CREST proxy instructions online via the CREST electronic appointment service.

**Persons intending to attend the General Meeting in person will need a QR code to access the meeting venue. Such QR code will need to be displayed on a smartphone or similar device. A QR code will be able to be obtained in advance by emailing the Registrars, Computershare Investor Services PLC, at [ukcsbrs.externalproxyqueries@computershare.co.uk](mailto:ukcsbrs.externalproxyqueries@computershare.co.uk) with your full name and email address. Persons who have not obtained a QR code in advance will be able to obtain one at the meeting venue.**

**Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions. Appointing a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish.**

Copies of this document will be available free of charge to the public from the Company’s website <https://arecor.com>. However, the contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this document.

## **FORWARD-LOOKING STATEMENTS**

This document contains “forward-looking statements” which includes all statements other than statements of historical fact including, without limitation those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “might”, “anticipates”, “would”, “could”, “shall”, “estimate”, “plans”, “predicts”, “continues”, “assumes”, “positioned”, or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law or the AIM Rules.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<b>Event</b>	<b>Timing</b>
Announcement of the Placing and Subscription	19 July 2024
Announcement of the Retail Offer	19 July 2024
Announcement of the results of the Placing	19 July 2024
Announcement of the results of the Retail Offer	23 July 2024
Publication of the Circular (including Notice of General Meeting) and Forms of Proxy	23 July 2024
Latest time and date for receipt of Forms of Proxy and electronic appointments of proxies via CREST	1:00 p.m. on 6 August 2024
General Meeting	1:00 p.m. on 8 August 2024
Announcement of the results of the General Meeting	8 August 2024
Admission and commencement of dealings in the New Ordinary Shares	8:00 a.m. on 9 August 2024
Placing Shares in Uncertificated form expected to be credited to accounts in CREST	As soon as possible after 8:00 a.m. on 9 August 2024
Despatch of definitive share certificates for the New Ordinary Shares in Certificated form of	Within 10 business days Admission

### *Notes*

1. If any of the details contained in the timetable above should change, the revised time and dates will be notified to Shareholders by means of a Regulatory Information Service (as defined in the AIM Rules) announcement.
2. In this document, all references to times and dates are to times and dates in London, United Kingdom.
3. The timetable above assumes that Resolutions 1 and 2 are passed at the General Meeting without adjournment.
4. If you have questions on how to complete the Form of Proxy, please contact Computershare Investor Services PLC on 0370 707 1272 or, if calling from outside the United Kingdom, +44 (0)370 707 1272. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays). Calls may be recorded and monitored randomly for security and training purposes. Computershare Investor Services PLC cannot provide advice on the merits of the Fundraising and cannot give any financial, legal or tax advice.

## SHARE CAPITAL AND TRANSACTION STATISTICS

Issue Price for each New Ordinary Share	90 pence
Number of Existing Ordinary Shares in issue as at the date of this document	30,626,986
Number of Placing Shares to be issued pursuant to the Placing	5,800,293
Number of Subscription Shares to be issued pursuant to the Subscription	1,155,554
Number of Retail Offer Shares to be issued pursuant to the Retail Offer	173,768
Enlarged Share Capital immediately following completion of the Fundraising	37,756,601
Market capitalisation at the Issue Price	£34.0 million
New Ordinary Shares as a percentage of the Enlarged Share Capital	18.9 per cent.
Estimated gross proceeds of the Fundraising	£6.4 million
Estimated Net Proceeds of the Fundraising	£5.8 million

## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Dr. Andrew Richards ( <i>Non-Executive Chairman</i> ) Dr. Sarah Howell ( <i>Chief Executive Officer</i> ) Dr. Sam Fazeli ( <i>Non-Executive Director</i> ) Dr. Alan Smith ( <i>Non-Executive Director</i> ) Jeremy Morgan ( <i>Non-Executive Director</i> ) Christine Soden ( <i>Non-Executive Director</i> )
<b>Company Secretary</b>	One Advisory Group Limited
<b>Registered Office</b>	Chesterford Research Park Little Chesterford Saffron Walden England CB10 1XL
<b>Nominated Adviser, Global Coordinator, Joint Bookrunner and Joint Broker to the Company</b>	<b>Panmure Liberum Limited</b> Ropemaker Place Level 12, 25 Ropemaker Street London England EC2Y 9LY
<b>Joint Bookrunner and Joint Broker to the Company</b>	<b>WG Partners LLP</b> 85 Gresham St London EC2V 7NQ
<b>US Placement Agent to the Company</b>	<b>Beech Hill Securities, Inc.</b> 880 Third Avenue, 16th Floor New York, NY, 10022 United States
<b>Auditors</b>	<b>Grant Thornton UK LLP</b> 30 Finsbury Square London England EC2A 1AG
<b>Legal Advisers to the Company</b>	<b>Covington &amp; Burling LLP</b> 22 Bishopsgate London EC2N 4BQ
<b>Legal Advisers to the Joint Bookrunners and Joint Brokers as to English law</b>	<b>Taylor Wessing LLP</b> 5 New Street Square London EC4A 3TW
<b>Legal Advisers to the Joint Bookrunners and Joint Brokers as to U.S. law</b>	<b>Proskauer Rose LLP</b> 110 Bishopsgate London EC2N 4AY
<b>Registrars</b>	<b>Computershare Investor Services PLC</b> The Pavilions Bridgwater Road Bristol BS13 8AE

## DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

<b>“Act”</b>	the Companies Act 2006, as amended;
<b>“Admission”</b>	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the AIM Rules for Companies governing the admission to and operation of AIM published by the London Stock Exchange, as amended from time to time;
<b>“AIM Rules for Nominated Advisers”</b>	the AIM Rules for Nominated Advisers published by the London Stock Exchange, as amended from time to time;
<b>“Arecor” or the “Company”</b>	Arecor Therapeutics plc, a company incorporated in England and Wales with company number 13331147 whose registered office is at Chesterford Research Park, Little Chesterford, Saffron Walden, England, CB10 1XL;
<b>“Articles”</b>	the articles of association of the Company in force at the date of this document;
<b>“Beech Hill Securities”</b>	Beech Hill Securities, Inc. US Placing Agent in relation to the Placing;
<b>“Board” or “Directors”</b>	the directors of the Company, as at the date of this document, whose names are set out on page 6 of this document;
<b>“Business Day”</b>	any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business and the London Stock Exchange is open for trading;
<b>“Certificated” or in “Certificated Form”</b>	in relation to a share or other security, a share or other security that is not in uncertificated form, that is not in CREST;
<b>“Circular” or this “document”</b>	this circular, dated 23 July 2024;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear, in accordance with the same regulations;
<b>“CREST Member”</b>	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations);
<b>“CREST Participant”</b>	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations);
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;
<b>“Enlarged Share Capital”</b>	the issued Ordinary Share capital of the Company immediately following the issue of the New Ordinary Shares;
<b>“EU”</b>	the European Union;
<b>“Euroclear”</b>	Euroclear UK & International Limited, the operator of CREST;

<b>“Existing Ordinary Shares”</b>	the 30,626,986 Ordinary Shares in issue as at the last practicable date prior to the publication of this document being the entire issued share capital of the Company prior to the Fundraising;
<b>“FCA”</b>	the UK Financial Conduct Authority;
<b>“Form of Proxy”</b>	the form of proxy which accompanies this document for use in connection with the General Meeting;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended;
<b>“Fundraising”</b>	together, the Placing, Subscription and Retail Offer;
<b>“General Meeting”</b>	the general meeting of the Company, to be held at 1:00 p.m. on 8 August 2024 at the offices of Covington & Burling LLP at 22 Bishopsgate, London EC2N 4BQ;
<b>“Group”</b>	together the Company and its subsidiary undertakings;
<b>“Issue Price”</b>	90 pence per New Ordinary Share;
<b>“Joint Brokers” or “Joint Bookrunners”</b>	Panmure Liberum and WG Partners;
<b>“Latest Practicable Date”</b>	18 July 2024, being the last practicable date prior to the day of the announcement of the Fundraising;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Net Proceeds”</b>	the net cash proceeds receivable by the Company from the Fundraising after the deduction of all fees, commissions, costs and expenses payable by the Company in relation to the Fundraising;
<b>“New Ordinary Shares”</b>	7,129,615 new Ordinary Shares to be issued pursuant to the Fundraising;
<b>“Notice” or “Notice of General Meeting”</b>	the notice convening the General Meeting set out at the end of this document;
<b>“Official List”</b>	the Official List of the FCA;
<b>“Ordinary Shares”</b>	ordinary shares of £0.01 each in the capital of the Company having the rights and being subject to the restrictions contained in the Articles;
<b>“Panmure Liberum”</b>	Panmure Liberum Limited, Global Coordinator, Joint Bookrunner and Joint Broker in relation to the Placing;
<b>“Participant ID”</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant;
<b>“Placee”</b>	any person who has agreed to subscribe for Placing Shares;
<b>“Placing”</b>	the conditional placing by Panmure Liberum, WG Partners and Beech Hill Securities, as agents of and on behalf of the Company, of Placing Shares at the Issue Price on the terms and subject to the conditions in the Placing Agreement;
<b>“Placing Agreement”</b>	The conditional placing agreement dated 19 July 2024 between the Company, Panmure Liberum, WG Partners and Beech Hill

	Securities, a summary of which is set out in paragraph 2 of Part II of this document;
<b>“Placing Shares”</b>	the 5,800,293 New Ordinary Shares to be issued pursuant to the Placing whose allotment and issue is conditional (amongst other things) on the passing of the Resolutions;
<b>“Registrar” or “Computershare”</b>	Computershare Investor Services PLC;
<b>“Regulatory Information Service” or “RIS”</b>	a service approved by the London Stock Exchange for the distribution to the public of AIM announcements and included within the list on the website of the London Stock Exchange;
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting set out in the Notice of General Meeting;
<b>“Retail Offer”</b>	the conditional offer made by the Company on the WRAP Platform of the Retail Offer Shares at the Issue Price;
<b>“Retail Offer Shares”</b>	the 173,768 New Ordinary Shares to be allotted and issued by the Company pursuant to the Retail Offer whose allotment and issue is conditional (amongst other things) on the passing of the Resolutions;
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended;
<b>“Shareholders”</b>	registered holders of Ordinary Shares;
<b>“Subscriber”</b>	any existing Shareholder who is participating in the Subscription;
<b>“Subscription”</b>	the conditional subscription by the Subscribers for Subscription Shares at the Issue Price;
<b>“Subscription Shares”</b>	the 1,155,554 New Ordinary Shares to be issued pursuant to the Subscription whose allotment and issue is conditional (amongst other things) on the passing of the Resolutions;
<b>“Tetris Pharma”</b>	Tetris Pharma Ltd, a subsidiary of the Group and a private limited company incorporated in England and Wales with registered number 12548259;
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“Uncertificated” or in “Uncertificated Form”</b>	a share or other security recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
<b>“WG Partners”</b>	WG Partners LLP, Joint Bookrunner and Joint Broker in relation to the Placing; and
<b>“WRAP Platform”</b>	the Winterflood Retail Access Platform technology platform being used to facilitate the Retail Offer.

A reference to **£** or **GBP** is to pounds sterling, being the lawful currency of the United Kingdom.

## PART I

### LETTER FROM THE CHAIRMAN

# Arecor Therapeutics plc

(incorporated and registered in England and Wales with registered number 13331147)

#### Directors

Dr. Andrew Richards  
Dr. Sarah Howell  
Dr. Sam Fazeli  
Dr. Alan Smith  
Jeremy Lewis Morgan  
Christine Soden

#### Registered Office

Chesterford Research Park  
Little Chesterford  
Saffron Walden  
England  
CB10 1XL

23 July 2024

Dear Shareholder,

### **Conditional Placing, Subscription and Retail Offer of 7,129,615 New Ordinary Shares at the Issue Price and General Meeting**

#### **1. Introduction**

On, 19 July 2024, the Company announced that it had conditionally raised approximately £6.26 million (before fees and expenses) through a conditional Placing and Subscription for an aggregate of 6,955,847 New Ordinary Shares with existing and new investors at the Issue Price. Net Proceeds from the Placing and Subscription will be employed towards revenue growth across the business, working capital and balance sheet strength with a view towards delivering shareholder value.

In addition, the Company announced on 19 July 2024 the opportunity for qualifying UK retail investors who did not take part in the Placing or the Subscription to subscribe for up to 1,111,111 Retail Offer Shares at the Issue Price through the Winterflood Retail Access platform to raise up to a further £1 million (before expenses) by way of the conditional Retail Offer. On 23 July 2024, the Company announced the Retail Offer had raised approximately £0.16 million (before expenses) for an aggregate of 173,768 New Ordinary Shares.

The Placing Shares, Subscription Shares and Retail Offer Shares will be allotted and issued conditional, *inter alia*, upon the passing of Resolutions 1 and 2 at the General Meeting, which is being convened for 1:00 p.m. on 8 August 2024. The Resolutions are contained in the Notice of General Meeting set out in Part III of this document. The Placing, which has not been underwritten, was undertaken by way of an accelerated bookbuild.

Certain Directors of the Group have conditionally subscribed for an aggregate of 105,553 New Ordinary Shares at the Issue Price representing approximately 1.5 per cent. of the New Ordinary Shares to be issued through the Fundraise. Immediately following Admission, the Directors will have a legal and/or beneficial interest in 1,540,934 Ordinary Shares representing approximately 4.1 per cent. of the Enlarged Share Capital.

Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Subject to, amongst other things, approval of the Resolutions at the General Meeting, it is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence at 8:00 a.m. on 9 August 2024. The New Ordinary Shares will represent approximately 18.9 per cent. of the Enlarged Share Capital and the New Ordinary Shares when issued, will rank *pari passu* with the Existing Ordinary Shares.

If the conditions relating to the issue of the Placing Shares are not satisfied, or the Placing Agreement is terminated in accordance with its terms the Placing Shares will not be issued. As each of the Subscription and Retail Offer is also conditional on the Placing, the Subscription Shares and Retail Offer Shares will not

be issued in the event of such termination of the Placing Agreement, and the Company will not receive the related funds pursuant to the Placing, Subscription or Retail Offer. The Issue Price represents a discount of approximately 2.7 per cent. to the mid-market closing price of 92.5 pence per Existing Ordinary Share on the Latest Practicable Date.

The background to and reasons for the Fundraising and further details of the Fundraising are set out in sections 2 and 4 below.

**The purpose of this document is to provide you with information regarding the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and its Shareholders as a whole and why it unanimously recommends that you should vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.**

### ***Importance of the vote***

**Shareholders should be aware that if Resolutions 1 and 2 are not approved at the General Meeting, the Placing, Subscription and Retail Offer will not complete and the Net Proceeds from the issue of the Placing Shares, Subscription Shares and Retail Offer Shares will not be received by the Company which may materially and adversely impact the Group's financial position and its ability to continue with its strategy as intended.**

## **2. Background to and Reasons for the Transaction**

### ***Background to the Company***

Arecor is a globally focused biopharmaceutical company transforming patient care by bringing innovative medicines to market through the enhancement of existing therapeutic products which are safer, more effective and easier-to-use with a vision to provide improved outcomes and quality of life to patients.

Arecor does this by leveraging its innovative and proprietary formulation technology platform, Arestat™. Arecor has a diverse portfolio of both proprietary in-house products and partnered programmes. The Company has a diversified and growing revenue base through partnerships and licence agreements with pharmaceutical companies, commercial sales of Ogluo® and significant upside potential from its diabetes and obesity proprietary pipelines which are further described below.

#### **a) Partnership products:**

##### **Technology partnerships**

Arecor has a portfolio of technology partnerships with leading pharmaceutical and biotechnology companies developing enhanced, differentiated version of their proprietary products across a range of indications and stages of development. These partnerships are revenue generating from inception generating fees for access to Arecor's technology, expertise and its broad IP portfolio. Once Arecor has completed this initial development work, the partners have the opportunity to license the novel formulations developed by Arecor and the associated IP such that they can further develop and commercialise these enhanced products. These licenses are typically milestone and royalty based and offer significant upside potential. The Group's technology partnerships include agreements with some of the largest pharmaceutical and MedTech companies in the world including Eli Lilly and Medtronic. These partnerships highlight the strength and the need for the Arestat™ technology platform, provide near-term revenue generation as well as offering significant upside potential from potential future licencing arrangements.

##### **Technology licencing model**

Arecor currently has three products under licence agreements with partners including Sanofi, Hikma and an undisclosed partner for AT220. These novel formulations of the products under license have been developed incorporating the Group's Arestat™ technology and have been subsequently licenced to the partners who are responsible for further development and commercialisation.

Arecor's AT220 product (undisclosed biosimilar), is the first product incorporating the Arestat™ technology to be launched (November 2023) and is now generating royalties under a worldwide license

agreement, representing a clear validation of the Arestat™ platform and demonstrating the strength of the Group's technology and value it has to partners.

## **b) Specialty Hospital Portfolio:**

### **Commercial products**

Arecor's specialty hospital products franchise includes the Tetris Pharma portfolio and Arecor's in-house development pipeline of specialty hospital products, one of which is under license with Hikma Pharmaceuticals. The focus of the specialty hospital product portfolio is to develop ready-to-use ("RTU") and ready-to-administer ("RTA") versions of existing therapeutic products that have the potential to enable fast, safer and effective treatment options for patients.

Tetris Pharma's lead product Ogluo®, is a RTU glucagon product for the treatment of severe hypoglycaemia in people with diabetes. In the year ended 31 December 2023, product sales of Ogluo® totalled £2.9 million (2022: £1.0 million) and notwithstanding that first half of 2024 sales have been significantly tempered by the availability of Ogluo® stock, the Directors anticipate, with increased investment from the Fundraising, additional 60 per cent. growth potential in 2024. Tetris Pharma have an exclusive long-term licence agreement from Xeris Pharmaceuticals Inc. in the US, to sell Ogluo® in the UK, Europe and Switzerland. Tetris Pharma continues to build sales momentum through the commercial roll-out of Ogluo® and is focused on expansion throughout the UK and Germany. Subject to funding, increased inventory availability will provide a significant opportunity for the commercial expansion with a target of cashflow breakeven for the Tetris Pharma subsidiary in 2026.

Tetris Pharma is targeting gaining market share in the UK and Germany where the RTU glucagon market is estimated to be worth approximately £18 million and £9.5 million respectively. With increased investment Tetris Pharma plan to focus on implementing targeted awareness campaigns to drive demand and revenue growth through 2024 and 2025 in the UK and Germany. Dr Helen Parris was appointed as Senior Vice President, Commercial and General Manager of Tetris Pharma in January 2024, and is a key catalyst in driving revenue growth and commercialisation.

## **c) Proprietary Product Portfolio**

### **Proprietary product portfolio**

The Group's in-house proprietary product portfolio is focused on areas of high unmet patient needs in high value markets, which can be addressed using the Group's Arestat™ technology platform developing enhanced versions of existing medicines. The primary area of focus is on diabetes and obesity with the high-level strategy to develop valuable data packages and demonstrate superiority of these products to enable future high-value partnership opportunities under the Group's licensing model.

The Group's proprietary diabetes insulin products have demonstrated clinical superiority across four clinical studies to date comparing Arecor's products against the best-in-class insulins currently available to patients from Eli Lilly and Novo Nordisk.

#### *AT278 – ultra-concentrated, ultra-rapid acting insulin:*

AT278 (500 U/mL) is an ultra-concentrated, ultra-rapid acting, novel formulation of insulin that accelerates the absorption of insulin post injection, even when delivered at a high concentration, and hence a lower injection volume. With no concentrated (>200 U/mL), rapid acting insulins on the market, AT278 has potential to be the first, and only, insulin available to the growing number of patients with high daily insulin requirements, bringing the advantage of lower injection volume and potentially fewer injections for those on MDI (multiple daily injection) therapy. In the US, the average daily insulin use for a person with Type 2 diabetes is ~100 units/day, with ~18 per cent. of Type 1 diabetics also requiring ≥100 units/day. Furthermore, despite the improvements in outcomes among people with diabetes who use insulin pumps and automated insulin delivery (AID) systems, they are still only used by less than 40 per cent. of people with Type 1 diabetes and less than 10 per cent. of people with Type 2 diabetes in the US. The size and short duration of wear of existing insulin pumps remains a significant barrier to use. AT278 has the potential to be the only highly concentrated, ultra-rapid acting insulin to enable the next generation of miniaturised, longer wear insulin pumps. The insulin pump market is valued at circa \$5.5 billion market today, with a significant opportunity for substantial growth in this market by expanding use across the Type 1 and Type 2 patient population that can be further enabled by AT278 and a next generation insulin pump.

In a Phase I clinical study in Type 1 diabetic patients, AT278 clearly demonstrated superiority for onset of appearance and insulin exposure (PK) and superior accelerated glucose-lowering effect (PD) profile compared to the lower concentration NovoRapid® (100U/mL).

On 20 May 2024, Arecor announced highly positive results for AT278, which demonstrated superiority over NovoRapid® and Humulin® R U-500 in a phase I clinical trial in overweight and obese people with Type 2 diabetes.

Together with its superior profile in the earlier Phase I clinical study in Type 1 diabetic patients, AT278 has demonstrated its ability to maintain a fast and superior onset of action and glucose lowering profile irrespective of diabetes type and BMI. This makes AT278 completely unique in the competitive field of insulin analogues. Not only does it have the potential to significantly improve post-prandial glucose control whilst lowering burden for anybody with diabetes who has a high daily insulin need, it can act as a catalyst in the development of miniaturised insulin delivery systems, where the size of existing devices is a significant barrier to use for many patients.

As announced on 10 June 2024, the Board believes that, subject to funding, the optimal value inflexion point for AT278 and potential value for Shareholders is likely to be best achieved through conducting an insulin pump study which the Directors believe should provide sufficient data for potential licensing partners, to further demonstrate the potential of AT278 to disrupt the market by enabling the next generation of truly miniaturised, longer-wear insulin pumps, a key focus for patients, physicians and the industry. Therefore, the Directors continue to explore funding options, including but not limited to co-development arrangements, to conduct the clinical pump study. The Directors believe the pump study will deliver major valuation accretion which will increase the potential for, and value of, strategic dealmaking providing greater optionality for discussions with third parties around, *inter alia*, co-development of AT278.

#### *AT247 – ultra-rapid acting insulin:*

AT247 (100U/mL), is an Arestat™ enabled formulation of insulin designed to accelerate the absorption of insulin post injection, to enable more effective management of blood glucose levels for people living with diabetes, particularly around difficult to manage mealtimes. In a European Phase I first-in-man study, AT247 demonstrated highly favourable results with a faster acting and superior glucose lowering PK/PD profile when compared to currently available gold standard rapid acting insulins, Novo Nordisk's NovoRapid® and Fiasp®. With a superior PK/PD profile, AT247 has the potential to enable even more effective disease management for people with Type I diabetes using fully automated delivery of insulin via a pump in closed loop mode. Arecor is currently exploring the potential for AT247 for clinically improve time-in-range (time in target blood glucose range) when combined with tuned algorithms with a number of insulin device companies.

The Group's proprietary product portfolio has significant opportunity to further expand its proprietary pipeline of different therapeutic injectables for partnering and is a continued focus of research and development. The Group has established a research collaboration with TRx Biosciences for the formulation development of an oral GLP-1 receptor agonist product. With current treatment options mostly limited to injectable therapies, many patients in need are unable to benefit from these highly effective treatments providing a significant market opportunity with the GLP-1 market forecast to reach \$80-100 billion by 2030. The collaboration provides scope for expansion to develop further oral peptide products, including additional peptides and combination approaches which may be key in the treatment of obesity-related health conditions, as well as peptide products targeting multiple therapeutic areas. If technically successful, Arecor anticipates its oral GLP-1 product to be highly commercially attractive to partners and also allow expansion more broadly into oral delivery of peptides.

### **Rationale for the Fundraising**

As outlined above, the Directors believe that Arecor has multiple opportunities for revenue growth and value creation for Shareholders across its partnership products and its speciality products portfolio through a combination of product sales, royalties and milestones. In the medium-term the Directors believe there are significant opportunities that may be generated through its proprietary diabetes portfolio. In order to deliver the growth opportunities, the Group has conditionally raised £6.4 million through the Fundraise in order to provide a sound financial platform allowing Arecor to deliver significant valuation inflexion points.

As noted in the Company's trading update announced on 10 June 2024, the Company stated that further funding is required for working capital purposes as a result of the timing of potential pipeline revenues and

an increase in costs. Should the Resolutions not be approved at the General Meeting, the net proceeds from the Fundraising will not be received by the Company, which may materially and adversely impact the Group's financial position and its ability to continue with its strategy as intended.

### ***Use of Proceeds***

The net proceeds from the Placing and Subscription will be used to drive revenue growth across the business and seek to deliver significant value inflexions. Subject to achieving expected revenues and cash in-flows, the Directors believe the Placing and Subscription will provide the Company with a cash runway for two years from Admission. Subject to the Resolutions being passed at the General Meeting, the Directors intend to use the net proceeds of the Placing and Subscription as follows:

- i. £2.7 million – continue to invest in Arecor research and development with a focus on delivering enhanced injectables and oral-GLP-1 data packages to convert value driving partnering, working capital.
- ii. £2.7 million – investment in Tetris Pharma to drive Ogluo® product sales through investment in inventory and in awareness and marketing campaigns in the UK and Germany with the aim to reach cashflow positive in 2026.

It is intended that the net proceeds of the Retail Offer will be used to provide general working capital and balance sheet strength.

### **3. Current Trading and Outlook**

Whilst it remains early in the financial year, the Group currently expects revenue for 2024 to remain in line with consensus analyst market expectations. However, it should be noted that this remains dependent on revenue growth across all areas of the business including new potential licensing deals, increased Tetris Pharma sales and royalties from AT220. The timing and magnitude of the Group's revenue streams from its partnered portfolio and demand for Ogluo® are uncertain and are not all fully within the Group's control. Total (unaudited) revenue for the first half of 2024 was £1.9 million (first half 2023 unaudited: £1.7 million) which does not include second quarter 2024 AT220 royalties (royalty statement is due around the end of July). The Group's unaudited cash position at 30 June 2024 was £2.5 million.

The Company continues to examine cost mitigation, has implemented a number of short-term measures and continues to explore longer term cost savings and funding options, including non-dilutive funding such as, but not limited to, grant funding and co-development funding across its proprietary diabetes portfolio. The Company is focused on managing its working capital efficiently.

The Company is in advanced discussions regarding the appointment of a new CFO.

### **4. Details of the Fundraising**

The Company has conditionally placed 5,800,293 Placing Shares through the Placing and 1,155,554 Subscription Shares through the Subscription, in each case at the Issue Price. Alongside the Placing, the Company conducted the Retail Offer at the Issue Price pursuant to which qualifying UK retail investors have conditionally subscribed for 173,768 Retail Offer Shares.

The 7,129,615 New Ordinary Shares to be issued pursuant to the Fundraising will, represent approximately 18.9 per cent. of the Enlarged Share Capital following Admission. It is expected that the New Ordinary Shares will be admitted to trading on AIM on 9 August 2024.

### ***Placing***

Panmure Liberum (Joint Broker and Joint Bookrunner), WG Partners (Joint Broker and Joint Bookrunner) and Beech Hill Securities (US Placing Agent), have conditionally placed the Placing Shares at the Issue Price with existing Shareholders, other institutional investors and certain Directors representing gross proceeds of approximately £5.22 million. The Placing will comprise 5,800,293 Placing Shares. The Placing is not underwritten.

The Placing is conditional, *inter alia*, on the following:

- i. Resolutions 1 and 2 being passed at the General Meeting;
- ii. the Placing Agreement becoming unconditional in all respects (save for any condition relating to the Admission) and not having been terminated in accordance with its terms prior to Admission; and
- iii. Admission having become effective on or before 8:00 a.m. on 9 August 2024 (or such later date and/or time as the Company, Panmure Liberum, WG Partners and Beech Hill Securities may agree not being later than 5:00 p.m. on 31 August 2024).

The Placing Shares will, when issued and fully paid, rank *pari passu* in all respects with Existing Ordinary Shares then in issue, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

A summary of the Placing Agreement is set out in paragraph 2 of Part II of this document.

### **Subscription**

Certain existing Shareholders of the Company and Alan Smith, a Director of the Company, have conditionally agreed to subscribe for in aggregate 1,155,554 Subscription Shares at the Issue Price raising gross proceeds of £1.04 million. The Subscription is not underwritten.

The Subscription is conditional upon, amongst other things, (a) the Placing Agreement becoming unconditional in all respects (save for any condition relating to the Admission) and not having been terminated in accordance with its terms prior to Admission; (b) the passing without amendment of all the Resolutions at the General Meeting and (c) Admission occurring in respect of the Subscription Shares by 8:00 a.m. on 9 August 2024 or such later time and date as the Company and the Panmure Liberum, WG Partners and Beech Hill Securities may agree.

If the conditions for the Subscription are not satisfied or waived (where capable of waiver), the Subscription will lapse and the Subscription Shares will not be allotted and issued and no monies will be received by the Company pursuant to the Subscription.

The Subscription Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares then in issue, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

### **Retail Offer**

The Company announced on 19 July 2024 a separate conditional Retail Offer via the WRAP Platform to raise gross proceeds of up to £1 million at the Issue Price. Conditional on, amongst other things, the Resolutions being duly passed at the General Meeting, the completion of the Placing and Subscription and Admission, 173,768 Retail Offer Shares will be issued to eligible retail investors by way of the Retail Offer to raise gross proceeds of £0.16 million.

While the Placing has been structured as a non-pre-emptive offer so as to minimise cost, time to completion and use of management time, the Company values its retail Shareholders and has sought to provide those retail Shareholders, and other qualifying UK retail investors, with an opportunity to participate in the Fundraising alongside other investors.

After consideration of the various options available to it, the Company believes that the separate Retail Offer, which gives retail Shareholders the opportunity to participate in the Company's Fundraising alongside the Placing and Subscription, is in the best interest of Shareholders, as well as wider stakeholders in the Company.

The net proceeds of the Retail Offer will be used to provide general working capital and balance sheet strength.

The Retail Offer was conducted via the WRAP Platform and not by Panmure Liberum, WG Partners or Beech Hill Securities and consequently neither Panmure Liberum, WG Partners nor Beech Hill Securities has any responsibilities in relation to the Retail Offer. The Retail Offer Shares are not part of the Placing or

Subscription and are not Placing Shares or Subscription Shares. The Retail Offer is not underwritten. The Retail Offer was conducted on a basis which did not require the Company to publish (and it has not published) a prospectus.

The Retail Offer Shares will represent approximately 0.5 per cent. of the Enlarged Share Capital. The Retail Offer Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares then in issue, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

## **5. Related Party Transaction and Directors' Interests**

BGF Investment Management Limited has agreed to subscribe for 1,111,111 Placing Shares as part of the Placing and is considered to be a related party of the Company in accordance with Rule 13 of the AIM Rules for Companies by virtue of its status as a substantial shareholder of the Company. The conditional subscription for 105,553 New Ordinary Shares by certain Directors of the Company as part of the Fundraising will also constitute related party transactions in accordance with Rule 13 of the AIM Rules for Companies (together, the “**Related Party Transactions**”).

Jeremy Morgan, being the Director independent of the Related Party Transactions considers, having consulted with the Company’s nominated adviser, Panmure Liberum, that the terms of the Related Party Transactions are fair and reasonable insofar as the shareholders of the Company are concerned.

### **General Meeting**

The Directors do not currently have sufficient authority to allot the New Ordinary Shares pursuant to the Fundraising and, accordingly, the Board will be seeking the approval of Shareholders, at the General Meeting, to allot the New Ordinary Shares in order to carry out the Fundraising.

You will find set out at the end of this document in Part III, notice convening the General Meeting, to be held at the offices of Covington & Burling LLP at 22 Bishopsgate, London EC2N 4BQ on 8 August 2024 at 1:00 p.m. at which the following Resolutions will be proposed:

**Resolution 1** – An ordinary resolution to authorise the Directors to allot relevant securities for the purposes of section 551 of the Act provided that such power be limited to the allotment of the New Ordinary Shares in connection with the Fundraising.

**Resolution 2** – A special resolution to authorise the Directors to allot equity securities for cash, pursuant to the authority conferred on them by Resolution 1, and to dis-apply statutory pre-emption rights in respect of the allotment of such shares, as if section 561 of the Act did not apply to such allotment, provided that such power shall be limited to the allotment of the New Ordinary Shares in connection with the Fundraising. This Resolution is conditional upon the passing of Resolution 1.

The authorities and the powers described in Resolutions 1 and 2 above will (unless previously revoked or varied by the Company in general meeting) expire on the earlier of (i) the date falling three months from the passing of such Resolutions; and (ii) at the conclusion of the next annual general meeting of the Company following the passing of the Resolutions, whichever occurs first. The authority and the power described in Resolutions 1 and 2 above are in addition to any like authority or power previously conferred on the Directors.

### **Voting Intentions**

The Directors, who in aggregate hold 1,435,381 Existing Ordinary Shares, representing approximately 4.69 per cent. of the existing issued ordinary share capital of the Company, intend to vote in favour of the Resolutions at the General Meeting.

### **Additional Information**

The attention of Shareholders is drawn to the information contained in Part II of this document, which provides additional information on the Company.

**Action to be taken**

A Form of Proxy for use at the General Meeting is enclosed with this document. The Form of Proxy should be completed in accordance with the instructions printed thereon and returned to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible, but in any event so as to be received by no later than 1:00 p.m. on 6 August 2024. Shareholders who are CREST members may submit their CREST proxy instructions online via the CREST electronic appointment service. Shareholders who hold their Ordinary Shares through a nominee should instruct their nominees to appoint a proxy on their behalf. Further details of how to register a proxy vote are contained within the notes to the Notice of General Meeting at the end of this document.

**Persons intending to attend the General Meeting in person will need a QR code to access the meeting venue. Such QR code will need to be displayed on a smartphone or similar device. A QR code will be able to be obtained in advance by emailing the Registrars, Computershare Investor Services PLC, at [#ukcsbrs.externalproxyqueries@computershare.co.uk](mailto:#ukcsbrs.externalproxyqueries@computershare.co.uk) with your full name and email address. Persons who have not obtained a QR code in advance will be able to obtain one at the meeting venue.**

**Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions. Appointing a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish.**

**Recommendation**

**The Directors consider that the Fundraising and the authorities granted by the Resolutions to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions as they intend to do in respect of their own shareholdings of 1,435,381 Ordinary Shares, representing approximately 4.69 per cent. of the Company's existing issued ordinary share capital.**

Yours faithfully

**Dr Andy Richards**  
*Chairman*

**PART II**

**ADDITIONAL INFORMATION**

**1. Directors' interests in Ordinary Shares**

As at the Latest Practicable Date and, subject to and immediately following Admission, the interests of the Directors, their immediate families and persons connected with the Directors (within the meaning of sections 252 to 255 of the Act) (all of which are beneficial unless otherwise stated) in the issued share capital of the Company are as follows:

	<i>Number of Ordinary Shares (as at the date of this document)</i>	<i>Percentage of Existing Ordinary Shares (as at the date of this document)</i>	<i>Number of Ordinary Shares as at Admission</i>	<i>Percentage of Enlarged Share Capita<sup>1</sup> as at Admission</i>
Andy Richards	223,834	0.73	251,611	0.67
Sarah Howell	867,738	2.83	884,404	2.34
Sam Fazeli	115,708	0.38	143,485	0.38
Jeremy Morgan	27,169	0.09	27,169	0.07
Alan Smith	181,765	0.59	203,987	0.54
Christine Soden	19,167	0.06	30,278	0.08
<b>Total</b>	<b><u>1,435,381</u></b>	<b><u>4.69</u></b>	<b><u>1,540,934</u></b>	<b><u>4.08</u></b>

Save as disclosed in this paragraph 1, none of the Directors (or persons connected with the Directors within the meaning of sections 252 to 255 of the Act) has any beneficial or non-beneficial interest in any securities of the Company or its subsidiaries.

**2. Placing Agreement**

On 19 July 2024, the Company entered into a placing agreement with Panmure Liberum, WG Partners and Beech Hill Securities, under which Panmure Liberum, WG Partners and Beech Hill Securities agreed to use their reasonable endeavours, as agents for the Company, to procure Placees for the Placing Shares at the Issue Price on the terms of the Placing Agreement. The Placing Agreement contains warranties from the Company in favour of Panmure Liberum, WG Partners and Beech Hill Securities in relation to, *inter alia*, the accuracy of the information in this and other documents and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify Panmure Liberum, WG Partners and Beech Hill Securities in relation to certain liabilities they may incur in respect of the Placing. Each of Panmure Liberum, WG Partners and Beech Hill Securities has the right to terminate its obligations under the Placing Agreement in certain circumstances, in particular in the event of a breach of the warranties or the occurrence of a force majeure event. In certain circumstances, where Panmure Liberum, WG Partners or Beech Hill terminates its obligations under the Placing Agreement, Panmure Liberum and/or WG may elect to allow the Placing to proceed. In such circumstances, the Placing Agreement will only terminate insofar as it relates to the terminating party and the Placing Agreement will remain in full force and effect with respect to the remaining parties.

The Placing Agreement, insofar as it relates to the Placing of the Placing Shares, is conditional, *inter alia*, upon (i) Resolutions 1 and 2 being passed at the General Meeting; (ii) the Placing Agreement becoming unconditional in all respects (save for any condition relating to the Admission) and not having been terminated in accordance with its terms prior to Admission; and (iii) Admission taking place no later than 8:00 a.m. on 9 August 2024 (or such later time and/or date as the Company, Panmure Liberum, WG Partners and Beech Hill Securities may agree, not being later than 5:00 p.m. on 31 August 2024).

### **3. Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which, during the 12 month period prior to the publication of this document, may have, or have had, significant effects on the Company or the Group's financial position or profitability.

### **4. Taxation**

Shareholders who are in any doubt as to their tax position or who may be subject to tax in any other jurisdiction are strongly recommended to consult their own professional advisers.

No UK stamp duty will be payable on the issue by the Company of New Ordinary Shares.

Stamp duty and stamp duty reserve tax ("**SDRT**") is not chargeable on transfers of securities admitted to trading on certain recognised growth markets, which currently includes AIM, provided they are not listed on a recognised stock exchange. Accordingly, transfers of New Ordinary Shares after issue should be exempt from stamp duty and SDRT.

### **5. Availability of this document**

Copies of this document will be available free of charge at the registered office of the Company and on the Company's website at <https://arecor.com/investor-centre/financial-information/> during normal business hours on any day (Saturdays, Sundays and public holidays excepted) from the date of this document until the date of Admission.

## PART III

### NOTICE OF GENERAL MEETING

# Arecor Therapeutics plc

*(Incorporated and registered in England and Wales under number 13331147)*

(the “**Company**”)

Notice is hereby given that a general meeting of the Company will be held at the offices of Covington & Burling LLP at 22 Bishopsgate, London EC2N 4BQ, on Thursday 8 August 2024 at 1:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution.

In this Notice, words and defined terms shall have the same meaning as words and defined terms in the Circular to which this Notice is attached.

#### ORDINARY RESOLUTION

1. **THAT**, in addition to all existing authorities granted to the Directors, the Directors be and are hereby generally and unconditionally authorised, in accordance with section 551 of the Act, to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £71,296.15 in connection with the Fundraising, such authority to be in addition to all existing authorities granted to the Directors and provided that this authority shall expire on the earlier of: (i) the date falling three months after the date of which it is passed; and (ii) the conclusion of the Company's 2025 annual general meeting, but so that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert securities into shares pursuant to such an offer or agreement as if this authority had not expired.

#### SPECIAL RESOLUTION

2. **THAT**, in addition to all existing authorities granted to the Directors and subject to and conditional on the passing of Resolution 1 above, the Directors be empowered, pursuant to section 570 of the Act, to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 1 above 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 of equity securities up to the maximum aggregate nominal amount of £71,296.15 in connection with the Fundraising and shall expire on the earlier of: (i) the date falling three months after the date on which it is passed; and (ii) the conclusion of the Company's 2025 annual general meeting, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such an offer or agreement as if this power had not expired.

23 July 2024

By order of the Board

**One Advisory Group Limited**

*Company Secretary*

Chesterford Research Park, Little Chesterford,

Saffron Walden, England, CB10 1XL

Registered in England and Wales No. 13331147

## Notes

1. The following notes explain your general rights as a shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote at the General Meeting on your behalf. Shareholders are encouraged to complete and submit a Form of Proxy appointing the chairman of the General Meeting as their proxy with their voting instructions. Forms of proxy should be submitted as soon as possible and in any event so as to be received no later than 1:00 p.m. on 6 August 2024. Appointing a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they wish.
2. **Persons intending to attend the General Meeting in person will need a QR code to access the meeting venue. Such QR code will need to be displayed on a smartphone or similar device. A QR code will be able to be obtained in advance by emailing the Registrars, Computershare Investor Services PLC, at #ukcsbrs.externalproxyqueries@computershare.co.uk with your full name and email address. Persons who have not obtained a QR code in advance will be able to obtain one at the meeting venue.**
3. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote on a show of hands and on a poll instead of him or her. A proxy need not be a member of the Company. Where a shareholder appoints more than one proxy, each proxy must be appointed in respect of different shares comprised in his or her shareholding which must be identified on the Form of Proxy. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint shareholder purports to appoint a proxy in respect of the same shares, only the appointment by the most senior shareholder will be accepted as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the Chairman of the meeting and give your instructions to that proxy.
4. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. A Form of Proxy is enclosed with this Notice. Shareholders who intend to appoint more than one proxy may photocopy the Form of Proxy prior to completion. Alternatively, additional Forms of Proxy may be obtained by contacting Computershare Investor Services PLC on 0370 707 1272. The Forms of Proxy should be returned in the same envelope and each should indicate that it is one or more than one appointments being made. To be valid, a Form of Proxy together with, if applicable, the power of attorney or other authority under which it is signed, or a certified copy thereof, must be received by Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not later than 1:00 p.m. on 6 August 2024.
5. Shareholders who are CREST members may submit their CREST proxy instructions online via the CREST electronic appointment service so as to be received no later than 1:00 p.m. on 6 August 2024. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment thereof) by using the procedures described in the CREST Manual ([www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. All messages relating to the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so as to be received by the Company's agent (ID. 3RA50) no later than 1:00 p.m. on the day that is two business days prior to the General Meeting. It is the responsibility of the CREST member concerned to take 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 providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
6. An abstention (or "vote withheld") option has been included on the Form of Proxy. The legal effect of choosing the abstention option on any resolution is that the member concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
7. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the register of members of the Company as at 6:00 p.m. on 6 August 2024 shall be entitled to attend or vote (whether on a show of hands or on a poll) at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after 6:00 p.m. on 6 August 2024 (or after 6:00 p.m. on the day which is two days before any adjourned meeting, excluding non-working days) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
8. Any corporation which is a member can appoint one or more corporate representatives. Each representative may exercise on behalf of the corporation the same powers as the corporation could exercise if it were an individual member of the Company provided that they do not do so in relation to the same Ordinary Shares. It is therefore no longer necessary to nominate a designated corporate representative.
9. As at the Latest Practicable Date, the Company's issued share capital comprised 30,626,986 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company on such date is 30,626,986.
10. A copy of the circular of which this notice of meeting forms part, is available on the Company's website at <https://arecor.com/>

