

Registered number: 09610773

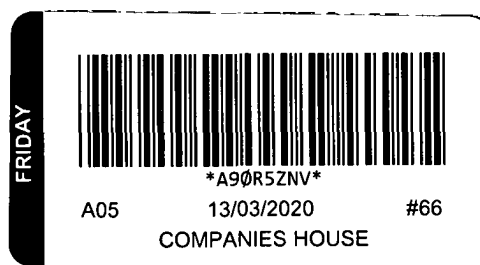
OPPILAN PHARMA LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2019



OPPILAN PHARMA LIMITED
REGISTERED NUMBER: 09610773

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2019

	Note	2019 \$	2018 \$
Fixed assets			
Tangible assets	4	17,554	-
		<u>17,554</u>	<u>-</u>
Current assets			
Debtors: amounts falling due within one year	5	737,938	344,352
Bank and cash balances		3,703,062	130,289
		<u>4,441,000</u>	<u>474,641</u>
Creditors: amounts falling due within one year	6	(948,741)	(716,493)
Net current assets/(liabilities)		<u>3,492,259</u>	<u>(241,852)</u>
Total assets less current liabilities		<u>3,509,813</u>	<u>(241,852)</u>
Net assets/(liabilities)		<u>3,509,813</u>	<u>(241,852)</u>
Capital and reserves			
Called up share capital		26,306	17,287
Share premium account		16,872,048	7,880,238
Profit and loss account		(13,388,541)	(8,139,377)
		<u>3,509,813</u>	<u>(241,852)</u>

OPPILAN PHARMA LIMITED
REGISTERED NUMBER: 09610773

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2019

For the year ended 31 May 2019 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


R Mohan
Director

Date: March 11, 2020

The notes on pages 3 to 11 form part of these financial statements.

OPPILAN PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2019

1. General information

Oppilan Pharma Limited is a private company, limited by shares, incorporated in England and Wales. The registered office is located at St. Johns Innovation Centre, Cowley Road, Cambridge, Cambridgeshire, CB4 0WS and the registered number is 09610773.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as applied in the context of the small entities regime.

2.2 Going concern

The directors have considered the future cashflow requirements of the company alongside the planned activity and based on that assessment have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for this reason have adopted the going concern basis in preparing these financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

2.4 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured.

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

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

2. Accounting policies (continued)

2.5 Finance costs

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

2.6 Borrowing costs

All borrowing costs are recognised in the Income Statement in the year in which they are incurred.

2.7 Share based payments

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

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

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

Where equity instruments are granted to persons other than employees, the Income Statement is charged with fair value of goods and services received.

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

2. Accounting policies (continued)

2.8 Taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

2. Accounting policies (continued)

2.9 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Furniture & Fixtures	- 15-33% straight line
Computers & Softwares	- 15-33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income Statement.

2.10 Debtors

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

2.11 Cash and cash equivalents

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

2.12 Creditors

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

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

2.14 Share premium

Share Premium Account represents the excess of the issue price over the par value on shares issued less transaction costs arising on issue.

3. Employees

The average monthly number of employees, including directors, during the year was 9 (2018 - 6).

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

4. Tangible fixed assets

	Furniture & Fixtures \$	Computers & Softwares \$	Total \$
Cost or valuation			
At 1 June 2018	-	-	-
Additions	17,050	3,145	20,195
	<hr/>	<hr/>	<hr/>
At 31 May 2019	17,050	3,145	20,195
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 June 2018	-	-	-
Charge for the year	1,342	1,299	2,641
	<hr/>	<hr/>	<hr/>
At 31 May 2019	1,342	1,299	2,641
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 May 2019	15,708	1,846	17,554
	<hr/>	<hr/>	<hr/>
At 31 May 2018	-	-	-
	<hr/>	<hr/>	<hr/>

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

5. Debtors

	2019	2018
	\$	\$
Amounts owed by companies under common control	103,679	106,677
VAT repayable	3,066	210,317
Other debtors	8,500	-
Prepayments and accrued income	622,693	27,358
	737,938	344,352

6. Creditors: Amounts falling due within one year

	2019	2018
	\$	\$
Promissory notes	-	502,425
Trade creditors	508,546	137,215
Amounts owed to group undertakings	186,487	-
Accruals and deferred income	253,708	76,853
	948,741	716,493

OPPILAN PHARMA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

7. Share capital

	2019 \$	As restated 2018 \$
Allotted, called up and fully paid		
4,556,000 (2018 - 3,453,550) Ordinary shares of \$0.001 each	4,556	3,454
Nil (2018 - 1,083,466) Deferred shares of \$0.001 each	-	1,083
5,250,000 (2018 - 5,250,000) Series A shares of \$0.001 each	5,250	5,250
16,500,000 (2018 - 7,500,000) Series B shares of \$0.001 each	16,500	7,500
	<u>26,306</u>	<u>17,287</u>

On 10 April 2018, 1,083,466 Ordinary shares of \$0.001 each in the capital of the Company were automatically re-designated into 1,083,466 Deferred shares of \$0.001 each. The rights attached to the Deferred shares are:

- A) no right to vote
- B) no right to participate in dividend
- C) no right to participate in a distribution of capital
- D) deferred shares may be redeemed by the Company at any time for a price being not more than an aggregate sum of \$1.00 for all the deferred shares

On 5 December 2018, 18,611 Ordinary \$0.001 shares were issued at a value of \$0.13 per share.

On 7 December 2018, 4,000,000 Series B \$0.001 shares were issued at a value of \$1 per share.

On 7 December 2018, 1,083,466 Deferred shares of \$0.001 each in the capital of the Company were automatically re-designated into 1,083,466 Ordinary shares of \$0.001 each and rank pari passu with the existing Ordinary shares in the capital of the Company.

On 17 April 2019, 5,000,000 Series B \$0.001 shares were issued at a value of \$1 per share.

The Series B shares were issued in the year to fund the company's on-going activities.

The total share premium movement in the year was \$8,991,810 to reflect the above transactions.

8. Share Option Scheme

The company operates a share option scheme for employees in order to retain key staff. Options are exercisable at a price of \$0.13 per \$0.001 ordinary share.

Options are forfeited if the employee leaves the company before the options vest.

No share options were granted to employees during the year. 18,611 share options were exercised by one employee on 12 December 2018.

A total of 307,222 share options are in issue at 31 May 2019.

OPPILAN PHARMA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

9. Related party transactions

At the year end, the following balances were due from companies where they have common investors:

- \$4,250 (2018: \$nil)
- \$590 (2018: \$nil)
- \$98,839 (2018: \$nil)

These transactions were completed under normal market conditions.

10. Deferred tax

Not included in the accounts is a potential deferred tax asset of \$2,258,794 (2018: \$1,383,150) available to offset against future tax charges.