

COMPANY REGISTRATION NUMBER 08369024

EXTRAJECT TECHNOLOGIES LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2015

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EXTRAJECT TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

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EXTRAJECT TECHNOLOGIES LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW AND STRATEGY

The principal activity of the company during the year was R&D into microneedle drug delivery technology.

There was a loss for the year before taxation amounting to £28,792 (2014: £51,306).

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The Company is engaged in the commercialisation of intellectual property and is currently in the research and development stage of its activities. The Company continues to engage with its stakeholders and collaborate with research organisations to develop its targeted lead product whilst reviewing other pipeline programmes.

RESULTS AND DIVIDENDS

The loss for the year amounted to £28,792 (2014: £51,306). The directors do not recommend payment of a dividend (2014: £nil).

POLITICAL CONTRIBUTIONS

The Company made no political donations during the year.

DIRECTORS

The directors who served the company during the year were as follows:

P Grant
IP2IPO Services Limited
J Birchall

DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 year.

In preparing those financial statements, the directors are required to:

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

EXTRAJECT TECHNOLOGIES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2015

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. They 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 so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

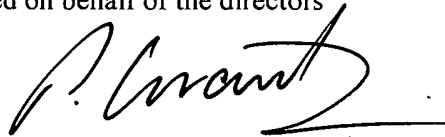
KPMG LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

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

Registered office:
Cardiff Medicentre
Heath Park
Cardiff
CF14 4UJ

Signed on behalf of the directors



Peter Grant
Director

Approved by the directors on 30/9/16.....

EXTRAJECT TECHNOLOGIES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
EXTRAJECT TECHNOLOGIES LIMITED
YEAR ENDED 31 DECEMBER 2015

We have audited the financial statements of Extraject Technologies Limited for the year ended 31st December 2015. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

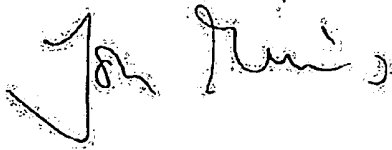
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

EXTRAJECT TECHNOLOGIES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
EXTRAJECT TECHNOLOGIES LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2015

Matters on which we are required to report by exception

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

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Jonathan Mills (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants
Registered Auditor
15 Canada Square
London
E14 5GL

Date: 30 September 2016

EXTRAJECT TECHNOLOGIES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
TURNOVER	2	37,401	67,462
Cost of sales		<u>(7,911)</u>	<u>(60,083)</u>
GROSS PROFIT		29,490	7,379
Administrative expenses		<u>(56,104)</u>	<u>(58,695)</u>
OPERATING LOSS	3	(26,614)	(51,316)
Interest receivable		8	10
Interest payable and similar charges	5	<u>(2,186)</u>	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(28,792)	<u>(51,306)</u>
Tax on loss on ordinary activities	6	-	-
LOSS FOR THE FINANCIAL YEAR		<u>(28,792)</u>	<u>(51,306)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 7 to 10 form part of these financial statements.

EXTRAJECT TECHNOLOGIES LIMITED

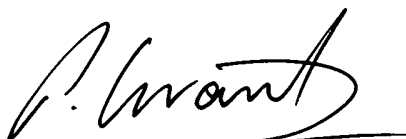
BALANCE SHEET

31 DECEMBER 2015

	Note	2015 £	2014 £
CURRENT ASSETS			
Debtors	7	10,532	7,627
Cash at bank		<u>3,230</u>	<u>28,903</u>
		13,762	36,530
CREDITORS: Amounts falling due within one year	8	<u>(11,240)</u>	<u>(7,402)</u>
NET CURRENT ASSETS		<u>2,522</u>	<u>29,128</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,522</u>	<u>29,128</u>
CREDITORS: Amounts falling due after more than one year	9	<u>(82,520)</u>	<u>(80,334)</u>
		<u>(79,998)</u>	<u>(51,206)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	100	100
Profit and loss account		<u>(80,098)</u>	<u>(51,306)</u>
DEFICIT	12	<u>(79,998)</u>	<u>(51,206)</u>

These accounts were approved by the directors and authorised for issue on 30/9/16, and are signed on their behalf by:

Peter Grant
Director



Company Registration Number: 08369024

The notes on pages 7 to 10 form part of these financial statements.

EXTRAJECT TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. In the transition to FRS 101 from UK GAAP, the company has made no measurement and recognition adjustments.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statement and in preparing an opening FRS 101 balance sheet for the purposes of the transition to FRS 101.

Going Concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate for the following reasons.

The company is engaged in the commercialisation of intellectual property and is currently in the research and development stage of its activities. At 31 December 2015 the company had £3,230 in the bank and had reduced its ongoing cost base accordingly.

After making enquiries and considering the uncertainties associated with undertaking research and development activities, the directors have a reasonable expectation that the company will have adequate resources to continue in operation and existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the financial statements and the financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

EXTRAJECT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES *(continued)*

Turnover

The turnover shown in the profit and loss account represents grants receivable.

Research and development

Research and development expenditure is accounted for in the year in which it is incurred.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.
An analysis of turnover is given below:

	2015	2014
	£	£
Grants receivable	<u>37,401</u>	<u>67,462</u>

3. OPERATING LOSS

Operating loss is stated after crediting:

	2015	2014
	£	£
Directors' remuneration	—	—
Auditor's remuneration	<u>—</u>	<u>—</u>

Auditor's remuneration of £4,250 was charged to the ultimate parent undertaking.

4. PARTICULARS OF EMPLOYEES

	2015	2014
	£	£
Number of employees	<u>1</u>	<u>1</u>

The aggregate payroll costs of the above were:

	2015	2014
	£	£
Wages and salaries	<u>42,005</u>	<u>43,539</u>

No remuneration was paid to the directors during the year (2014: £Nil).

EXTRAJECT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Interest payable on loan notes	<u>2,186</u>	<u>-</u>

6. TAXATION ON ORDINARY ACTIVITIES

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 (2014: £Nil).

(a) Analysis of charge in the year

	2015 £	2014 £
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>

(b) Deferred Taxation

There is a potential deferred tax asset at 31 December 2015 of £16,020 (2014: £10,261), relating to carried forward trading losses. The potential deferred tax asset has not been recognised in the financial statements on the grounds of uncertainty of future taxable profits from which the reversal of tax losses and timing differences can be deducted.

7. DEBTORS

	2015 £	2014 £
Other debtors	70	70
Prepayments and accrued income	<u>10,462</u>	<u>7,557</u>
	<u>10,532</u>	<u>7,627</u>

8. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	8,700	3,350
Other creditors including taxation and social security:		
Other taxation and social security	<u>2,065</u>	<u>720</u>
	<u>10,765</u>	<u>4,070</u>
Accruals and deferred income	475	3,332
	<u>11,240</u>	<u>7,402</u>

EXTRAJECT TECHNOLOGIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

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

	2015 £	2014 £
Other creditors:		
Amounts owed to group undertakings	41,427	40,334
Other long term loans	41,093	40,000
	<u>82,520</u>	<u>80,334</u>

The amounts due to group undertakings and other parties within long term loan balances accrue interest at 1.5% above the six month LIBOR rate. The loans are repayable on the earlier of 23 July 2024; a Listing; on the occurrence of an Event of Default; a Change of Control; or the sale of substantially all of the assets of the company.

10. RELATED PARTY TRANSACTIONS

At 31 December 2015 the company owed Fusion IP Cardiff Limited, a 60% stakeholder in the company, £41,427 (2014: £40,334) as per note 9. Interest of £1,093 has been accrued on the principal amount.

11. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	100	100	100	100
	—	—	—	—

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Loss for the financial year	(28,792)	(51,306)
Opening shareholders' (deficit)/funds	(51,206)	100
Closing shareholders' deficit	<u>(79,998)</u>	<u>(51,206)</u>

13. ULTIMATE PARENT COMPANY

The Company is a subsidiary undertaking of Fusion IP Cardiff Limited, which is 100% owned by IP Group Plc. The largest group in which the results of the Company are consolidated is that headed by IP Group Plc incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of IP Group Plc are available to the public and may be obtained from IP Group Plc, 24 Cornhill, London, EC3V 3ND.