Company no: 06182024

Pulmocide Limited

Directors' report and financial statements

for the year ended 31 March 2017

Contents

Directors and advisers

Directors

Ms Catherine Bingham
Dr Steve Knight
Ms Maina Bhaman
Dr Jeanne Bolger
Dr William Garth Rapeport
Dr Peter Strong
Mr Matthew Foy
Mr Daniel Burgess

Secretary and Solicitors

Covington & Burling LLP
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London
WC2R 1BH

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Independent auditors

PricewaterhouseCoopers LLP
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Bankers

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180 Oxford Street
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Directors' report for the year ended 31 March 2017

The directors present their report and audited financial statement for the year ended 31 March 2017. The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102')'.

Principal activity

The principal activity of the Company is pharmaceutical drug research, development and commercialisation and the directors expect the Company to continue with its principal activity into the foreseeable future.

Review of business and future developments

The directors are pleased with the result for the year, which was as expected. The directors have not recommended the payment of a dividend (2016: £nil).

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the investors; F Prime Healthcare Fund LLP, Touchstone Innovations Businesses LLP, Johnson and Johnson Innovation – JJDC Inc, SV Life Sciences Fund V LP, S.R.One, Limited and Longwood Fund III LP. Capital of £25,000,000 has also been committed: £1,000,000 was received as the final tranche of Series A funding and £10,000,000 for Series B in March 2017. The remaining £15,000,000 commitment is subject to further investment milestones.

Directors

The following directors held office throughout the year, and up to the date of this report unless otherwise noted:

Ms Catherine Bingham

Dr Steve Knight

Dr Harry Finch (resigned 17 March 2017)

Ms Maina Bhaman

Dr Jeanne Bolger

Dr William Garth Rapeport

Dr Peter Strong

Mr Matthew Foy (appointed 17 March 2017)

Mr Daniel Burgess (appointed 17 March 2017)

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Directors' report for the year ended 31 March 2017 (continued)

Statement of directors' responsibilities in respect of the financial statements.

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulation.

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

- Select suitable accounting policies and then apply them consistently;
- State whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the Directors' report is approved:

- So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- They have taken all the 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 auditors are aware of that information.

On behalf of the board

Dr Peter Strong
Director

28 September 2017

Independent auditors' report to the members of Pulmocide Limited

Report on the financial statements

Our opinion

In our opinion, Pulmocide Limited's financial statements (the "financial statements"):

- Give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its loss for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Directors' report and financial statements (the "Annual Report"), comprise:

- The Balance sheet as at 31 March 2017;
- The Statement of comprehensive income for the year then ended;
- The Statement of changes in equity for the year then ended; and
- The notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

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

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

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Pulmocide Limited (continued)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- Whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- The reasonableness of significant accounting estimates made by the directors; and
- The overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

Independent auditors' report to the members of Pulmocide Limited (continued)

What an audit of financial statements involves (continued)

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' report, we consider whether this report includes the disclosures required by applicable legal requirements.

Brian Henderson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

28 September 2017

Statement of comprehensive income for the year ended 31 March 2017

	Note	2017	2016
		£	£
Administrative expenses	4	**(6,041,974)**	(9,825,278)
Loss before taxation	7	**(6,041,974)**	(9,825,278)
Tax on loss	8	**2,132,401**	1,121,665
Loss for the financial year		**(3,909,573)**	(8,703,613)
Other comprehensive income for the year net of tax		-	-
Total comprehensive loss for the year		**(3,909,573)**	(8,703,613)

All activities are in respect of continuing operations.

Balance sheet
as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	**96,204**	165,564
		96,204	165,564
Current assets			
Debtors	10	**442,708**	602,541
Cash at bank and in hand		**13,255,427**	3,230,581
		13,698,135	3,833,122
Creditors: amounts falling due within one year	11	**(1,097,561)**	(1,503,358)
Net current assets		**12,600,574**	2,329,764
Total assets less current liabilities		**12,696,778**	2,495,328
Creditors: amounts falling due after more than one year	12	**(32,000,000)**	(18,000,000)
Net liabilities		**(19,303,222)**	(15,504,672)
Capital and reserves			
Called up share capital	14	**8,550**	-
Other reserves	13	**102,473**	-
Accumulated losses		**(19,414,245)**	(15,504,672)
Total shareholders' deficit		**(19,303,222)**	(15,504,672)

The financial statements on pages 7 to 18 were prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and were approved by the Board on 26 September 2017.

Dr Peter Strong
Director

Statement of changes in equity for the year ended 31 March 2017

	Note	Called up share capital	Other reserves	Accumulated losses	Total Shareholders' deficit
		£	£	£	£
At 1 April 2015		**-**	**-**	**(6,801,059)**	**(6,801,059)**
Loss for the financial year		-	-	(8,703,613)	(8,703,613)
At 31 March 2016		**-**	**-**	**(15,504,672)**	**(15,504,672)**
At 1 April 2016		-	-	(15,504,672)	(15,504,672)
Loss for the financial year		-	-	(3,909,573)	(3,909,573)
Share based payment charge	13		102,473		102,473
Issuance of share capital	14	8,550	-	-	8,550
At 31 March 2017		**8,550**	**102,473**	**(19,414,245)**	**(19,303,222)**

Notes to the financial statements for the year ended 31 March 2017

1. General Information

Pulmocide Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK. The address of its registered office is c/o Covington & Burling LLP, 265 Strand, London, WC2R 1BH.

The principal activity of the Company is that of a pharmaceutical drug research and development and commercialisation company.

2. Statement of Compliance

The individual financial statements of the Company have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", and the Companies Act 2006.

3. Accounting Policies

The significant accounting policies, which have been applied consistently to all years presented, unless otherwise stated, are set out below;

Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The financial statements are presented in pound sterling, which is the Company's functional and presentation currency.

Basis of consolidation

In accordance with the Companies Act 2006, Section 398, Pulmocide Limited, a qualifying entity, has elected not to prepare group consolidated financial statements. MykoTherapeutics Limited, incorporated and domiciled in the UK. The address of its registered office is c/o Covington & Burling LLP, 265 Strand, London, WC2R 1BH. MykoTherapeutics Limited, the sole wholly owned subsidiary of the Company was dormant throughout the year and would therefore not materially impact the presentation of the financial statements.

Going concern

The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate, as adequate funding has been secured to allow the Company to meet its obligations for at least 12 months from the date of signing these financial statements.

Exemption for qualifying entities under FRS 102

The Company has taken advantage of the following exemptions under FRS 102 in these financial statements:

- Presentation of a statement of cash flows
- Financial instrument disclosures
- Company key management personnel total compensation disclosure

3. Accounting Policies (continued)

Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Plant and Machinery	25% and 33% per annum on cost.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Employee Benefits

The Company provides benefits to employees of paid holiday arrangements and a defined contribution pension plan. Holiday is paid out when taken by the employee. At each year end the cost of unused holiday is quantified and accrued in the financial year as it is considered earned by the employee over this period.

The Company operates a defined contribution plan for employees to which it pays fixed contributions into a separate entity. Once paid, the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid at period end are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Share based payments

The company operates an employee share scheme, whereby options are granted to employees to purchase shares in the company. In accordance with the requirements of FRS 102, the related share based payment expense is recorded in the Statement of comprehensive income. For all grants of share options, the fair value as at the date of grant is calculated using an appropriate option pricing model and the corresponding expense is recognised over the period to which the associated employee's service relates.

At the end of each reporting period, the company revises its estimate of the number of options that are expected to vest and recognises the impact of any revision to original estimates in the Statement of comprehensive income, with a corresponding adjustment to equity. When the options are exercised, the company will issue new shares and the proceeds received, net of any directly attributable transactions costs, will be credited to share capital (nominal value) and share premium.

Leases

Costs in respect of operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Research and development

Research and development costs are expensed in the period they are incurred. In the current year the total amount of research and development cost was £6,041,974 (2016: £9,825,278).

3. Accounting Policies (continued)

Research and development tax credit

Research and development tax credits are calculated based on actual reported expenditures in relation to given qualifying projects. An assessment is performed and filed with HMRC annually. These tax credits are recognised on a cash basis only due to the subjectivity of the flow of funds in that they are not considered virtually certain until received.

Investments in subsidiaries

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

Preference shares

The Company's preference shares are accounted for as financial liabilities, as they provide for redemption by the Company for a fixed or determinable amount at a fixed or determinable future date, and give the holder the right to require the Company to redeem the instrument at or after a particular date for a fixed or determinable amount. This treatment is in accordance with FRS 102.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance sheet date.

Deferred taxation (continued)

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Balance sheet date. Deferred tax is measured on a non-discounted basis.

Critical accounting judgement and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management does not consider there to be any critical accounting judgements, estimates or assumptions made in the preparation of these financial statements.

Notes to the financial statements for the year ended 31 March 2017 (continued)

4. Administrative expenses

	2017	2016
	£	£
Staff costs (note 5)	**1,555,260**	1,316,994
Depreciation and loss on disposal of tangible assets	**96,334**	85,644
Research and development costs	**3,494,286**	7,855,307
Professional fees	**363,551**	123,856
Office and administration costs	**532,543**	443,477
	6,041,974	9,825,278

5. Staff costs

	2017	2016
	£	£
Staff costs		
Wages and salaries	**1,273,422**	1,151,000
Social security costs	**148,211**	143,164
Share based payments	**102,473**	-
Pension costs	**31,154**	22,830
	1,555,260	1,316,994

	2017	2016
	£	£
Directors' emoluments		
Salaries and fees	**398,563**	391,138
Social security costs	**50,463**	–
	449,026	391,138

There are no directors for whom retirement benefits are accruing under money purchase or defined benefit pension schemes.

Highest paid director

The highest paid director's emoluments were as follows:

	2017	2016
	£	£
Salary	**223,102**	391,138
Social security costs	**29,240**	–
	252,342	391,138

Notes to the financial statements for the year ended 31 March 2017 (continued)

6. Employee information

The average monthly number of persons (including directors) employed by the Company during the year was 12 (2016:13):

	2017 Number	2016 Number
By activity		
Management and administrative	**4**	4
Research and development	**8**	9
	12	13

7. Loss before taxation

Operating loss is stated after charging:

	2017 £	2016 £
Depreciation	**82,157**	85,644
Loss on disposal of tangible assets	**14,177**	-
Operating lease rentals	**151,710**	150,061
Auditors' remuneration		
- Audit	**15,000**	14,750
- Tax services	**15,000**	15,000

8. Tax on loss

	2017 £	2016 £
Current tax	**2,132,401**	1,121,665

The standard rate of current tax for the year, based on UK standard rate of corporation tax is 20% (2016: 20%). The current tax charge for the year differs from the standard rate for the reasons in the reconciliation below:

	2017 £	2016 £
Loss before taxation	**(6,041,974)**	(9,825,278)
Loss before taxation multiplied by standard rate of corporation tax in the UK of 20% (2016: 20%)	**(1,208,395)**	(1,965,056)
Unrelieved tax loss arising in the year	**1,208,395**	1,965,056
R&D tax credits received in the year	**2,132,401**	1,121,665
Tax charge for the year	**2,132,401**	1,121,665

Notes to the financial statements for the year ended 31 March 2017 (continued)

The Company has an unrecognised cumulative deferred tax asset of £4,305,084 (2016: £3,096,689) in relation to unutilised trading losses carried forward which has not been recognised due to uncertainty about timing of future profits.

9. Tangible assets

	Plant and machinery £
Cost or valuation	
At 1 April 2016	345,673
Additions	36,607
Disposals	(75,331)
At 31 March 2017	**306,949**
Accumulated depreciation	
At 1 April 2016	180,109
Charge for the year	82,157
Disposals	(51,521)
At 31 March 2017	**210,745**
Net book value	
At 31 March 2016	165,564
At 31 March 2017	**96,204**

10. Debtors

	2017 £	2016 £
Other debtors	**270,609**	468,665
Prepayments	**172,099**	133,876
	442,708	602,541

11. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	**807,890**	1,212,564
Taxation and social security	**51,502**	46,332
Accruals	**216,942**	244,462
	1,076,334	1,503,358

12. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Preference Shares	**32,000,000**	18,000,000

On a return of capital, liquidation or sale of the entire issued share capital of the Company, the preference shareholders have priority over all classes of shares. The authorised, allotted, called up and fully paid 29,936,508 Preference A shares and Preference B shares of £0.01 each have the same voting rights attached as the ordinary share capital. During the year 8,000,000 £0.01 Preference A shares were issued for £1.00 each and 7,936,508 Preference B shares were issued for £1.26 each.

Both Preference A shares and Preference B shares carry an 8% per annum preferred dividend. When there are distributable profits with which to pay it this dividend is payable in priority to payment of any other dividend.

The substance of the preference shares is that they are debt and have therefore been accounted for as a liability.

13. Share based payments

The company operates an equity-settled share based compensation plan that is established under the Enterprise Management Initiative ("EMI"), for certain employees as consideration for equity option instruments (share options) of the company. The options are granted with a fixed exercise price and are exercisable either when the holder ceases to be an employee of the company or 4 years after the grant date. Employees are required to remain in employment with the company for 4 years from the grant date for the options to vest in full.

The fair value of employee services received in exchange for the grant of options is expenses on an equity basis each reporting period, based on the company's estimate of the number of shares that will eventually vest and the value of the options as at the date of grant.

The reconciliation of share option movements over the year is shown below:

	2017		2016	
	Options Number	Exercise Price	Options Number	Exercise Price
		£		£
Outstanding options at 1 April	4,170,000	£0.01	4,170,000	£0.01
Granted	660,000	£0.01	-	£0.01
Exercised	(855,000)	£0.01	-	£0.01
Lapsed	-	£0.01	-	£0.01
Outstanding Options at 31 March	3,975,000	£0.01	4,170,000	£0.01
Exercisable options at 31 March	3,297,284	£0.01	3,385,307	£0.01

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. The fair value per option at date of grant was calculated as £0.01 for share options granted on each of 3 April 2014,

13. Share based payments (continued)

8 December 2014 and 28 January 2015, and £0.50 for those options granted on 14 November 2016, after discounting their value for the lack of marketability and lack of control associated with ordinary shares in the company. All options have an expected life of 4 years. The share based payment charge recognised in the statement of comprehensive income for the year was £102,473 (2016: £nil).

14. Called up share capital

	2017	2016
	£	£
Authorised		
5,000,000 (2016: 5,000,000) Ordinary Shares of £0.01 (2016: £0.01) each	**50,000**	50,000
Allotted, called up and fully paid		
Ordinary Shares	**8,550**	

On a return of capital, liquidation or sale of the entire issued share capital of the Company, the preference shareholders have priority over all classes of shares. The authorised, allotted, called up and fully paid 29,936,508 £0.01 Preference Shares have the same voting rights attached as the ordinary share capital. In total 29,936,508 Preference Shares are authorised.

The issue of 855,000 shares was made in 2016 due to the exercise of share options. Cash proceeds of £8,550 were received by the Company.

Preference Shares have been accounted for as a liability, please refer to note 12.

15. Operating lease commitments

At 31 March 2017 the Company had annual commitments under non-cancellable land and building operating leases for each of the following periods:

	2017	2016
	£	£
Not later than one year	**86,218**	93,844

Total operating leases expensed in the current year were £151,710 (2016: £150,061).

Notes to the financial statements for the year ended 31 March 2017 (continued)

16. Related party transactions

The Company is controlled by Johnson & Johnson Innovation – JJDC Inc, F-Prime Healthcare Fund III LLP, SV Life Sciences Fund V LP, Touchstone Innovations Business LLP and S.R.One, Ltd.

Transactions during the year included;

Board expenses totalling £106 were charged by Dr H Finch.

Rental fees and related service costs totalling £174,771 were charged by Imperial Thinkspace Limited, £18,003 by Imperial White City Incubator Limited, £1,703 by Imperial Innovations Limited, £9,450 by Imperial College Consultants Ltd and £18,686 was charged by Imperial College London for training and services.

Dr H Finch was paid Non Executive Director Fees, consultancy fees and expenses totalling £15,000, Dr D Armstrong James was paid consultancy fees and expenses totalling £2,609.

17. Ultimate controlling party

As at 31 March 2017 the Company is considered by the directors to have no ultimate controlling party.

18. Subsequent events

Following the Series B funding which was completed in March 2017 the Company submitted an application to the Medical and Healthcare products Regulatory Agency for approval to conduct a safety study, this was approved on 13 June 2017, and the study commenced 18 July 2017.

Pulmocide Limited has also received MHRA approval to conduct a Phase 2 study which is due to commence in Q4 2017.