

Our goal: to enable
the analysis of anything,
by anyone, anywhere.



Oxford Nanopore has developed a new generation of nanopore-based sensing technology that is currently used for information-rich, rapid accessible and scalable analysis of DNA and RNA. The platform is also being developed for the analysis of proteins and metabolites.

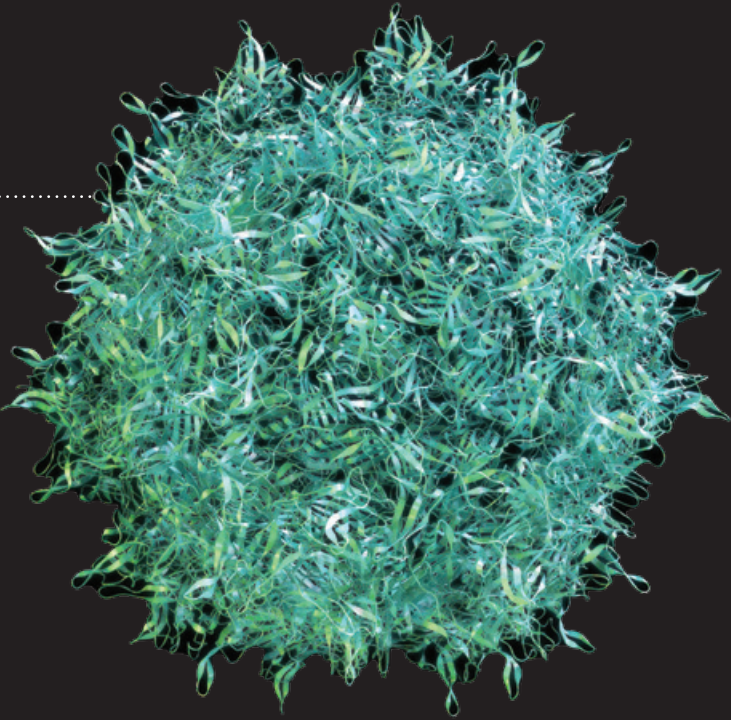
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Visit our website for more information
nanoporetech.com

Financial Highlights

Strong revenue growth delivered, in-line with guidance, on the back of strong and accelerating momentum in H2 24 across all regions.



Revenue

£183.2m
(FY23: £169.7m)

Gross profit

£105.4m
(FY23: £90.5m)

Loss for the year

£(146.2)m
(FY23: £(154.5)m)

Gross margin

57.5%
(FY23: 53.3%)

Adjusted EBITDA¹

£(116.1)m
(FY23: £(104.9)m)

Cash, cash equivalents and other liquid investments¹

£403.8m
(31 December 23: £472.1m)

1. Cash, cash equivalents and other liquid investments includes cash and cash equivalents, and investment bonds. This and Adjusted EBITDA are defined in note 34 on page 193.

Operational Highlights

- **Key contract wins:** landmark research projects with Precision Health Research Singapore to sequence 10,000 human genomes to gain deeper insights into Asian genetic diversity and UK Biobank to create the world's first comprehensive, large-scale epigenetic dataset, mapping epigenetic modifications across 50,000 samples to advance understanding of epigenetics.
- **New strategic collaborations:** access to new growth markets including a collaboration with Lonza to develop a novel test to accelerate analysis of mRNA products.
- **Existing clinical collaborations:** including the launch of the AmpliDeX[®] Nanopore Carrier Plus Kit with Asuragen in Q4 2024.
- **Delivering on 2024 innovation goals:** including (i) launch of PromethION 2 Integrated (P2i) and continued rollout of the PromethION 2 Solo (P2S), with more than 1,900 P2 devices in the field. (ii) launch of the MinION MK1D in Q4 2024, (iii) the launch of new products from our regulated product pipeline to drive adoption in new clinical and applied markets, including GridION Q, and ElysION.
- **Increase in publications reflects growing momentum and utility of the Group's platform:** Approximately 3,000 peer-reviewed research papers published by users of Oxford Nanopore technology in 2024, bringing the total to more than 14,000 to date, showcasing breakthrough research across cancer, human genetics and infectious disease.
- **Continued strengthening of the management team:** Nick Keher appointed as CFO and Director in January 2024, adding significant financial leadership experience and a deep understanding of global capital markets. Rosemary Sinclair Dokos and Dr Lakmal Jayasinghe were appointed to the roles of Chief Product and Marketing Officer and Chief Scientific Officer respectively, bringing extensive skills in innovation and product development.
- **Board strengthened to support the business in its next phase of growth:** Dan Mahony, appointed as a Non-Executive Director in October adding extensive sector experience, with more than 25 years as a global healthcare investor specialising in biotechnology, medical technology and healthcare services.

Rounding: Certain numerical figures included in the Annual Report have been rounded. Therefore, discrepancies in tables between totals and the sums of amounts listed may occur due to such rounding. Percentages in tables have also been rounded and accordingly may not add up to 100%.

Who we are

Oxford Nanopore’s vision is to enable the analysis of anything, by anyone, anywhere. The Company has developed a new generation of nanopore-based sensing technology that is currently used for information-rich, rapid, accessible and affordable DNA and RNA analysis. The platform is also being developed for the analysis of proteins and metabolites.

Our purpose

By enabling biological insights, we strive to improve life on earth and beyond.

Our mission

We empower people to explore and answer biological questions with our transformative technology platform.

Founded

2005

Employees

>1,300

Commercial team

>450

Publications¹

>14,000

Active patents

>2,500

1. Reported on a cumulative basis – see page 41

Our technology



Research Market

Sequence data is used throughout scientific research, whether in university, government, or industrial research groups, to help biologists answer a range of questions. Today, the majority of users of Oxford Nanopore’s sequencing technology are research scientists, working to understand fundamental science or to develop methods to utilise genomic data in broader markets, including Clinical, BioPharma, and Applied Industrial.



Applied Markets: Clinical, BioPharma, Industrial

Beyond scientific research, molecular information can be used to support ‘real life’ decision making, whether that is in healthcare, biopharma, industrial or other environments. Our technology is emerging rapidly in these markets where we aim to open up new, routine applications that deliver biological insights richer in content, in real-time and often at the point of care. These attributes represent a significant additional customer base and revenue opportunity in the medium to long-term.

Application of our technology

Life science research: understanding the biology of any organism



As a foundation for emerging real-world impact



MinION Mk1D

PromethION 2 Solo

GridION

PromethION 2 integrated

PromethION 24

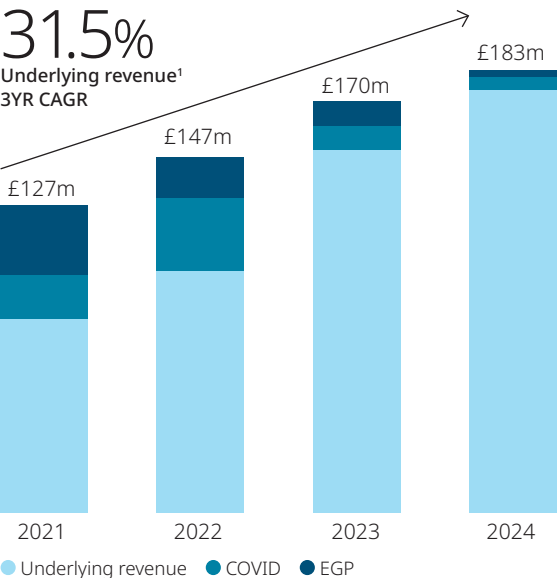
PromethION 48

Distributed Sequencers

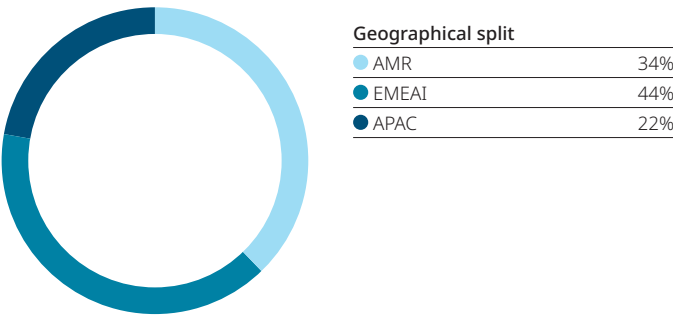
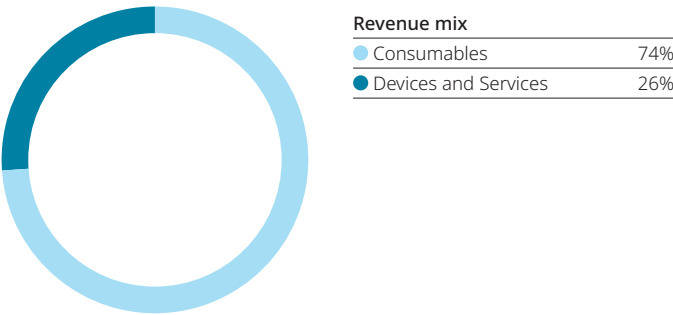
Benchtop Sequencers

High Throughput Sequencers

Robust FY24 performance



Diversified revenue base



H2'24 Revenue

£99.1m

H2'24 underlying growth at CC²

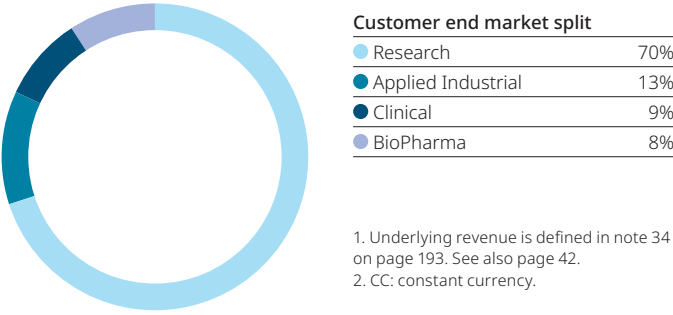
34.3%

FY'24 Revenue

£183.2m

FY'24 underlying growth at CC

23.3%



1. Underlying revenue is defined in note 34 on page 193. See also page 42.
2. CC: constant currency.

Global commercial footprint

- Customers
- Distributors
- Offices or labs

Global offices

12

Distributors

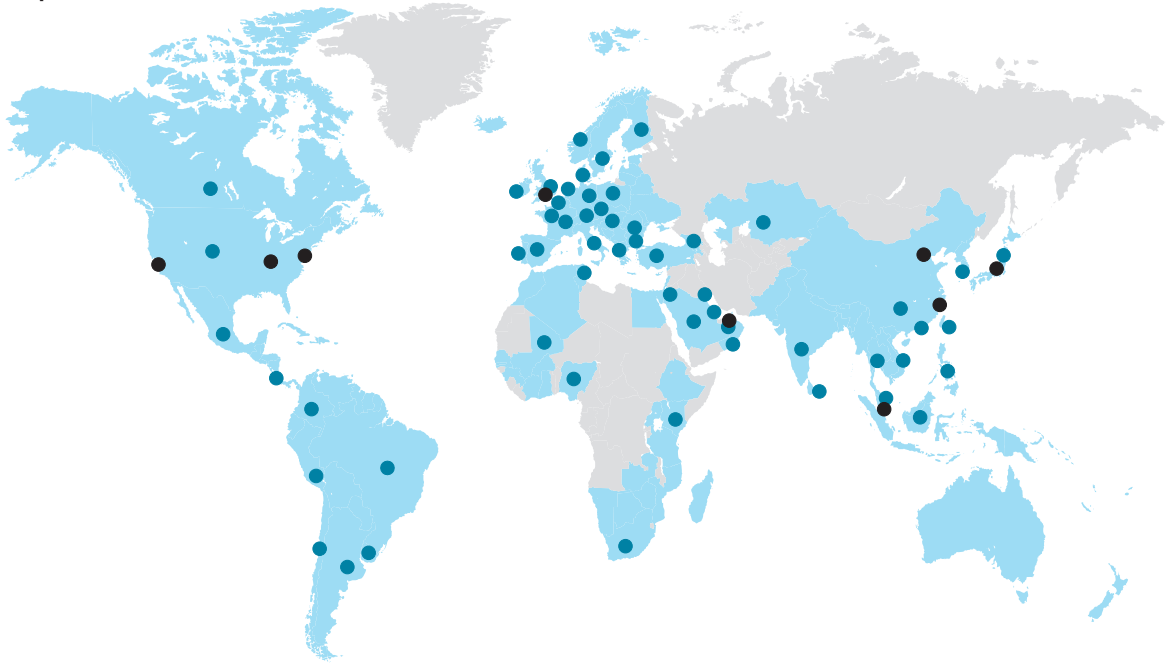
63

Commercial team

489

Countries served

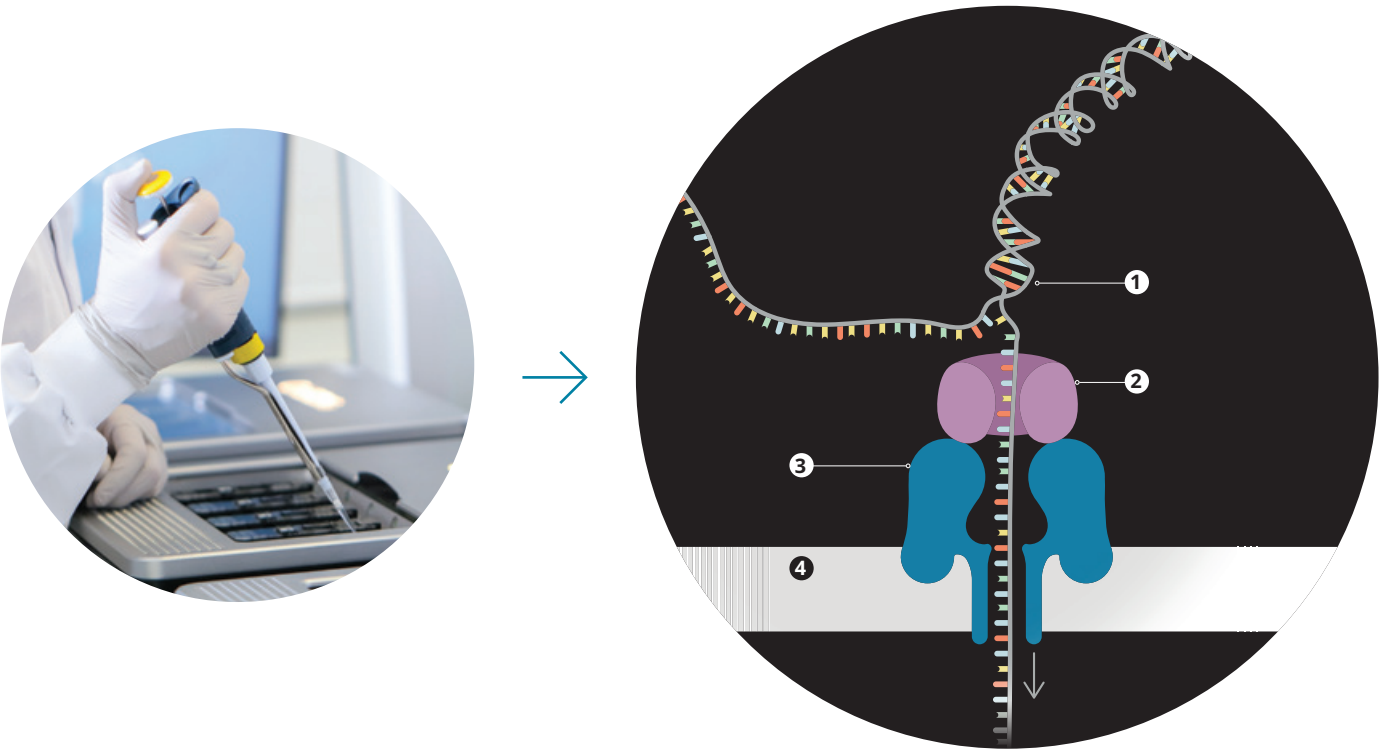
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Oxford Nanopore sequencing

Features and benefits

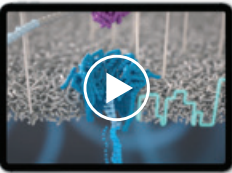
Oxford Nanopore has developed and brought to market a new generation molecular sensing platform based on nanopores. The first application is DNA/RNA sequencing and the platform is also being developed for the analysis of proteins and metabolites. The novel features of the platform provide richer data, faster results, in a more affordable and accessible platform compared to legacy technologies.



How it works

All Oxford Nanopore sequencing devices use flow cells which contain an array of tiny holes — nanopores — embedded in membrane. Each nanopore is individually addressable and is connected to an Application Specific Integrated Circuit (ASIC).

Watch our video explaining the process



1.

The nanopore processes the length of the DNA or RNA fragment presented to it. The user can control fragment length through the sample preparation methods, enabling users to characterise anything from short, long and/or ultra-long fragments of DNA.
2.

An enzyme motor feeds the DNA or RNA strand through the nanopore. Once the DNA or RNA has passed through, the motor protein detaches and the nanopore is ready to accept the next fragment.
3.

Nanopore reader – when a molecule passes through the nanopore, the current is disrupted. Fluctuations in the current are decoded using basecalling algorithms to determine the DNA or RNA sequence in real time.
4.

The DNA or RNA bases are transferred to an analysis platform, EPI2ME, where users can identify species, genetic variations and other information that can then lead to an outcome.



A unique combination of features and benefits meets unmet customer needs, providing rich multi-omic biological analysis, and generating complete and comprehensive genomes, setting a higher standard in genomics.

Features of Oxford Nanopore sequencing	Customer benefits		
	Richer insights Highly accurate genomic data captures more types of genetic variation	Faster results From near sample, real-time workflows that don't require batching	Accessible and affordable With scalability that enables more use cases
 Sequence any length fragment from short to ultra-long	☒	☐	☐
 Direct/native DNA/RNA sequencing	☒	☐	☐
 Real-time, fast data generation	☐	☒	☐
 Scalable formats from small handheld to ultra-high output devices	☐	☒	☒
 Cost effective. Low barriers to entry.	☐	☐	☒
 Plug-and-play easy-to-use solutions	☐	☒	☒

Our products and customers

One core technology, deployable at any scale

Our nanopore-based sequencing chemistry is integrated into consumable flow cells, which include sensor arrays ranging from tens to thousands of electronic sensing channels. Users may deploy a range of different devices with these flow cells, which are designed to support any level of sequencing experiment, from go-anywhere, on-demand small devices to ultra-high output devices for projects such as human population-scale sequencing. All devices can run the same nanopore-based sequencing chemistries, enabling users to scale their applications according to their needs.

Our core products

Flow cells

Flongle
2.8Gb*

MinION
50Gb*

PromethION
290Gb*

Devices

MinION Mk 1D
50Gb*

Truly portable, real-time devices for DNA and RNA sequencing

GridION and GridION Q
250Gb*

Compact benchtop devices.
GridION Q, from our regulated Q-Line product range, delivers a stable, frozen version of hardware, software and chemistry.

PromethION 2 Solo
580Gb*

Flexible, high-output nanopore sequencing for every lab

PromethION 2
580Gb*

PromethION 24
7Tb*

Flexible, large-scale, direct DNA and RNA sequencing

PromethION 48
14Tb*

* Output per device refers to the theoretical maximum output.

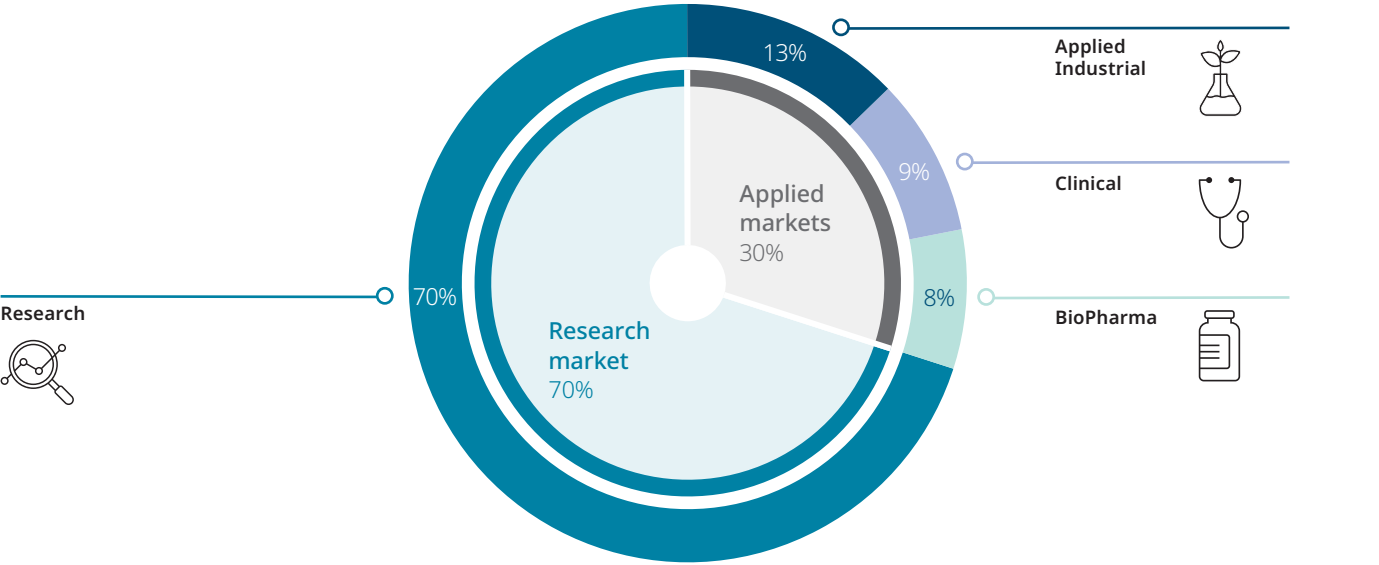
Overview

We categorise customers into four groups to ensure efficient and effective commercial focus for each customer segment.



National Institutes of Health Center for Alzheimer's and Related Dementias (CARD)

Our customers



Research Research customers are funded – often with grants or public funds – to perform novel scientific research. This category includes government, public health, grant funding and distributors.	Revenue £127.5m	Clinical Customers funded by reimbursement, using either proven assays, or developing new methods for clinical use, e.g. clinical labs for rare disease.	Revenue £17.3m
	YoY growth +1.9%		YoY growth +12.2%
Applied industrial Customers who are utilising sequencing for application in industrial or service setting, e.g. manufacturing or outsourced Synthetic Biology.	Revenue £23.5m	BioPharma Customers that are funded to develop, make, and sell pharmaceuticals, e.g. manufacturing RNA vaccines, cell and gene therapy etc.	Revenue £14.9m
	YoY growth +41.8%		YoY growth +17.7%

Our investment case

01

Significant, growing market opportunity

The future opportunity for Oxford Nanopore spans not only DNA/RNA analysis but broader life science markets as we expand the utility of our sensing platform. The global DNA sequencing equipment and consumables market is currently worth \$6.2 billion with expected low double digit growth driven by expanded use of DNA/RNA information across clinical, biopharma and broader markets. The broader life science market is currently valued at \$75 billion.

We believe that in the long term, as well as furthering scientific research, substantial future opportunities will be enabled across clinical, biopharma and applied industrial sectors. These potential total addressable markets are expected to grow substantially, with long term opportunities potentially exceeding \$150 billion.

It is our belief that our highly differentiated technology can not only penetrate these markets, but reshape and expand them as well as create entirely new markets.

Long-term market potential

>\$150bn

[Read more](#)
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02

Purpose-driven, high-impact business

Our purpose is to improve life on earth and beyond by enabling biological insights. Accessibility is central to our business, from product and pricing design to logistics and how we serve our customers. We have broken down historically high barriers to entry with our low-cost starter pack model, plug-and-play scalable devices and digital ecosystem, to broaden access to genomics.

Scientists use our products in more than 125 countries to address some of the most pressing biological issues of the day, including sustainable agriculture, biodiversity and studying the effects of climate change on oceans and glaciers. Our technology has the potential to provide a broad positive impact in broad and diverse areas in human healthcare, including cancer, neurology, genetic disease and transplantation.

Scientific publications

>14,000

[Read more](#)
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03

Differentiated technology platform

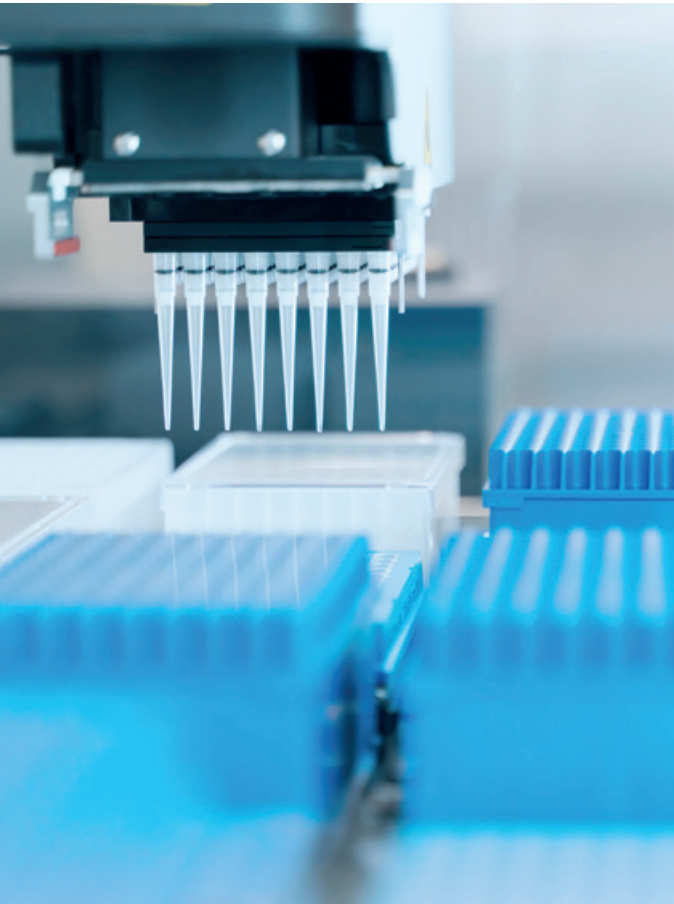
Our electronics-based molecular sensing platform offers several advantages over existing technologies: richer, multi-omic data, rapid insights and accessibility and affordability. These benefits derive from the platform's novel range of features including short to ultra-long reads, direct, native DNA/RNA sequencing, real-time, fast data generation, scalable formats, cost effective, with no capital requirements and plug-and-play easy to use solutions.

We retain our competitive advantage through constant innovation to drive product improvement and the development of new technologies. Our innovation platform is protected by our intellectual property portfolio, which comprises more than 2,500 active patents across more than 250 patent families, reflecting clear technology leadership in our field.

Active patents

>2,500

[Read more](#)
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05

Track record of strong, resilient growth

We have a track record of consistently delivering robust underlying revenue growth, underpinned by our unique commercial model and diverse customer base, comprised of research, applied industrial, clinical and biopharma customers. We continue to see strong revenue growth across all regions. In the period from FY21 to FY24 underlying revenue grew at a CAGR of 31.5%.

The business is strongly capitalised, with £403.8 million of cash, cash equivalents and other liquid investments at 31 December 2024.

The balance sheet supports continued, strategic and disciplined investment in innovation to fuel growth, with adequate resources to implement our business plan to and through adjusted EBITDA break-even in 2027 and deliver on the significant growth opportunity in front of us.

We continue to see strong momentum across the business long-term, with growing demand for our technology platform and its unique combination of features.

3-year underlying revenue CAGR

31.5%

[Read more](#)
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04

Infrastructure built to scale

We have built a diversified global supply chain and significantly invested in manufacturing specific innovation and infrastructure, allowing us to scale rapidly across geographies to meet volume growth.

In 2019, we opened a high-tech manufacturing facility in the UK designed to scale production capacity. This has enabled a tenfold increase in capacity since 2016. The manufacturing process has been designed to allow incremental, rapid scale-up, with low capital and personnel cost to match our growth trajectory.

We continue to focus on building a best-in-class, resilient supply chain, optimising manufacturing processes through innovation to enable long-term growth and drive margin expansion.

In 2024 we opened our new, purpose built, 56,000 sq ft facility for logistics, flow cell recycling and device manufacturing in Abingdon Oxford called Spectrum. In 2025 this facility will be fully operational and allow for further scaling of our business.

Manufacturing space

>100,000 sq ft

[Read more](#)
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06

Experienced, global team

The executive team, led by Dr Gordon Sanghera, CEO, has extensive experience in the development, manufacturing and commercialisation of disruptive technologies including DNA sequencing. We have invested in the core functions needed to scale production and distribution of our technology from innovation to sales, contracts to production.

Since IPO we have more than doubled our commercial teams, including strategic leadership hires to increase traction in key markets across AMR, EMEA and APAC. Commercial infrastructure is now capable of supporting the Group's development over the coming years to drive long-term sustainable growth.

Our global team of >1,300 employees have diverse and complementary backgrounds, including electronics, chemistry, biology, and data science. Focusing on a clearly defined set of core values, the workforce is aligned on the delivery of high-impact technology to the greatest range of users and to the rapid, sustainable growth of the business.

Combined years' experience of the leadership team

140+

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10—
89

Strategic report

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Duncan Tatton-Brown
Chair



2024 – A year of innovation and growth

Welcome to our 2024 Annual Report. Oxford Nanopore performed well in 2024 and continued to deliver above-market growth in what proved to be a challenging market environment across the sector.

2024 performance

The Group delivered revenue of £183.2 million, up 11.1% on a constant currency basis (“CC” - see note 34 on page 193) or 23.3% on an underlying CC basis, in-line with guidance.

Revenue in 2024 came from an increasingly diverse group of customer types and I am encouraged to see strong growth in emerging end markets, such as Applied Industrial (up 41.8%), BioPharma (up 17.7%) and Clinical (up 12.2%). These are our priority areas of strategic focus, and each represents a significant growth opportunity for the Group in the medium to long-term.

During 2024 there was continued focus on improving gross margin, with good progress in the year. The Group delivered gross margin of 57.5% and adjusted EBITDA (see note 34 on page 193) of £(116.1) million. Importantly the adjusted EBITDA loss in the second half was lower than the first half, demonstrating good cost control in the period as the Group continues to make progress towards its objective of achieving its medium-term profitability targets.

Cost discipline across the Group continues to improve. Following a period of necessary investment in commercial infrastructure post IPO, management is increasingly focused on controlling cost growth to achieve the Group’s medium-term profitability targets. Post period end, the Group implemented an operational efficiency programme, leading to a reduction in the overall workforce of approximately 5%, alongside other cost reduction measures of a similar size.

During 2024, the Group maintained its high pace of innovation, with four new product launches including the launch of PromethION 2 integrated (P2i), the updated MinION Mk1D and two products from its regulated product pipeline to drive adoption in new clinical and applied markets. (read more on page 34).

A key commercial highlight of 2024 for me, was the Group’s groundbreaking collaboration with UK Biobank. This will create the world’s first comprehensive, large-scale epigenetic dataset to map epigenetic modifications across 50,000 samples. It aims to advance understanding of epigenetics in cancer, neurological disease and other common complex diseases and in doing so, is expected to lay the foundations for future clinical applications that use epigenetic information - a feature that distinguishes the Oxford Nanopore platform from other technologies.

Engaging with shareholders

The Board and management continue to maintain regular engagement with shareholders. It is clear from these conversations that shareholders are overall supportive of Group’s mission and recognise the noticeable progress made during 2024. Nevertheless, the Board remains very focused on driving shareholder value. In the near and medium-term, this means consistent, year-on-year delivery of revenue and gross margin guidance and delivery of the adjusted EBITDA breakeven guidance in 2027.

The Board is confident that the unique attributes of Oxford Nanopore’s technology and the early progress the Group is already making in applied markets, as part of our overall end market diversification strategy, will deliver value for our shareholders.

During 2024 we also engaged with our largest shareholders as part of the remuneration policy review. Several of the largest shareholders indicated a desire for the Board to consider increasing the weighting of the financial measures to profit based targets.



Building on our Product, Planet, People strategy, we have made meaningful progress in our efforts to drive positive change, from reducing environmental impacts in our value chain to advancing human health, climate resilience, and food security through the power of our technology.”

Having considered this, the Remuneration Committee has decided to reweight the revenue and margin components of the 2025 annual bonus to give more emphasis to gross margin whilst still maintaining strong focus on driving revenue growth and to add a new measure to the 2025 LTIP grant linked to the achievement of adjusted EBITDA breakeven in 2027. These are further explained on page 119.

Measuring our sustainable impact

We continued to embed responsible practices across every facet of our business in 2024, delivering on our commitments to sustainable impact. Building on our Product, Planet, People strategy, we have made meaningful progress in our efforts to drive positive change, from reducing environmental impacts in our value chain to advancing human health, climate resilience, and food security through the power of our technology.

Underpinning this work is our continued drive to innovate responsibly. Oxford Nanopore’s technology empowers a global community of users to address critical global challenges. We remain committed to ensuring that our growth reflects not only a passion for scientific advancement but also a steadfast adherence to ethical and sustainable principles. We will continue investing in the wellbeing of our people and fostering a diverse, inclusive environment, recognising that our team makes our progress possible.

This year, our Net Zero Transition Plan targets have been validated by the Science Based Targets initiative (SBTi), demonstrating Oxford Nanopore’s commitment to the UK’s own net-zero ambitions. You can find more details from page 48 alongside our findings reported against the Task Force on Climate-related Financial Disclosures (TCFD) framework. A detailed Sustainability Report will be published in the coming months, providing greater insights for our achievements and commitments in reducing climate change risks and impact. (Read more on page 49).

Governance, Board evolution and diversity

At the time of the IPO we committed to strong governance and to voluntary compliance with certain aspects of the UK Corporate Governance Code (“Code”), which now formally applies to the Company following its successful transfer to the equity shares (commercial companies) segment of the London Stock Exchange. I am delighted that during the period, subject to one exception as noted below, we have complied with all of the provisions of the Code.¹ I am also pleased with the continued progress that has been made by the Board to enhance its operation and therefore its ability to most effectively support the Company. In 2024, we launched our first Board review facilitated by an external provider, Independent Audit Limited. The preliminary outcomes of this review are set out on page 104. We gained valuable insights from the review process and the report, which will enable us to continue to build on the strong foundations we have laid.

In the fourth quarter of 2024 we started a new strategy review process to ensure we maximise the broad opportunities in front of us in, both near-term and over the long-term. The discussion of strategy output received positive feedback from the Board, particularly in relation to the quality, insight and engagement from the Executive Team. This work is ongoing and is a major focus for the business in the first half of 2025. We look forward to articulating the outcomes of this work in our next report.

¹ Following Wendy Becker’s resignation from the Board in June 2024, the Company did not have a Senior Independent Director (SID) until the appointment of Kate Priestman as SID in December 2024.

During 2024, the composition and maturity of the Board continued to improve to ensure we have the relevant experience to provide good oversight and support as Oxford Nanopore expands into new applied markets.

I was pleased to welcome Dr Daniel Mahony to the Group as a Non-Executive Director in October 2024, adding extensive sector experience, with more than 25 years as a global healthcare investor specialising in biotechnology, medical technology and healthcare services. Daniel will serve as a critical sounding board to the Group as it continues to advance its technology platform across a number of market sectors, but most specifically for the significant commercial opportunity in biopharmaceuticals.

I was also pleased to welcome Nick Keher as Chief Financial Officer and Board Director, adding significant financial leadership experience and a deep understanding of global capital markets to the leadership team.

I would also like to take this opportunity to thank Wendy Becker, Dr Guy Harmelin, Clive Brown, Dr Spike Willcocks and Tim Cowper for their service as Board members and for their important contributions to the Company. Spike and Tim continue to serve on the Group’s Operating Committee and remain in their operational leadership roles at Oxford Nanopore: Spike as Chief Strategy Officer, and Tim as Chief Operating Officer.

These changes have increased the percentage of independent directors on the Board to 77.8% as at 31 December 2024, up from 66.7% as at 31 December 2023.

We continue to review the composition of the Board on an ongoing basis; we actively review diversity in addition to skillsets and capabilities as part of our Board succession planning process and ensure that our candidate selection process for new Board members comprises a balanced slate of candidates for consideration. We consider diversity of candidates on every appointment and selection is based on ensuring we have the best person for the role.

At the year end, the Group met two of the three Board diversity targets as specified in the UK Listing Rules. As Senior Independent Director, Kate Priestman serves in a senior Board position (being one of the Chair, Chief Executive Officer, Chief Financial Officer or Senior Independent Director) and Gordon Sanghera is from a minority ethnic background. At 31 December 2024 we had 33.3% female representation on the Board. We remain committed to our target of 40% female representation and we will seek to address this with future Board changes (read more on pages 107-108). Information regarding the Company’s gender diversity among senior management and employees can be found on page 107.

Finally, I would like to thank all our employees, customers, partners and shareholders for their support and commitment during 2024 and I look forward to another year of progress in 2025 for Oxford Nanopore.

While some of the end market headwinds we faced in 2024 will persist into 2025, we are confident that the unique features of our technology platform will continue to deliver above market growth in the medium-term and deliver long-term shareholder value.

Duncan Tatton-Brown
Chair
18 March 2025



Dr Gordon Sanghera, CBE
Chief Executive Officer

Delivering on
our vision

2024 was a year of significant progress for Oxford Nanopore as we continued to drive innovation, accelerate commercial adoption across new and existing markets, and deliver on our vision of enabling the analysis of anything, by anyone, anywhere.

Our unique molecular sensing technology is reshaping genomic (“DNA”) and transcriptomic (“RNA”) analyses in life science research by enabling richer, faster and more accessible insights. This disruptive technology is now demonstrating an impact in applied life science markets including BioPharma, Clinical, and Applied Industrial.

In 2024 we made significant progress in advancing our platform’s capabilities and performance, and as we increasingly integrate multi-omic capabilities into our offerings – including epigenetics and, looking forward, proteomics – our technological differentiation is increasing, and our addressable market opportunity is expanding. To ensure we can continue to scale efficiently and create value for our stakeholders, we focused intensively on operational excellence across all aspects of the Group in 2024. This led to a reshaping of our business to align with our target market areas post year end that positions us well for 2025 and beyond. I would like to thank those members of the team that have now left Oxford Nanopore for their contributions.

We remain confident in our ability to deliver sustainable growth despite the macroeconomic and geopolitical uncertainties affecting the markets we address. The long-term trend toward increasing demand for biological information is as strong as ever – in fact, we believe artificial intelligence is starting to accelerate the research and innovation life cycles underpinning this trend. At Oxford Nanopore, we are privileged to be at the leading edge of this transformative age of biology.

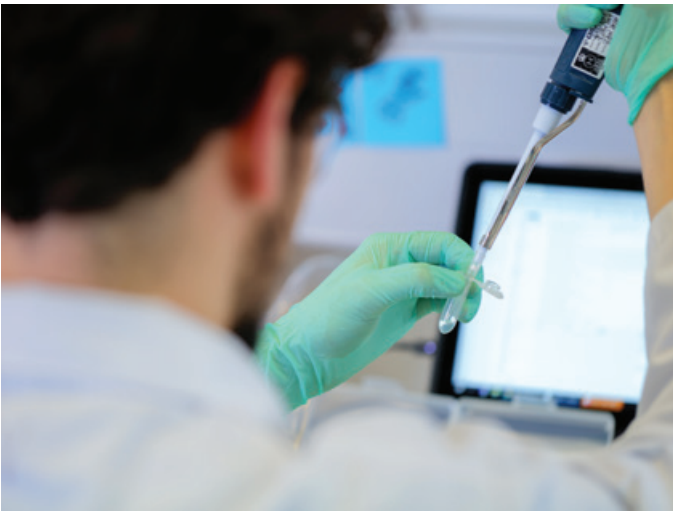
FY24 financial performance

In 2024, our team delivered revenue of £183.2 million (2023: £169.7 million), an increase of 11.1% year-on-year on a constant currency basis and 8.0% on a reported basis (including foreign exchange headwinds), in-line with guidance.¹

Revenue in 2024 came from an increasingly diverse group of customer types including Research, BioPharma, Clinical and Applied Industrial customers, accounting for 70%, 8%, 9% and 13% of revenue respectively. We are encouraged by the positive early traction and strong growth we are seeing in new end markets, such as such as Applied Industrial (up 41.8%), BioPharma (up 17.7%) and Clinical (up 12.2%), which represent a significant opportunity for the Group in the medium to long-term. Research, which accounts for 70% of our revenue today, grew by 1.9%.

Underlying revenue growth, excluding a £16.0 million combined headwind from Emirati Genome Program (“EGP”) and COVID sequencing, was up 23.3% on a constant currency basis.

Underlying growth has been strongest across our higher-output PromethION product range, up 55.8% in 2024, primarily driven by increasing customer flow cell utilisation. This helped offset softness in the small-format MinION product range, which declined by 9.6% in the period primarily due to product life cycle management. Other revenues, representing kits, services revenues and other devices grew 18.8% on an underlying basis.



On a geographical basis the Group delivered strong underlying revenue growth in all regions, led by EMEA and APAC and driven by new product launches, new and expanded contracts, and increasing sales team productivity.

In EMEA we delivered significant growth, with revenue of £79.6 million, up 31.1% on an underlying basis. Our engagement with significant projects including our landmark strategic partnership with the UK Government, bringing together Genomics England, NHS England, and UK Biobank, underscores our strong market presence and strength of our technology.

APAC revenue in 2024 was £40.4 million, up 22.1% on an underlying basis, driven primarily by the PRECISE contract, as well as increased utilisation through service providers and expansion of new service providers across South East Asia in the second half of the year. Growth was moderated in part by continued export control restrictions in China. Whilst underlying demand remains strong within China, the Group saw increasing challenges on exporting product to the region in H2 and expects the environment to remain challenging in FY25. China represented 8.8% of revenues in FY24.

In AMR we delivered revenue of £63.1 million, up 7.0% on an underlying basis, reflecting increasing traction in new markets such as Applied Industrial and BioPharma alongside increasing sales team productivity, with 12.9% year-on-year growth in H2 as momentum built during the year.

Gross margin increased by 420 basis points to 57.5% (2023: 53.3%) driven by underlying margin improvements particularly across both PromethION Flow Cell and devices, offsetting product mix and currency headwinds. The increasing margin in 2024 also reflects the one-off headwinds in 2023 that did not repeat in 2024, including the adverse performance of the EGP, the write-off of excess COVID sequencing kits and legacy devices and upgrading the compute on large PromethION devices.

¹ In this section, all growth rates are year-on-year unless otherwise stated. All underlying growth rates referred to in this report have been adjusted for EGP and COVID sequencing. Underlying revenue includes currency fluctuations unless explicitly stated at constant currency (CC). See reconciliation in the Financial Review section. Certain numerical figures included herein have been rounded. Therefore, discrepancies between totals and the sums may occur due to such rounding.

A novel platform for richer, faster, and more accessible multi-omics insights

Oxford Nanopore's differentiated technology is driving broad market adoption by enabling richer biological insights, faster time-to-result, and greater accessibility. In 2024, we advanced both our platform's capabilities and its applications, reinforcing its role as the preferred solution for those tackling complex biological questions. Our commercial teams are deeply engaged in our customer communities, helping to grow our business but also to shift customer expectations to broader possibilities with our platform.

By sequencing native DNA and RNA without amplification or alterations, our technology uniquely delivers comprehensive genomic, epigenetic, and transcriptomic insights. This multi-omic capability, combined with improvements in system performance and workflow integration, is reducing complexity and accelerating adoption across research, Clinical, BioPharma, and Applied Industrial markets.

A highlight of 2024 was the significant increase in utilisation of our high-output PromethION Flow Cells, with year-on-year underlying growth of 55.8% across the PromethION product range. These advancements reflect our dedication to pushing the boundaries of accuracy, data output, sample throughput, and cost-efficiency. For example, our telomere-to-telomere ("T2T") workflows deliver high quality, fully phased genome assemblies critical to uncovering previously inaccessible novel variants that drive complex disease across currently underrepresented populations, in addition to providing richer insights that are inaccessible to legacy systems. This capability is supporting areas such as oncology and neurodegenerative disease research, where the "dark genome" plays a pivotal role. These research-based discoveries play a foundational role in the development of future, large-scale applications where Oxford Nanopore can characterise novel biological insights.

As RNA insights become increasingly important, we have enhanced our direct RNA sequencing chemistry, improving accuracy and output and increasing the modified base offering to cover five different modifications including Pseudouridine, which is used extensively in mRNA vaccine development and production and cannot be detected directly with any other technology. These advances enable high-throughput applications such as quality control testing for mRNA vaccines and biomarker discovery. Our teams are in active discussions with leading BioPharma companies and CDMO partners as we look to reduce traditional Quality Control (QC) workflows from months to days, underscoring our platform's ability to accelerate progress towards personalised medicine.

In 2024, we advanced our ability to support regulated applications with the launch of the GridION Q and progress on the PromethION Q, expected to launch in 2025, which both deliver a stable, frozen version of hardware, software and chemistry designed for Clinical and BioPharma environments. Additionally, ElysION, our fully automated benchtop solution, enables customers to integrate nanopore sequencing into environments which are new to sequencing such as Clinical research labs or BioPharma manufacturing QC labs, enhancing efficiency and reproducibility with a seamless, hands-free process from raw sample to biological analysis.

Through continued investment in innovation, automation, and strategic partnerships, we are advancing end-to-end workflows and platform capabilities to deliver unmet biological insights that only the nanopore platform can provide. Our electronics-based molecular sensing platform already delivers powerful DNA and RNA analysis and is being developed to analyse other types of molecule, including proteins and small molecules. In the coming year, we intend to expand into proteomics – opening up a potentially substantial market opportunity.



We are particularly encouraged by the increasing momentum delivered across all regions into the second half of 2024, with overall underlying revenue growth at constant currency accelerating to 34%. This, together with good cost control, drove an improvement in our EBITDA loss in H2 and we expect this trend to continue in 2025."

Focusing on core markets and delivering commercial success

Oxford Nanopore's long-term vision is to enable the analysis of anything, by anyone, anywhere – with accessible and versatile technologies that can deliver a paradigm shift in biological analysis. Our method of driving growth in the nearer term is to expand in core markets where we have a differentiated value proposition that reshapes what our customers can achieve. In 2024, we strengthened our presence in research, BioPharma, Clinical, and Applied Industrial markets through strategic collaborations and the adoption of our differentiated sequencing platform through direct commercial activities. The profile and nature of these collaborations are testament to what we believe we can achieve in the years to come.

A key example of our work in research is our collaboration with Singapore's National Precision Medicine ("NPM") Programme, where Oxford Nanopore sequencing technology is being used to generate the most comprehensive, high-resolution reference genomes for Singapore's multi-ethnic population. This initiative is a critical step in advancing precision medicine by uncovering the unique genetic diversity of Singapore's major ethnic groups – Chinese, Malay, and Indian – and addressing population-specific disease biology. By providing richer genomic insights through scalable sequencing, our technology is well placed to deliver on more targeted diagnostics, treatment strategies, and drug discovery efforts that are tailored to the genetic makeup of diverse communities.

In the UK, we solidified our leadership in genomics innovation through a landmark strategic partnership with the UK Government, bringing together Genomics England, NHS England, and UK Biobank. This initiative is designed to integrate Oxford Nanopore's sequencing technology into national healthcare, accelerating the adoption of rapid, information-rich genomic and epigenetic insights. As part of this effort, we are working with Genomics England and NHS England to establish end-to-end workflows for faster, more precise diagnostics, including in cancer, infectious diseases, and rare genetic disorders. Simultaneously, Oxford Nanopore technology will be used to generate the first large-scale epigenetic dataset, analysing 50,000 UK Biobank samples. This multi-omic dataset aims to uncover molecular drivers of cancer, dementia, and other complex diseases. These initiatives are transforming how genomic data is leveraged for early disease detection, personalised treatments, and long-term health outcomes at an unprecedented scale.

We are also starting to deliver tangible impact in the large and growing BioPharma and Clinical markets. Our technology is changing the shape of the market for plasmid analysis.

Plasmids are the building block of protein engineering, an industry being revolutionised by AI and in need of information-rich data to drive novel discovery in research and BioPharma. Through our collaboration with Plasmidsaurus, we are transforming plasmid sequencing by providing a rapid, cost-effective solution that delivers full-length, high-accuracy plasmid sequence data in a single read. This advancement is already streamlining quality control and accelerating innovation in drug development, synthetic biology, and gene therapy.

In Clinical markets, our partnership with Wasatch Biolabs is driving the adoption of Oxford Nanopore-based methylation analysis for Clinical applications. By enabling Oxford Nanopore's unique direct whole methylome analysis workflow for Clinical customers spanning cancer and human genetics, this collaboration is designed to move towards routine Clinical implementation.

Through strategic commercial execution and a relentless focus on delivering value to our stakeholders, from customers to partner, Oxford Nanopore is not only addressing critical challenges in core markets but also shaping the future of genomics-driven healthcare.

Substantial market opportunity – looking ahead

While the research market presented challenges for all life science companies in 2024, we made meaningful progress in expanding our presence and enabling new biological discovery that is possible only with our platform. This drives the creation of future opportunities in emerging Applied markets for Oxford Nanopore. Uncertainties remain in the academic research landscape, and while we do not expect this to shift significantly in the near term, we remain highly confident in our medium-term growth trajectory, underpinned by our differentiated technology and strong opportunities in adjacent and emerging markets.

Strategic partnerships continue to play a key role in expanding our impact. Our collaboration with Bio-Techne's Asuragen has introduced Oxford Nanopore sequencing to carrier screening research, enabling the analysis of complex genes that were previously difficult to resolve with legacy technologies. In the fourth quarter of 2024 the AmplideX® Nanopore Carrier Plus Kit was launched.

Similarly, our partnership with bioMérieux is advancing infectious disease applications, leveraging real-time sequencing for pathogen detection and antimicrobial resistance profiling. These collaborations reinforce the growing demand for nanopore sequencing in Clinical and BioPharma settings, broadening our reach into regulated and applied markets. A test for determining antibiotic resistance in tuberculosis is being rolled out as a research-use only product with bioMérieux in 2025, prior to seeking IVD approvals.

In addition, the Applied Industrial sector presents an untapped market with vast potential. With growing adoption in areas such as food safety, environmental monitoring, and synthetic biology, we anticipate an acceleration of interest in Oxford Nanopore multi-omic analysis. Our commitment to reducing barriers to entry through automation, workflow integration, and regulatory approvals will play a pivotal role in capturing this opportunity.

As we look ahead, we remain steadfast in our mission to empower people to explore and answer biological questions with our transformative technology platform. While research remains a fundamental pillar of our business, our ability to successfully navigate and expand into new markets will be a key driver of sustained growth in the years to come.

A strategic focus on people for organisational effectiveness

A company is only as strong as its people, and in 2024, we made significant strides in strengthening our organisation through disciplined execution and strategic investments in talent.

At the beginning of 2024 we strengthened our leadership team with the appointment of Nick Keher as Chief Financial Officer. With extensive experience of financial leadership of complex scientific businesses in the life sciences and pharmaceutical sectors, alongside a deep understanding of capital markets he brings financial and strategic expertise that will support the Group’s continued growth and operational efficiency. Nick succeeds Tim Cowper, who transitioned into the role of Chief Operating Officer, to lead the development of Oxford Nanopore’s expanding international footprint and operations.

The knowledge base of Oxford Nanopore is a critical asset, and we have always invested in the development of our own next generation of talent and leadership to drive our effectiveness and continue to be at the driving edge of scientific and technological progress.

In 2024, Oxford Nanopore’s Rosemary Sinclair Dokos and Lakmal Jayasinghe were appointed Chief Product and Marketing Officer and Chief Scientific Officer respectively, succeeding Clive Brown, Chief Technology, Innovation, and Product Officer. Rosemary and Lakmal’s experience and expertise will be invaluable as we continue to drive our technology forward, expand our product offerings, and accelerate our impact across multiple markets.

We extend our deep gratitude to Clive Brown for his invaluable contribution to the development of the technology and the growth of the business over the past 16 years. His leadership and pioneering work in nanopore sequencing have been instrumental in shaping the Group’s success, and we are grateful for his dedication to advancing our mission.

With a strengthened team, a disciplined approach to resource management, and a clear vision for the future, we are confident in our ability to navigate challenges and seize new opportunities for growth. Our ability to scale efficiently has been a defining characteristic of our success, and we are now starting to see the benefits of these efforts in sales productivity. We have focused on aligning our commercial and operational teams to ensure that we continue to drive value for our customers while maintaining a lean and high-performing organisation.

Preparing for the future

In 2024, we enhanced our strategic planning process to better align our resource commitments with our innovation, commercial and operational objectives. This process incorporates a variety of perspectives from inside and outside the Group, ensuring we can prioritise the opportunities that best leverage our differentiated technology to create value for our stakeholders. As we continue to grow and adapt to changing market conditions, this capability is critical.

As we transition into 2025, we are integrating these data-driven strategic planning tools into many aspects of the Group’s decision-making. We are undertaking this work in collaboration with our Board of Directors, and we look forward to articulating the outcomes of this work in our next report.



Events after the year end

Roche recently revealed a nanopore-based sequencing platform and its accompanying sample preparation station to prepare its sequencing by expansion (“SBX”) chemistry. The preliminary specifications describe a sequencing system that delivers short reads and high throughputs, making this product a primary competitor for the legacy high-throughput short-read sequencing by synthesis (“SBS”) systems. Oxford Nanopore remains committed to its strategy of driving growth into target end markets and driven by its platform’s unique features and benefits.

The Roche product, as described, is similar to legacy SBS systems in that it provides only limited read lengths and does not offer direct native sequencing of DNA or RNA. As such, it does not provide direct identification of epigenetic modifications such as methylation, which are key to many aspects of biology, including cancer. These features, which are crucial to driving improved insights into the human genome, are inherent in Oxford Nanopore’s platform and are a key differentiator, alongside the unique ability for our accessible platform to scale from portable to high-output devices.

Outlook

While we expect the macroeconomic and geopolitical backdrop to remain uncertain in 2025, we start the year with strong operational momentum and a growing opportunity pipeline. Our highly differentiated platform, commercial capabilities and robust balance sheet continue to position us well to capture a growing share of the substantial market opportunity and deliver sustainable, above-market growth, and attractive medium-term returns for our shareholders.

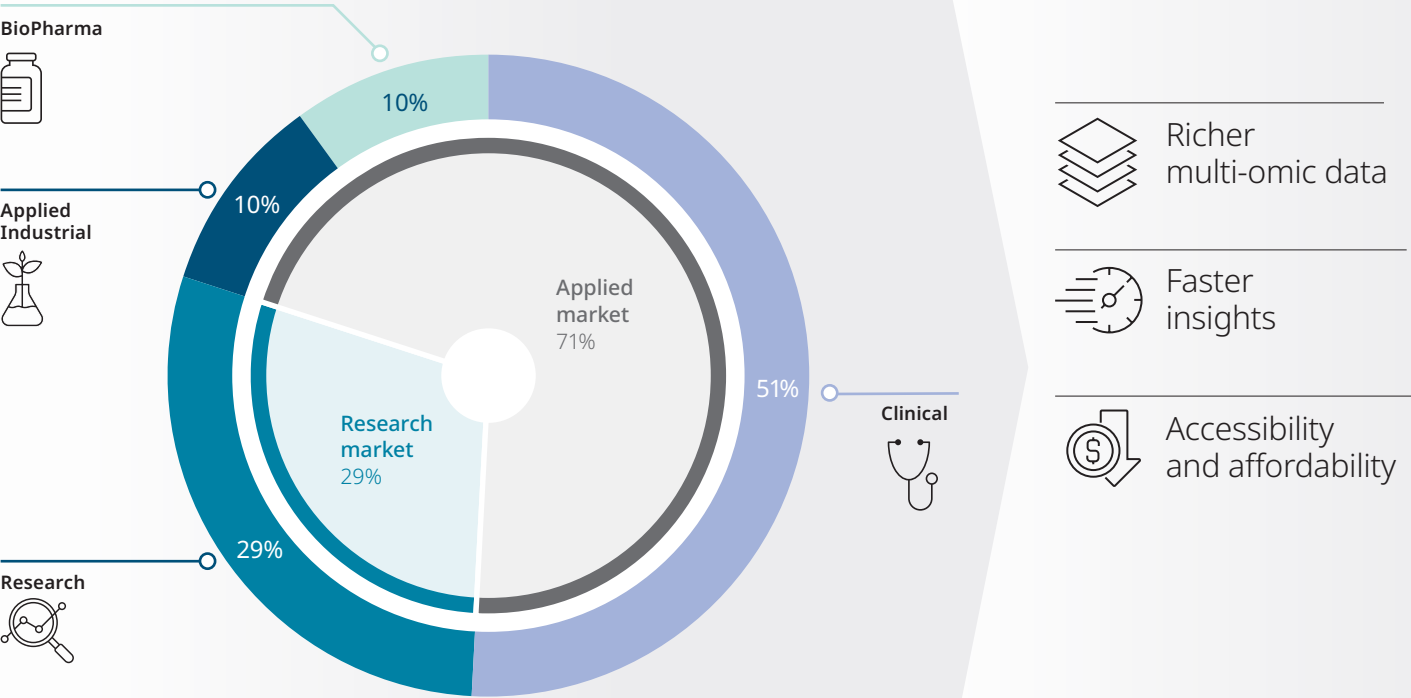
Progressing towards profitability is a key focus in the medium term and we continue to expect to reach adjusted EBITDA breakeven in FY27. This will be delivered by three components: firstly, continued strong revenue growth, secondly margin improvement and lastly, a disciplined approach to expenditure. In January 2025, Oxford Nanopore concluded a targeted restructuring programme aimed at resource optimisation and improving operational effectiveness, leading to a reduction in the overall workforce of approximately 5%, alongside other cost-control measures. While we continue to drive efficiency and focus on disciplined cost management, we fully recognise the importance of our people in driving sustainable growth and remain committed to supporting teams as we implement these changes.

Over the long term we see significant opportunities ahead, reflected both in the progress we have made in the current research market and in the preparations that we are making to address many potential uses for our technology in applied markets, from infectious disease to agricultural optimisation. We have established our platforms globally and our long-term strategy is to enable our customers to develop novel applications, analogous to the ‘apps’ model for mobile phones. Enabling our customers to develop on the platform will propel us toward a world of real-time, distributed access to DNA/RNA information. As we begin to understand and measure the biological world around us and use that information to make decisions with positive impacts from health to the environment, we are on the cusp of creating the ‘Internet of Living Things’.

Dr Gordon Sanghera, CBE
Chief Executive Officer
18 March 2025

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Glossary	
AMR: The Americas	FY: Full Year
AI: Artificial Intelligence	IVD: In vitro diagnostics
APAC: Asia Pacific region	mRNA: Messenger Ribonucleic Acid
CDMO: Contract Development and Manufacturing Organisation	NPM: National Precision Medicine
DNA: Deoxyribonucleic Acid	QC: Quality Control
EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization	R&D: Research & Development
EGP: Emirati Genome Program	RNA: Ribonucleic Acid
EMEAI: Europe, the Middle East, Africa, and India	T2T: Telomere-to-Telomere

Market opportunities are substantial for Oxford Nanopore’s differentiated platform



Research underpins growth in all sectors

Beyond today’s market

Richer molecular insights to enable decisions at the point of need, from health to industry.

~\$24bn

Current overall molecular analysis market

Long-term vision

Towards anything, anyone, anywhere. Broad opportunities for distributed analyses across entire systems and supply chains including health, biopharma, pathogen surveillance, environmental analyses, supply chain/agriculture/food.

~\$75bn

Current overall life science tools market (DeciBio, included sequencing plus broad life science tool technologies)

>\$150bn

Models show opportunities for broad unmet needs met by molecular analyses

Clinical (\$BN TAM)	
100	Oncology
18	Human Genetics
8	Infectious Disease
Applied Industrial (\$BN TAM)	
15	Vet & Agriculture
11	Food & Environment
Biopharma (\$BN TAM)	
4	Biopharma

Case study

Market segment:
BioPharma

Application:
Biomanufacturing QC

The opportunity

- Quality Control (QC) testing of biopharmaceuticals (including mRNA products) during the whole production cycle is challenging, complex, expensive, and time-consuming, creating the need for sometimes dozens of separate QC tests and delaying product releases.
- Many current testing methods are outdated and require more rapid and comprehensive solutions. Regulators have mandated reform and have called for new technologies, such as sequencing, to be incorporated into the biomanufacturing QC testing processes.
- Faster, simpler and effective testing solutions needed in this market.

Oxford Nanopore’s biomanufacturing solution

- Biomanufacturing QC is one of three pillars in the Group’s biopharma strategy, which also includes discovery tools, and clinical tools/companion diagnostics.
- Our strategy is to replace outdated technologies with a single, streamlined platform, allowing customers to develop and release biopharmaceuticals faster and with less complexity through real-time visibility into the design and manufacturing process.
- Oxford Nanopore has developed the only platform that delivers direct, rapid RNA sequencing. This method supports QC testing for mRNA-based products and transcriptome analysis. In addition to direct RNA sequence our other methods support viral genome sequencing for potential viral contamination of biopharmaceuticals, entire vector sequencing of plasmids and AAVs and whole genome sequencing for applications such as characterisation of cell banks, bacterial and viral seeds.

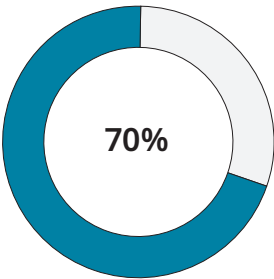
Technology adoption

- Oxford Nanopore technology has been, or is currently being validated by top industry partners, including PathoQuest, Regeneron, Lonza, and ViruSure.
- Adoption is progressing within many of the top 10 biopharma companies in the world. We can directly support the large pipeline of drugs where sequencing is an approved QC method.

Research



Proportion of Group revenue in 2024:



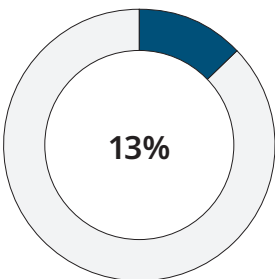
\$75bn
Estimated TAM by 2032

Opportunity	Oxford Nanopore value proposition and growth opportunity	Market drivers and our response
Basic research In life sciences, including understanding the structure and function of DNA, RNA and proteins, providing a foundation for further biological discovery; understanding in more detail the biology of specific organisms or systems; e.g. humans, cancer, animals, plants, pathogens/microbiomes. Analyses may be as diverse as single cell, bulk transcriptomics. This work is typically performed by scientific researchers in universities, government, charitable or industrial institutions.	Richer and more comprehensive multi-omic data, including epigenetic information by sequencing to longer native DNA/RNA fragments. Giving researchers the power to be at the leading edge of research, driving grant funding and scientific leadership. Faster insights: even with research programmes with longer timescales, researchers favour control of their own data and results whether in small or larger labs. Accessible and affordable: This can be scaled to any research user from small to large through a variety of platforms from small to large.	Oxford Nanopore is driving greater expectations among scientific communities, who are now able to characterise more biological insights. Against a backdrop of dynamic research funding, the Oxford Nanopore pricing and scalability model also offers value for money for scientific institutions. Where discovery can be performed on Oxford Nanopore platform, the same – scalable – technology can be used for onwards applications developed on the platform.
Population-scale research programmes Large scale programmes that aim to characterise the genomic/transcriptomic/ epigenetic profile of broad populations, typically as a foundation for national genomics strategies.	Richer and more comprehensive data. The ability to provide this richer data at scale with large scale analyses and straightforward infrastructure is unique in the market, as well as offering small form devices that can service downstream analyses unlocked by discoveries on the platform.	As countries evolve from earlier sequencing projects to maturing national genomics strategies, Oxford Nanopore is increasingly meeting the need for scaled, richer data. Oxford Nanopore also uniquely offers a pathway from discovery on larger devices, to future near-sample testing in clinical environments on smaller devices, on one consistent platform.
Translational research Aims to understand and pilot how omics information could positively impact outcomes in health, industry and the environment, for example by piloting and evaluating the integration of genomic insights into clinical workflows or industrial processes. This work may be performed in settings such as research hospitals or industrial development labs.	In addition to the benefits of the technology, Oxford Nanopore is providing ‘locked down’ versions that enable users to perform translational research and prepare for more routine future clinical and applied uses, with onwards pathways to regulated markets.	Oxford Nanopore enables translational researchers, not only through providing a platform well suited to development of applied methods, but through collaboration and technical support that enables those researchers to pursue their goals rapidly and effectively.

Applied Industrial

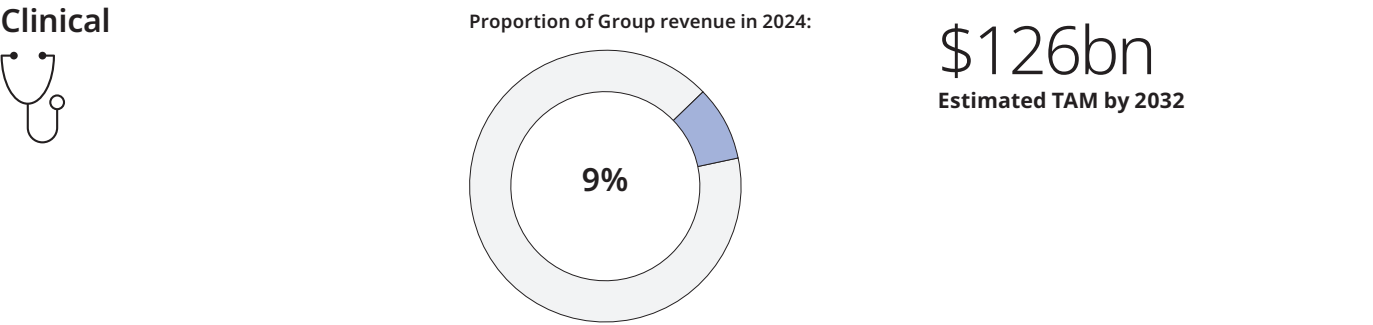


Proportion of Group revenue in 2024:

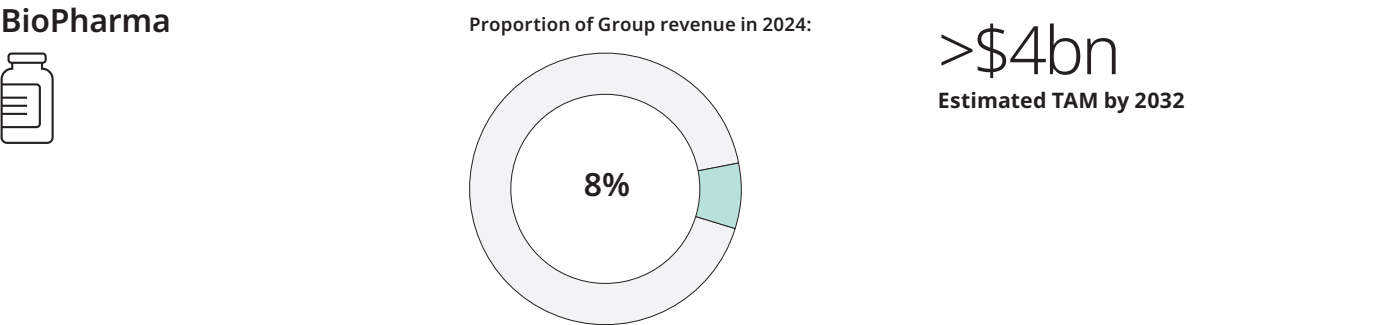


\$26bn
Estimated TAM by 2032

Opportunity	Oxford Nanopore value proposition and growth opportunity	Market drivers and our response
Synthetic Biology Synthetic biology enables the design and engineering of biological systems for applications across healthcare, industrial biotechnology, food, energy and agriculture. These industries play a key role in health, food and economic security against a backdrop of climate change, population growth and other factors. Molecular analysis plays a role in provides critical insights in verifying the integrity of synthetic constructs and engineered genomes, innovation around sustainable production of bio-based materials, therapeutics, and biofuels and cell and gene therapies.	Oxford Nanopore technology offers information-rich, fast results, in formats that can be located onsite in multiple environments. Rapid analysis of DNA, RNA and in the future other types of molecule, supports the effectiveness but also the safety (through rapid monitoring) of synthetic biology processes. The ability to co-locate sequencing technology with synthetic biology processes enhances the rapid insights and control of information for synthetic biology laboratories. Rapid plasmid sequencing is one example of servicing this market – Oxford Nanopore is increasingly being used for this common industrial process.	Synthetic biology is an area of interest globally for its ability to generate solutions across multiple industries from food to health. Oxford Nanopore is positioned as an enabler of this industry, as well as a mechanism to enable safety through rapid analysis of biological material.
Vet and Agriculture (livestock) Veterinary and agricultural sectors increasingly rely on rapid genomic insights to improve disease detection, breeding programs, and food security. The ability to quickly and accurately identify pathogens in livestock and monitor genetic traits in breeding, provides a competitive advantage. With the rise of zoonotic diseases and global food demands, integrating advanced sequencing into veterinary diagnostics and agricultural management is essential for ensuring productivity and biosecurity.	Oxford Nanopore’s technology delivers rapid, information-rich and scalable solutions that empower veterinarians and agricultural professionals to conduct rapid genetic analysis. Unlike traditional sequencing methods, which require centralised labs and long turnaround times, Oxford Nanopore enables decentralized testing in field conditions. Its cost-effective, accessible platforms support disease surveillance, selective breeding, and food safety, creating new opportunities for industry-wide adoption and expansion into emerging markets.	The increasing prevalence of livestock diseases, antimicrobial resistance, and foodborne pathogens drives the need for faster, more comprehensive diagnostic solutions. Oxford Nanopore meets this demand with its rapid sequencing capabilities, allowing for early detection of PRRSV, FMD and AI in veterinary labs and in the field. By providing scalable, cost-efficient solutions, it helps agricultural businesses adapt to regulatory requirements, improve biosecurity, and enhance productivity through precision breeding and pathogen monitoring.
Food, Agriculture (plants) and environment testing Food safety, authenticity, and environmental monitoring are critical for public health, regulatory compliance, and sustainable resource management. The ability to rapidly detect contaminants, verify food origins, and monitor biodiversity in real time is increasingly valuable. Breeding and assess crops that are productive and safe is a global priority. As global food supply chains become more complex and environmental changes impact ecosystems, industries need scalable, cost-effective solutions for ensuring food security and ecological health. These include: Food Safety Testing, Food Authenticity Testing, Food Spoilage, Wastewater testing, eDNA biodiversity assessment.	Oxford Nanopore’s technology enables rapid, accurate analysis for food safety testing, food fraud detection, crop analysis and environmental monitoring. Unlike traditional methods, which can be time-consuming and require centralised labs, its portable and accessible platforms allow decentralised testing in diverse environments as well as in higher output traditional labs. This capability supports industries in agriculture, contamination prevention, verifying product authenticity, and tracking biodiversity.	Regulatory pressures, consumer demand for transparency, and the need for rapid response to foodborne outbreaks and environmental threats are driving adoption of advanced genomic tools. Oxford Nanopore addresses these challenges by delivering on-demand sequencing for pathogen surveillance, food integrity verification, and environmental DNA (eDNA) analysis. By reducing time to result and increasing accessibility, it helps businesses enhance food safety, sustainability, and regulatory compliance.



Opportunity	Oxford Nanopore value proposition and growth opportunity	Market drivers and our response
Cancer One in five people will develop cancer in their lifetime. Cancer is a disease of the genome (and methylome and transcriptome). Rapid generation of information about solid tumours or blood borne cancers has the potential to characterise a disease and inform the best treatment, as well as to monitor response to treatment and remission. Early detection of cancer is also is a key feature of many national cancer strategies or innovation.	Richer insights: highly accurate genomic data capture more types of genetic variation. In particular, methylation data provided in real time and at no extra cost on the nanopore platform, are of interest in cancer detection and characterisation. Faster insights hold potential for earlier intervention, and accessibility and affordability support a future of near-patient technology for speed and to reduce health disparities.	Cancer is an emerging area for Oxford Nanopore, enabled by further improvement in platform performance that drive high levels of accuracy across a broad range of genetic variation including methylation, a key cancer driver. With the market need for rapid turnaround of results, Oxford Nanopore is able to enter the market through, for example, rapid CNS tumour classification through methylation profile, and to expand into other cancers such as sarcomas with a consistent method approach.
Human genetics 350 million people globally have a rare disease, and patients with genetic disease typically experience a long diagnostic odyssey for which rapid genetic information can provide answers. Human genetic information can also support carrier screening, transplantation, pharmacogenomics and a range of other clinical needs.	Richer insights, delivered faster and accessibly and affordably, have the potential to improve multiple human genetics applications, for example tissue typing for transplantation or the characterisation of human genetic disease, experienced by millions of people worldwide.	Market drivers for rare disease include the ability to characterise more diseases (increased diagnostic yield) and to return results in a rapid timeframe. Multiple publications and programmes showed in 2024 that Oxford Nanopore fulfils these market needs and is expanding its footprint in rare disease, unlocking possibilities for more widespread use e.g. "lifetime genomes" that provide pharmacogenomic information.
Infectious disease Viral pathogens such as bird flu H5N1 remain a threat to human health, food security and the economy. More than 39 million deaths could be caused by antimicrobial resistance (AMR) in the coming 25 years. Whether TB or hospital-acquired infections, DNA or RNA information can inform antimicrobial choices and stewardship or identify emerging pathogens.	Richer insights, delivered faster and accessibly and affordably, as delivered with Oxford Nanopore technology, have the potential to provide rapid pathogen surveillance in broad systems such as healthcare and agriculture, as well as rapid diagnostic and characterisation of pathogens such as Tuberculosis, where drug resistance is an urgent challenge.	Global authorities continue to perform pandemic preparedness planning, and the broad field of infectious disease remains of a comparable size with other clinical segments. Oxford Nanopore stands to meet market needs for fast turnaround with targeted or whole pathogen sequencing, as well as providing entirely new paradigms such as 'agnostic' metagenomic methods, which have the potential to displace traditional methods such as culture with rapid, molecular insights.



Opportunity	Oxford Nanopore value proposition and growth opportunity	Market drivers and our response
Life sciences industries that are researching and developing solutions, such as therapeutics or vaccines, are driven by the ability to understand biology in R&D, how to manufacture and the identity, efficacy and safety of their products. These may include: Cell Line Authentication & Characterisation, Vector and construct characterisation and QC and Biomanufacturing release Testing.	Richer insights, delivered faster and accessibly and affordably, have the potential to improve efficiency of outcomes of life sciences development processes by identifying new targets, optimising production process, or enabling dynamic iteration. The unique ability to sequence RNA directly and in real time unlocks specific applications for the mRNA industries, to enable product design and production.	Example: Oxford Nanopore is collaborating with Lonza to develop a Current Good Manufacturing Practice (cGMP) validated test portfolio to enable QC release testing incorporating analysis of multiple critical quality attributes of mRNA and plasmid products. Oxford Nanopore is also collaborating with broad partners across the industry to enable efficient R&D and early development activities, along with the seamless transfer of methods to QC covering areas such as, integration site analysis, identity testing and adventitious agent testing.



Refs
The Lancet: More than 39 million deaths from antibiotic-resistant infections estimated between now and 2050, suggests first global analysis | Institute for Health Metrics and Evaluation
What are Rare Diseases? | Rare Diseases Clinical Research Network 350 million people with rare disease



Tonya McSherry
VP Commercial EMEA

Q+A

Delivering on our broad pipeline of opportunities

An interview with Tonya McSherry, VP Commercial EMEA

Tonya McSherry is the Vice President of Commercial, EMEA (Europe, Middle East, Africa and India) at Oxford Nanopore. She has built and leads sales and support across the region, driving 31.1% underlying revenue growth in 2024. Previously, at Illumina, she played a key role in large-scale human genomics programmes, contributing to advancements in genomics knowledge. With a career spanning Fibrogen and TGen, she has spearheaded genome studies across the US and Europe, bringing scientific discoveries closer to real-world impact.

Q Your team drove outstanding underlying growth in 2024 – what were the key growth drivers for your region?

In 2024, growth in the Europe, Middle East, Africa and India region was primarily driven by our team’s transformation initiated in 2023. We restructured our commercial organisation by integrating new talent with proven experience, creating a seamless, collaborative unit across sales and support. This allowed us to invest strategically in inside sales and build specialist teams focused on clinical adoption and routine testing. We also continued to build on our newest customer programmes and push them into routine ‘production’ sequencing – these will help us drive utilisation in the future. Additionally, by developing deeper relationships with scientific leaders in genomics across each subregion – underlined by our work with the University of Tübingen – we have been able to reshape market expectations with Oxford Nanopore’s unique capabilities in human genetics, infectious diseases, and cancer, while also expanding into emerging markets.

...by developing deeper relationships with scientific leaders in genomics across each subregion... we have been able to reshape market expectations with Oxford Nanopore’s unique capabilities in human genetics, infectious diseases, and cancer, while also expanding into emerging markets.”

Q You have built a carefully structured team over the last few years. How has this been built to drive success?

We have built a robust and agile team that now comprises more than 120 professionals across sales and support, spanning four major subregions in EMEA. We achieved this by integrating experienced leadership with our sales and support functions to unite our team into one cohesive unit, with the mantra of “one team, one goal”. In some geographies we have further strengthened our approach through an enhanced channel partner strategy, working with external teams with depth of regional knowledge, backed by rigorous training and management. This disciplined, metrics-driven structure ensures that we consistently deliver strong results and maintain a customer-centric focus.



Q How does Oxford Nanopore approach its opportunity funnel – and how do sales teams work alongside marketing, digital and support to optimise capturing value from large to small programmes?

Our approach to the opportunity funnel is systematic and highly collaborative. We work in close partnership with marketing, digital, and support teams to generate quality leads and nurture them through to closure. Leveraging regional insights, we tailor our campaigns to meet local market needs while employing robust tracking systems to monitor progress at every stage. This integrated strategy, underpinned by strong relationships with key opinion leaders, enables us to maximise value across programmes of all sizes – from high-value strategic initiatives to smaller, targeted projects.

Q What does the sales process look like for different customer types?

While the core structure of our sales process is consistent, we tailor our approach according to customer type. For the research community, our discussions centre on innovative solutions that address scientific questions. In clinical settings, the focus shifts to tangible outcomes and operational impact. With biopharma, which typically operates on a global scale, we coordinate across regions to manage complex, cross-functional accounts. For applied industrial sectors, our messaging demonstrates how our technology streamlines workflows and delivers rapid, actionable insights.

Our unique selling proposition lies in delivering richer insights, superior accessibility, and faster turnaround times. For example, in clinical applications, a single sample processed with our technology can match the throughput of several samples on traditional platforms.”

Q When you are working with customers, when is the process competitive against other sequencing technologies, and where are you addressing unmet needs, where you are positioning against orthogonal technologies – or no technologies?

Competitive pressure is an inherent aspect of every engagement. Our strategy is not to mimic legacy platforms but to instigate a paradigm shift by offering a holistic solution that replaces multiple tests with a single, integrated workflow. Our unique selling proposition lies in delivering richer insights, superior accessibility, and faster turnaround times. For example, in clinical applications, a single sample processed with our technology can match the throughput of several samples on traditional platforms. This gives us a distinctive edge that, when combined with the depth of our data such as in methylation analysis, demonstrates how Oxford Nanopore addresses unmet needs and sets us apart from competitors.

From a scientific perspective, I am particularly proud of the tangible impact of our technology on ending diagnostic odysseys, evidenced by a 13% increase in diagnostic yield at Al Jalila Children’s Hospital in the UAE.”

When you knock on a new customer’s door, what are the range of challenges you face in terms of perception and how are you addressing these?

In the past, we encountered challenges related to perceptions of accuracy and the level of support provided. Over the past three years, however, we have evolved our technology and approach significantly. Accuracy perceptions have shifted as the scientific community understands that Oxford Nanopore delivers more information, and that our “per base” accuracy is also competitive. Also by transitioning from a self-serve model to an end-to-end support framework for the larger devices and accounts – tripling our support teams in the process – we now offer a more robust, personalised service. This transformation enables us to ensure that customers are up and running quickly and that they achieve the outcomes they require. Our focus today is squarely on delivering scientific impact and operational excellence, rather than simply selling a product. Customers are still able to self-serve of course, and many MinION and P2 customers still do this – accessibility is core to our broader commercial model.

What were the standout highlights of 2024 for you?

One of the standout highlights of 2024 was the remarkable internal collaboration between our sales and support teams, which significantly enhanced our customer-centric approach. From a scientific perspective, I am particularly proud of the tangible impact of our technology on ending diagnostic odysseys, evidenced by a 13% increase in diagnostic yield at Al Jalila Children’s Specialty Hospital in the United Arab Emirates. Additionally, the launch of the UK Biobank methylome project was pivotal in advancing our capabilities in epigenetics and closing critical gaps in the existing genomic dataset. This project, in collaboration with organisations such as Genomics England and the NHS, underscores the transformative potential of Oxford Nanopore’s solutions. Read more on page 37.



What type of customers/applications are you getting most traction with in EMEA? Where do you see the biggest opportunities for Oxford Nanopore in 2025/the medium term?

We are witnessing strong traction across several segments in EMEA, with research serving as the essential springboard for broader applications. Looking to 2025 and beyond, our most promising opportunities lie in human genetics and population-scale sequencing, particularly in the realms of rare disease diagnostics and pharmacogenomics. There is also a significant trend towards preventative healthcare at a national level. Leveraging our robust position in the UK, we are well placed to set benchmarks that can be adopted internationally, thereby driving long-term growth and innovation.

We have talked about the biggest opportunities, but where do you see the biggest risk/challenges? And how can you mitigate against this?

The primary risks we face are geopolitical uncertainties and regulatory challenges, particularly in certain Middle Eastern markets where complex international dynamics are at play. However, the relative stability within the UK and EU provides us with a strong foundation to navigate these risks. Additionally, we recognise that maintaining excellence in customer experience – from acquisition through to full implementation – is critical. To this end, we continue to invest in comprehensive training and robust operational systems, ensuring that our high standards remain embedded as we grow.

What trends do you see in 2025?

We continue to anticipate a dynamic and competitive market landscape in 2025. Revenue growth will be driven by an expanding install base and the effective deployment of inside sales to capture new opportunities, alongside the full-scale execution of large whole genome sequencing programmes. As customers become more discerning – with an increasing emphasis on comprehensive omics data and maximising research outcomes – our value proposition is evolving. Clients are seeking solutions that offer enhanced insight and cost-effectiveness, prompting us to refine our offerings to meet these emerging demands effectively.

Key strengths

How we create value

Value created and shared

Our people and culture

Attracting, developing and retaining high-calibre employees is important. We strive to build a purpose-driven culture based on our values and shared goals.

[Read more Page 58](#)

Research & development

Innovation is at the heart of everything we do and it delivers highly differentiated products and drives continuous improvement to deliver value to our users.

[Read more Page 34](#)

Intellectual property

Innovation is protected by our IP portfolio, which comprises more than 2,500 active patents across more than 250 patent families.

[Read more Page 77](#)

The Nanopore Community

We drive open innovation together with the user community, who develop novel applications for our technology every day.

[Read more Page 37](#)

Suppliers

We have a diverse, global supply chain. Our suppliers contribute to innovative processes by developing their own products and services.

[Read more Page 84](#)

Manufacturing

State-of-the-art in-house manufacturing increases resilience, speed to market, and minimises leakage of know-how.

[Read more Page 38](#)

Sales, marketing & support

We support our customers in more than 125 countries. Our commercial teams are highly specialised, with an in-depth knowledge across the full range of products and applications.

[Read more Page 36](#)

Balance sheet

We have a strong balance sheet enabling us to continue to invest strategically in R&D, people, and infrastructure to drive future growth.

[Read more Page 46](#)

Our vision

To enable the analysis of anything, by anyone, anywhere.

1. Innovation

2. Intellectual Property

3. Manufacture and supply

4. Route to Market

5. Customers

6. Sales & Marketing

Revenue

Direct supply, distributors and partnerships

1. Innovation

Our R&D team pushes the boundaries of sensing technology to create products with both novel properties and high performance, designed to penetrate, reshape and expand markets. This includes fundamental research, pipeline programmes to develop new technologies and programmes to improve the performance of the existing platform.

[Read more Page 34](#)

2. Intellectual property

We continue to invest in building and protecting our IP portfolio, which consists of patents, trademarks, registered designs, trade secrets and copyright. Our IP team find and protect the important innovations which can add value to the Company, now and in the future. To complement internally developed IP, we have fostered long-standing links with a number of leading academic institutions worldwide.

[Read more Page 77](#)

3. Manufacture and supply

We manufacture three main categories of physical products: the sequencing devices, the sequencing components (flow cells) and the sample preparation consumables (kits), from our high-tech manufacturing facilities in Oxfordshire, UK. Manufacturing involves a combination of sourcing components from third-party suppliers as well as in-house manufacturing and assembly. We maintain close control over, and internally manufacture or assemble, the key components of our products to ensure the required levels of quality, service and delivery are met.

[Read more Page 38](#)

4. Route to market

Our electronic-based molecular sensing platform provides competitively priced solutions, breaking down existing barriers to entry to broaden the user base and applications of the technology. We ship products globally from our four international distribution hubs and work with various distributors to support our commercial activities in certain regions including China, Japan, Turkey, India, South Korea and parts of Africa. We have multiple potential routes to market to optimise future commercial impact, including direct channels, distributors, collaborations and partnerships for clinical and applied industrial markets.

[Read more Page 36](#)

5. Customers

We manage growth across our four customer groups (Research, Clinical, Applied Industrial, and BioPharma) to ensure that efficient and effective commercial attention is given to different types of customers throughout the sales pipeline, as well as closing new business and providing ongoing support for customer success. Through feedback and collaboration our customers also play an important role in our product development process.

[Read more Page 36](#)

6. Sales, Marketing & Support

We support our customers in more than 125 countries. Our commercial teams are highly specialised with an in-depth knowledge across the full range of products. Since January 2023, the sales team consists of three regional team verticals, led by Commercial Directors in AMR, EMEA and APAC. To capture opportunities outside research, we also have an expert Diagnostics, Applied & Industrial Markets group exploring new market opportunities in AgBio, Veterinary and Bio-Manufacturing.

[Read more Page 36](#)

Customer publications in 2024

~3,000

For customers

Our Research and Applied customers benefit from our highly differentiated technology platform and technical support allowing them to gain deeper biological insights.

3-year underlying revenue CAGR

31.5%

For shareholders

We believe executing against our strategy and growing the business will drive long-term value creation for shareholders.

Employees

We make significant investments in recruiting and developing our people, and ensuring their wellbeing, to maintain the culture and rapid pace of innovation that continues to underpin our success.

Total training hours

23,192

For society and environment

Our products are used around the world to advance the global understanding of biology and causes of disease. We are also committed to limiting the impact of our operations on the environment.

Packaging from renewable sources

69 tonnes

Investment in the business

(See note 34 on page 193) Continued strategic and disciplined investment in R&D, people and infrastructure to drive long-term sustainable growth and penetrate key markets. Capital and resource allocation is aligned with strategic priority areas, with a focus on driving growth and efficiency.

Investment in R&D

£110m

30

Oxford Nanopore Technologies

Annual Report & Accounts 2024

Annual Report & Accounts 2024

Oxford Nanopore Technologies

31

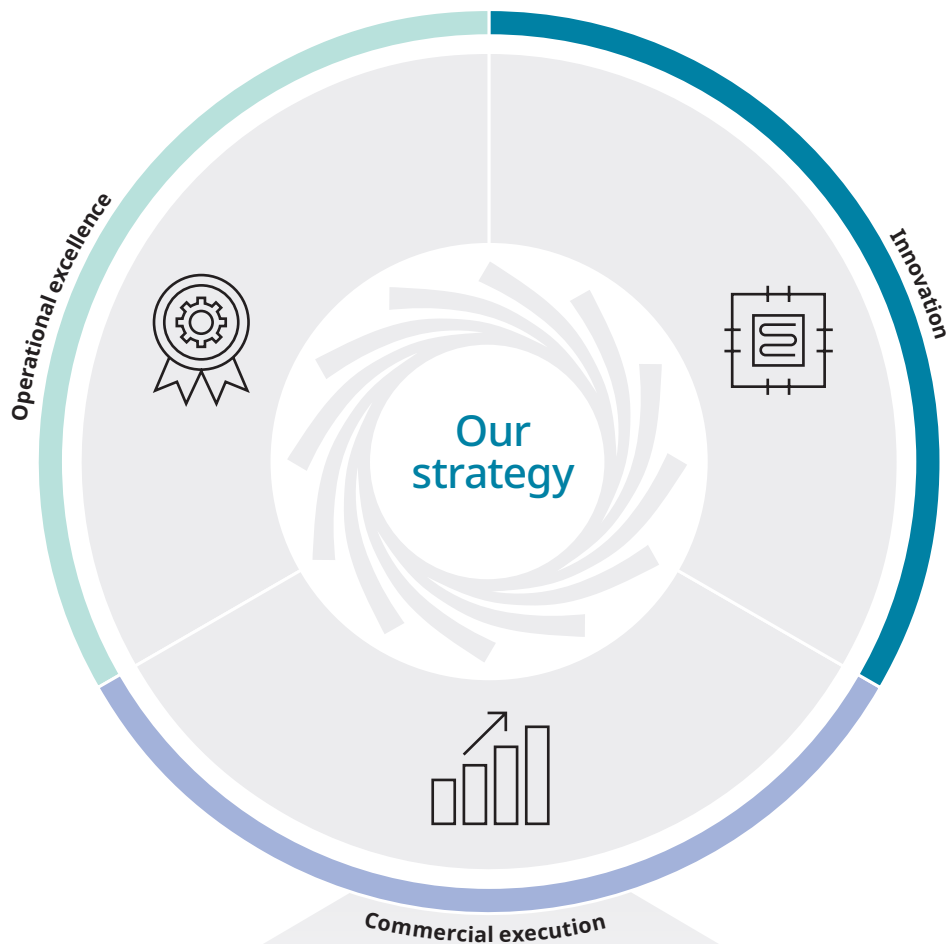
Our strategy

We are focused on delivering sustainable, long-term growth by making molecular analysis more valuable and more accessible to customers worldwide. Our long-term growth strategy is based on three pillars: disruptive innovation, commercial execution, and operational excellence. These strategic priorities are designed to create sustainable long-term growth, by expanding our market share, growing existing markets and by creating entirely new markets.

In the fourth quarter of 2024, we started a new strategic planning process to ensure we maximise the broad opportunities in front of us. This process incorporates a variety of perspectives from inside and outside the Group ensuring we can prioritise the opportunities that best leverage our differentiated technology to create value for our stakeholders. As we continue to grow and adapt to changing market conditions this capability is critical.

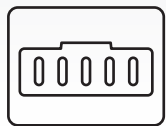
As we transition into 2025, we are integrating these data-driven strategic planning tools into many aspects of the Group's decision making. We are undertaking this work in collaboration with our Board of Directors, and we look forward to articulating the outcomes of this work in our next report.

Our strategic pillars



Our strategy is underpinned by our sustainability pillars

[Read more](#)
Page 48



Product



People



Planet



Strategic pillar 1

Innovation

[Read more](#)
Page 34

Strategic pillar 2

Commercial execution

[Read more](#)
Page 36

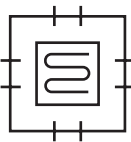


Strategic pillar 3

Operational excellence

[Read more](#)
Page 38





Innovation

Our commitment to innovation is central to our strategy for growth. Our R&D team pushes the boundaries of our unique sensing technology to create highly differentiated products and drive performance to deliver novel insights, designed to expand and reshape markets. Innovation includes fundamental research into our core system, including nanopores, enzymes, ASIC sensor arrays, chemistry, software and algorithms. These create our core applications of DNA, RNA and in the future, protein and small molecule sensing.

We develop this platform into our range of products and further enable users by creating simple end-to-end workflows from sample to answer to accelerate their biological insights.

Performance in 2024

- Delivered new products launches, aimed at (i) expanding our penetration of the research market including the PromethION P2 integrated and MinION Mk1D devices and (ii) new products from our regulated pipeline, to drive adoption in new clinical and applied markets, including GridION Q, from our Q-Line product range, and ElysION.
- Developed and released a number of end-to-end workflows to support our users by simplifying their sample to answer experience, including a series of nanopore-only workflows such as the nanopore-only Microbial Isolate Sequencing Solution (NO-MISS) delivering highly accurate (Q60) and complete microbial genomes. The nanopore only telomere-to-telomere (T2T) workflow, delivers state of the art (Q50) T2T human assemblies without the need for other technologies. The capability to produce T2T assemblies addresses the gaps left by traditional sequencing methods, facilitating more comprehensive studies of complex genomic regions.
- During 2024 we enhanced our direct RNA sequencing chemistry improving accuracy and output and increasing the modified base offering to cover five different modifications including Pseudouridine, which is used extensively in mRNA vaccine production and cannot be detected with any other technology. These advances enable high-throughput applications such as quality control testing for mRNA vaccines and biomarker discovery.

Priorities for 2025

- Drive adoption in applied markets:** i) Deliver the launch of PromethION Q to our Q-Line product range to broaden the opportunity for human sequencing applications, ii) advance GridION Q-line to CE-IVD submission for the regulated clinical sequencing market, iii) continue the development of the ElysION product range for high throughput customers and iv) develop a low throughput sample to answer platform both in-house and with third parties where suitable.

- Simplifying nanopore sequencing:** Applications and R&D teams will continue to upgrade and expand our menu of workflows to allow customers to simplify nanopore sequencing and to drive adoption and utilisation, particularly in areas such as whole human genome sequencing and emerging end markets such as Applied Industrial, Clinical and BioPharma.
- Improve analytics and insights for broad applications:** Continued investment in EPI2ME, our informatics platform which is critical to supporting our growing menu of end-to-end workflows.
- Increase product performance and competitiveness:** Continued focus on improving output per PromethION Flow Cell, towards our target of generating over 200 Gb per flow cell routinely in user hands. This upgrade would enable users to generate two 30X human genomes per flow cell, increasing output and reducing price per genome to boost the competitiveness of nanopore genomes against legacy systems and drive adoption with high volume projects. Continue to push the boundaries on accuracy, to make Oxford Nanopore the most accurate molecular analysis platform on the market.

Pipeline

- We have a robust innovation pipeline as we look to enable the analysis of anything by anyone anywhere.
- Our short term focus is on increasing penetration of the applied markets with our Q-Line product range and facilitating our partners to amplify our reach by developing and distributing novel content on our platform.
- In the medium-term we look to add to our already strong multi-omic offering by launching protein sensing solutions. In addition, we also look to substantially transform our scale both in distributed sequencing with our sample to answer TraxION programme and in high throughput sequencing with our voltage sensor.
- Our long-term roadmap is heavily shaped towards the ubiquity of sequencing and having simple to use instruments at point of sample across a broad range of applications.

P2 devices in the field

>1,900

Customer publications in 2024

~3,000

Links to KPIs

- Revenue
- Gross margin
- Adjusted EBITDA
- Publications

Links to risks



See page 72 for more information

Key product launches in 2024:



ElysION

ElysION (formerly known as Project TurBOT), launched in Early Access in Q2, is progressing towards becoming a regulated device for future clinical applications, showcasing the Group's ongoing commitment to expanding and supporting advanced research and diagnostic applications.

ElysION is designed to offer integrated and automated extraction, library preparation, sequencing, basecalling, and data analysis for multiple samples, all within a single device. This device will accelerate the proliferation of workflows through health ecosystems such as the respiratory metagenomics work pioneered by GSTT. It does this by providing a hands-free, simple workflow from raw sample to analysis, therefore reducing the expertise required to use the platform, including, for example, in hospital laboratories.



GridION Q

In 2024 we launched GidION Q, the first of our Q-Line range of products, which delivers a stable, frozen version of hardware, software and chemistry. This enables users to develop and deploy their assays without needing to follow our accelerated upgrade path available to our research customers eager to advance science using the latest technology. Q-Line will be updated once a year but each version will be support for up to three years to reduce the need for re-validation.



PromethION 2 integrated

Following the launch of the compact and high-output PromethION 2 Solo (P2S) device in 2023, we launched the PromethION 2 integrated (P2i), with integrated compute and screen, in Q2 2024. We have been pleased to see the strong interest in both of these devices across a diverse set of customers. The P2 installed base (consisting of both P2S and P2i) is now more than 1,900 across a broad range of users and applications, democratising access to human genomes, transcriptomes and other high output nanopore applications.



MinION Mk1D launch

2024 marked ten years of MinION and to celebrate, a new MinION, the MinION Mk1D was launched in Q4. The MinION is the smallest sequencer on the market. It is used by a broad range of global customers and through software and chemistry upgrades it has seen outputs improve 40-fold and accuracies move to above 99%. The Mk1D is designed with improved temperature control, further strengthening this product's ability to sequence in a broad range of environments.

Our teams work closely with NVIDIA, Apple and other partners on latest technology updates to ensure we pair our sequencers with the latest and most powerful portable compute. One of many options explored are iPads alongside laptops and the team will update on our strategy for portable compute during 2025.

Commercial execution

Our commercial model focuses on enabling broad, rapid adoption and driving utilisation of our products to transform and expand the sequencing and analysis market. Our electronics-based molecular sensing platform is designed to provide richer data, rapidly and more affordably and accessibly than legacy technologies. We aim to break down existing barriers-to-entry to broaden the user base and the applications of molecular analysis technology.

We support our users with a strong digital presence and drive growth by expanding our geographical footprint and bolstering our direct sales, field application specialists and support teams. Our direct teams are complemented with a number of strategic distributor relationships to ensure our product is accessible anywhere. In addition, we work with strategic commercial partners and collaborators to access new applied markets.

Performance in 2024

- Delivered 55.8% underlying revenue growth (see note 34 on page 193) across the PromethION product range, reflecting increased utilisation and new customer acquisition.
- Delivered revenue growth across all customer groups, excluding the EGP and COVID sequencing. Underlying revenue in research, clinical, biopharma and applied industrial customer groups grew at 1.9%, 12.2%, 17.7% and 41.8% respectively.
- Delivered strong underlying revenue growth across all regions led by EMEA, up 31.1% and APAC, up 22.1% driven by new product launches, new and expanded contracts, and increasing sales team productivity, moderated in part by export control restrictions to China and the Middle East. Underlying revenue in AMR grew by 7.0% for FY24 and 12.9% in H2, as momentum built during the year.
- Key new contract wins and contract expansions delivered across all regions including i) APAC: research project with Precision Health Research Singapore, which selected Oxford Nanopore technology to sequence 10,000 human genomes to gain deeper insights into Asian genetic diversity, ii) EMEA: research collaboration with UK Biobank to create the world's first comprehensive, large-scale epigenetic dataset to map epigenetic modifications across 50,000 samples, and iii) AMR: a multi-million, multi-year contract expansion with Plasmidsaurus (Applied Industrial), to deliver high-accuracy whole plasmid sequencing with fast turnaround times.
- New strategic collaborations added to develop and access new growth markets in biopharma, clinical and industrial applications, including a collaboration with Lonza on a novel test to accelerate analysis of mRNA products.
- Existing clinical collaborations delivering: including the launch of the AmpliEx® Nanopore Carrier Plus Kit with Asuragen in Q4 2024.
- Launched the "what you're missing matters" or WYMM tour. Events were held in 28 cities globally, engaging with more than 4,500 scientists. This was complemented with the 10th anniversary of our flagship customer conference, London Calling, which brings our latest technology announcements together with the scientific breakthroughs from our user community, in May each year.
- Post period end we revised our pricing model with the aim of increasing simplicity and transparency for customers whilst improving the sustainability of the business. These changes align the Group with industry peers by offering more conventional capital purchase schemes to customers, alongside flexibility for leasing as appropriate through financing partners or direct, whilst maintaining affordable and accessible sequencing through our range of portable devices.

Priorities for 2025

- Pave the future:** Continue to build on our networks of scientific thought leaders who themselves innovate new, powerful applications for our technology that meet unmet needs in research, Clinical, Applied Industrial or BioPharma communities. Focus on broadening these global networks and create high-impact opportunities by raising awareness and sharing emerging best practice.
- Commercial excellence:** Leverage our significant commercial infrastructure to optimise the time spent in field with customers and deliver tools, training and systems to manage and accelerate our growing opportunity pipeline and drive utilisation across the customer base. Deliver territory plans aligned to priorities. Continue to take a disciplined approach to leads, opportunities, forecast accuracy and execution to minimise risk and ensure highest level of commercial productivity.
- Embody collaboration:** Improve our systems and processes with a "customer first" approach to deliver market leading user experiences. Foster a 'one team' approach to deliver customer requirements, with a focus on customer success, through internal collaboration across Innovation, Operations, Corporate and Commercial teams.
- Amplify success:** Boost impactful stories and foster strong customer advocacy to demonstrate the intrinsic value of Oxford Nanopore products in field.

Links to KPIs	Links to risks	Growth in Applied Industrial revenue	Growth in BioPharma revenue
- Revenue - Gross margin - Adjusted EBITDA - Publications - Percentage of women in senior leadership roles	12347 810 See page 72 for more information	41.8%	17.7%

Strategy in action

Landmark research project in Singapore to gain deeper insights into Asian genetic diversity

In August 2024, Oxford Nanopore announced a landmark research collaboration with Singapore's National Precision Medicine (NPM) programme, led by Precision Health Research, Singapore (PRECISE). This initiative aims to sequence 10,000 genomes to improve the understanding of genetic architecture and diversity in Singapore's multi-ethnic population.

The primary challenge was to develop a comprehensive structural variant catalogue representing the three major ethnic groups in Singapore: Chinese, Malay, and Indian. Traditional genomic databases often underrepresent these populations, making it difficult to capture the full range of genetic diversity and its implications for health and disease.

Oxford Nanopore's advanced nanopore-based sequencing technology was chosen for its ability to provide richer genomic data, through the ability to analyse longer fragments and perform native DNA analysis, which is essential for capturing complex genetic variations. This technology allows for real-time sequencing and analysis, making it ideal for large-scale population genomics projects.

The project involves sequencing 10,000 genomes from Singapore's diverse population, and creating one of the largest reference databases of underrepresented populations in genomics. The initiative is supported by various Singaporean institutions, including A*STAR, the Biomedical Sciences Industry Partnership Office, and the Economic Development Board.

The collaboration is expected to enhance the understanding of genetic diversity and its impact on health, leading to improved diagnostics, personalised treatments, and better healthcare outcomes. By focusing on underrepresented populations, the project aims to set a new standard for population health and precision medicine in Asia.

This collaboration underscores Oxford Nanopore's commitment to advancing genetic research and healthcare outcomes on a global scale. By creating a comprehensive genetic reference for Singapore's multi-ethnic population, the project has the potential to revolutionise the approach to precision medicine and population health, paving the way for innovations in prevention, diagnosis, and treatment.

Strategy in action

Collaboration with UK Biobank to create the world's first large-scale epigenetic dataset

In November 2024, Oxford Nanopore announced a groundbreaking collaboration with UK Biobank to create the world's first comprehensive, large-scale epigenetic dataset. This initiative aims to map epigenetic modifications across 50,000 samples, targeting the causes of cancer, dementia, and other complex diseases.

The primary challenge was to develop a comprehensive epigenetic map that could provide insights into disease mechanisms, improve early detection, and enable precise diagnoses and personalised treatments. Traditional methods were limited in scope and detail, making it difficult to capture the full range of epigenetic modifications. This collaboration however is filling in the genomic gaps of UK Biobank's current genomic datasets by uncovering regions of the genome previously not explored due to technology limitations.

Oxford Nanopore's direct sequencing technology was chosen for its ability to sequence canonical bases (C, A, G, T) and epigenetic modifications (5mC, 5hmC, 6mA) in real-time. This technology provides a more complete epigenetic picture compared to other methods, making it ideal for this large-scale project.

The project involves sequencing 50,000 blood samples from UK Biobank participants, creating the largest reference dataset focused on capturing epigenetic markers across the genome. The dataset primarily includes healthy participants, providing a valuable baseline for studying various diseases and creating population-level risk profiles.

The collaboration has the potential to transform healthcare by enhancing disease understanding, accelerating diagnostics, and informing personalised treatments. By creating a detailed map of epigenetic changes in a large, diverse population, the project aims to uncover how epigenetic factors contribute to diseases like cancer and dementia.

This collaboration represents a significant leap forward in understanding the hidden layers of gene regulation affected by environmental and lifestyle impacts. Similar to the impact of the Human Genome Project, the insights from this project have the potential to revolutionise the approach to some of the most challenging diseases, paving the way for innovations in prevention, diagnosis, and treatment.



Operational excellence

We continue to invest in and improve our processes across both operational and manufacturing infrastructures to enable long-term growth and drive margin expansion. This includes optimising manufacturing processes through innovation to drive efficiency, building a best-in-class, resilient supply chain and strong global teams, with a focus on culture and people development.

Performance in 2024

- Our expanded global commercial teams have been optimised following successful strategic leadership hires and development of the structure of the commercial organisations, across the regions of AMR, EMEA and APAC.
- Significant investments made in data and IT infrastructure to enable the future scaling of our business in an efficient manner.
- Continued development of automation platforms for MinION and PromethION Flow Cell assembly lines to increase capacity and reproducibility in existing manufacturing facilities, and support margin expansion.
- Delivered gross margin of 57.5% (FY23: 53.3%), reflecting increased operational efficiencies across the product range, in particular on PromethION Flow Cells and devices.
- Our continued emphasis on BCP, delivered expansion of biological and chemical manufacturing into dedicated manufacturing space, with automation deployed where appropriate.
- In 2024 we saw a 32% year-on-year increase in the recycling of disposable flow cells returned to us, this delivers margin improvement and supports our ESG targets.
- Completed fitout of development laboratories in Sherard Building to support continued growth and launch of Q-Line product.
- Completed main fitout of Spectrum Building, a new 56,000 square foot facility in Abingdon, order fulfilment live in Q4, ongoing fitout to deliver high-capacity reverse logistics and recycling through Q1 2025.
- Expanded global logistics network across Singapore and Australia fully operational with >90% of Australian customers receiving next day delivery. Continued investment in logistic/international commerce infrastructure enabling direct domestic sales in Japan, Canada, Australia and Singapore.
- Strengthened leadership team: Nick Keher appointed as CFO. Tim Cowper, Rosemary Sinclair Dokos and Dr Lakmal Jayasinghe stepped into the roles of Chief Operating Officer, Chief Product and Marketing Officer and Chief Scientific Officer respectively.
- Increased the number of women in senior leadership roles. At 31 December 2024 the proportion of women in senior leadership roles increased to 47.4% (31 December 2023: 46.6%).
- In January 2025, we concluded an operational efficiency program leading to a reduction in the overall workforce of approximately 5%, spread evenly across R&D, Commercial and Corporate functions, alongside other cost control measures of a similar size.

Priorities for 2025

- Focus on customer journey:** Investment in ERP and CRM system programmes to re-design the customer journey with the aim of improving customer experience through upgraded quotation, ordering and customer service systems. These improvements will also greatly increase the efficiencies of all our customer facing teams.
- Continue to improve product performance:** Continue to drive all our manufacturing quality and robustness programmes as we focus our teams on ensuring the customer has the best product experience with Oxford Nanopore. This includes investments in key strategic suppliers who are critical to maintaining and improving product quality and reliability.
- Support drive of Innovation:** Support the innovation team as they drive output improvements on PromethION Flow Cells towards our target of generating over 200 Gb per flow cell routinely in user hands. This would enable users to generate two 30X human genomes per flow cell.
- Drive higher standards of operational excellence amongst our distributors:** Improving training and auditing of distributors to drive sales, improved customer experience, and mitigate compliance risks.

- Links to KPIs**
- Revenue
 - Gross margin
 - Adjusted EBITDA
 - Percentage of women in senior leadership roles

- Links to risks**
- 1 2 3 4 5
6 7 8 9 10
- See page 72 for more information



Strategy in action

Facilities to support continued growth in applied markets

The challenge

Due to Oxford Nanopore's growth across all product areas and a need to continue to innovate, further laboratory space was required. In addition, a dedicated space close to and fully integrated with R&D which conforms to the requirements of regulated markets was needed to accelerate the development of Q-Line and introduce new products in impactful applications such as Drug Resistant TB detection.

The solution

During 2024, we secured 13,000 square foot of mixed office and laboratory space at Sherard Building, The Oxford Science Park. This space offered high quality accommodation for our R&D, late-stage development and support teams. Situated opposite our headquarters, at Gosling Building the new addition to our portfolio was the perfect choice to nurture innovation and accelerate new ideas into regulated products.

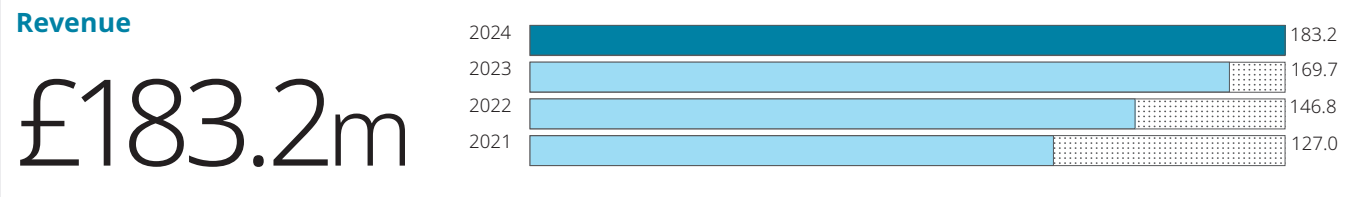
The results

Our urgent requirement for onsite laboratory space was met in full and quickly with the space available at Sherard Building and this space has enabled the development and scheduled release of our AmPORE-TB RUO product. Further to this we also launched our GridION Q product in 2024 to support regulated markets including BioPharma industry and we validated and launched our first application for mRNA vaccine and plasmid QC and this has been rolled out to key BioPharma customers who are in the process of GMP validating these tests. R&D continued to deliver with dedicated space for our ElySION and automation platform teams.



Key performance indicators

Financial KPIs



Link to strategy

Associated risks

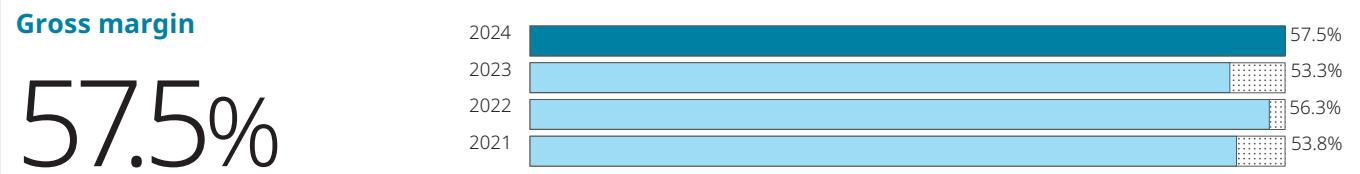
Linked to remuneration?

Definition

Revenue is derived from the sale of our sequencing products to global customers who are using our technology for scientific research and clinical and applied uses.

Performance

Revenue increased by 8.0% on a reported basis and 11.1% on a constant currency basis, driven by the continued increase in the user base and utilisation of our technology, partially offset by a £16.0 million combined headwind from the EGP and COVID sequencing. In the period from FY21 to FY24 underlying revenue grew at a CAGR of 31.5%.



Link to strategy

Associated risks

Linked to remuneration?

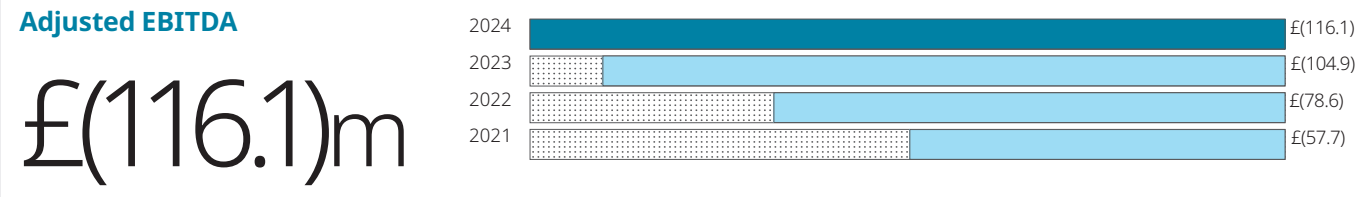
Definition

Gross margin is gross profit expressed as a percentage of revenue.

Gross margin is a key metric for monitoring the Group's earnings quality and potential.

Performance

Gross margin increased by 420 basis points to 57.5%, predominantly reflecting underlying margin improvements, particularly across both PromethION Flow Cell and devices and the one-off issues in 2023, including the adverse performance of the EGP, the write-off of excess COVID sequencing kits and legacy devices and upgrading the compute on large PromethION devices.



Link to strategy

Associated risks

Linked to remuneration?

Definition

Adjusted EBITDA is Loss for the year before finance income, loan interest, interest on lease, income tax, depreciation and amortisation and exceptional items. See reconciliation on page 46.

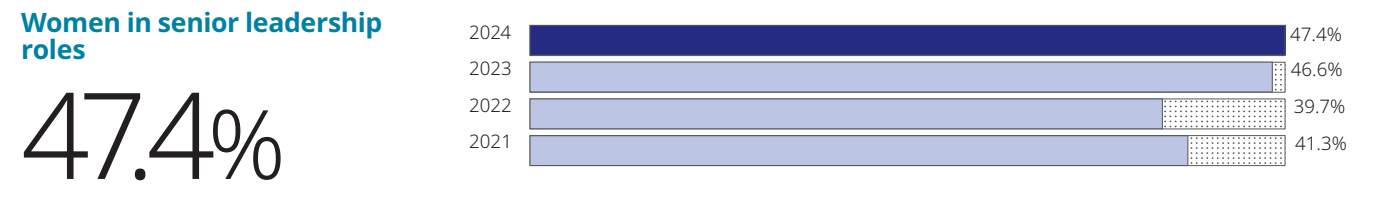
Adjusted EBITDA is used to assess the trading performance of the Group's business.

Performance

Adjusted EBITDA loss increased by £11.2 million driven by increasing operational expenses, primarily the annualised impact of additional headcount as highlighted at FY23 results. H2 24 EBITDA loss of £(54.5) million is £7.1 million lower than H1 24 of £(61.6) million, demonstrating good cost control in the period. We expect this improvement in EBITDA to continue over the coming years.

Strategic Report	Corporate Governance	Financial Statements	Further Information
Principal risks and uncertainties			
1 Ability to achieve medium-term revenue growth targets and ability to expand into diagnostics and applied sectors 2 Ability to successfully introduce products to remain a technology leader and to offer a stable platform on which customers may rely 3 Trade, war, fluctuations in research funding, component inflation, and price competition 4 Reliance on channel partners and expanding geographies 5 Cyber security (network and device) 6 Intellectual property protection and increased competition 7 Founder-led company and succession planning 8 Ability to make products: supply chain and manufacturing 9 Data privacy and data classification 10 Environment, health and safety			
Link to strategy			
Innovation Commercial execution Operational excellence			

Non-financial KPIs



Link to strategy

Associated risks

Linked to remuneration?

Definition

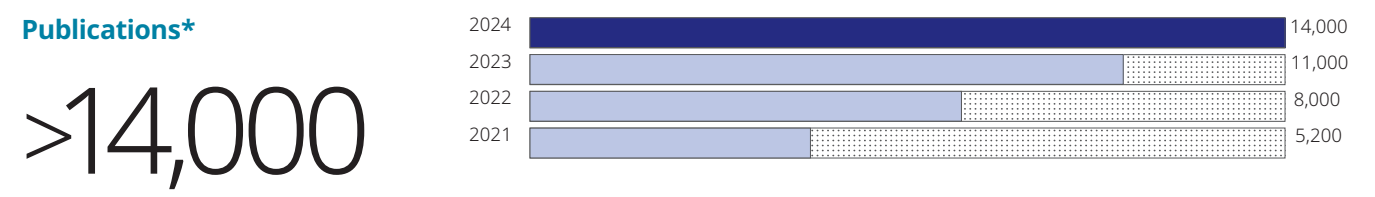
The proportion of women in leadership roles globally. Includes women on the Board, Operating Committee and direct reports to members of the Operating Committee (excluding admin support).

Nurturing a diverse and inclusive culture drives our growth as a business. We continue to focus on driving greater gender balance throughout the Company and, in particular, at the most senior levels.

We are targeting 40% representation of women at the Board level.

Performance

As at 31 December 2024, the proportion of women in senior leadership roles increased to 47.4% (2023: 46.6%).



Link to strategy

Associated risks

Linked to remuneration?

Definition

The cumulative number of scientific publications that include nanopore sequencing as an experimental method, as publicly available in online resources.

Why it is important?

Publications are an indicator of the breadth and diversity of the use of nanopore sequencing in the scientific community, reflecting expanding utility and acceptance in genomics research.

Performance

The increase in publications reflects the growing momentum for the Group's sequencing technology in the scientific research community. This also reflects the impact of the Group's strategy of broadening access to genomics through more accessible technology as publications appear from diverse scientific communities.

* Cumulative peer review publications, identified through databases including Google Scholar and PubMed, and demonstrating primary research using Oxford Nanopore sequencing technology. Excludes review articles, book chapters, editorials, protocols, and conference proceedings. English language only.

We delivered strong, resilient growth in our core business through execution of our strategy



Nick Keher
Chief Financial Officer

Key Highlights

Revenue grew by

11.1%

(Constant currency)

Gross margin increased by

420bps

Underlying revenue grew by

23.3%

(Constant currency)

Reduction in cash, cash equivalents and other liquid investments in the year by

£68.3m

Cash, cash equivalents and other liquid investments

£403.8m

Confidence in the future

- Disruptive technology platform and robust innovation pipeline continues to drive growth
- Resilient supply chain and multiple levers to drive gross margin expansion

FY27 medium-term targets

- Grow revenue by >30% CAGR at constant currency between FY24 and FY27
- Increase gross margin to >62%
- Achieve adjusted EBITDA breakeven

2024 performance

The Group delivered revenue of £183.2 million (2023: £169.7 million), an increase of 11.1% year-on-year on a constant currency basis and 8.0% on a reported basis, including foreign exchange headwinds. Revenue growth was driven by expansion into end-markets outside of Research, namely Applied Industrial, BioPharma and Clinical.

Underlying revenue growth, excluding the Emirati Genome Program ("EGP") and COVID sequencing (combined headwind of £16.0 million), was up 23.3% on a constant currency basis and up 19.7% on a reported basis. Underlying growth has been strongest across the PromethION product range, up 55.8% in 2024, primarily driven by increasing customer flow cell utilisation. This helped offset softness in the MinION product range, which declined in the year due to a mix of factors primarily related to product life cycle management, with the discontinuation of the Mk1C device and delayed launch of the Mk1D.

On a geographical basis the Group delivered strong underlying revenue growth in all regions, led by EMEAI and APAC and driven by new product launches, new and expanded contracts, and increasing sales team productivity. The strong and broad-based acceleration across the business in H2 2024 was moderated in part by export control restrictions to China. Growth across the AMR region was slower than that of EMEAI and APAC, but the anticipated acceleration in H2 2024 for the AMR region started as expected. Whilst our confidence that this will continue to accelerate in 2025 is underpinned by our growing commercial pipeline across both our existing customer base and new opportunities, we expect this growth to be somewhat impacted by changes to Federal funding in the US for institutions such as the NIH, albeit the materiality of this impact is still uncertain as the situation is still evolving. Management estimated that the Group had a maximum exposure of 10-15% of revenues in 2024 to the NIH.

Gross profit increased to £105.4 million (2023: £90.5 million) in the year, up 16.5% on 2023. Gross margin increased by 420 basis points ("bps") to 57.5% (2023: 53.3%), driven by margin improvements (up 410 bps), particularly across both PromethION Flow Cell and devices, offsetting product mix (down 420 bps) and currency headwinds (down 120 bps). This also reflects the fact that 2023 gross margin was impacted by a number of one-off issues that did not repeat in 2024 (550 bps improvement in 2024), including the adverse performance of the EGP, the write-off of excess COVID sequencing kits and legacy devices and upgrading the compute on large PromethION devices.

EBITDA: Loss for the year before income tax expense, finance income, loan interest, interest on leases, depreciation and amortisation

IFRS: International Financial Reporting Standards

LTIP: Long-Term Incentive Plan

Underlying revenue growth: revenue growth excluding EGP and COVID sequencing revenue

Underlying revenue growth on a constant currency basis: revenue growth excluding EGP and COVID sequencing revenue on a constant currency basis

Working capital: inventory plus trade and other receivables less trade and other payables

Group operating loss reduced to £(152.3) million (2023: £(168.6) million), reflecting the increase in revenue and gross profit and a credit to the Founder LTIP in the year.

Adjusted EBITDA loss of £(116.1) million (2023: £(104.9) million); driven by increasing operational expenses, primarily the annualised impact of additional headcount as highlighted in the 2023 results. Adjusted operating costs were up 12% compared to 2023 and H2 2024 was up 4% against H1 2024, demonstrating good cost control and the H2 2024 EBITDA loss of £(54.5) million is £7.1 million lower than H1 2024 of £(61.6) million. We anticipate that this improvement in Adjusted EBITDA will continue into the coming years.

The reduction in reported loss year-on-year to £(146.2) million (2023: £(154.5) million) was predominately driven by a Founder LTIP credit of £6.1 million (2023: charge of £20.9 million) and a £2.7 million credit relating to the reversal of historic employers' social security tax charges (2023: £0.9 million credit), partly offset by increasing operating expenses associated with the increase in headcount.

During 2024, we continued to invest in research and development to drive both continuous improvement in the performance and usability of our technology, and to deliver new products and technologies that address a broader range of applications and users' needs. Given the advanced state of development of our product portfolio, the proportion now capitalised has increased versus 2023, with this trend to continue in 2025. Commercial and marketing headcount was 489 employees at 31 December 2024, up by 18% on prior year.

Post year-end, the Group entered into a targeted restructuring program, leading to a reduction in the overall workforce of around 5%, spread broadly evenly across R&D, Commercial and Corporate areas. Alongside other cost control measures of a similar size and continued focus on increasing efficiencies in the business, this is expected to ensure overall growth in costs in 2025 remain at the low end of the Group's stated medium-term guidance of 3%-8% CAGR between 2024 and 2027. Management expects to take a total cash charge of around £6 million in 2025 in relation to redundancy payments, which will be treated as an adjusting item.

The Group remains well capitalised with £403.8 million in cash, cash equivalents and other liquid investments as at 31 December 2024 (2023: £472.1 million), noting that a £8.3 million R&D tax credit was received in Q1 2025. During the second half of the year the Group raised gross proceeds of £80.0 million, which included a new £50.0 million strategic investment from Novo Holdings.

In the second half of the year the Group entered into a new arrangement with a third-party firm to provide customers with financing options to fund capex purchases in certain markets, which could potentially help alleviate the financial burden on Oxford Nanopore from leasing devices directly. Alongside this initiative, the Group released an update to its business and pricing model in February 2025 with the aim of increasing simplicity and transparency for customers whilst improving the sustainability of Oxford Nanopore as a business.

This new pricing model aims to bring the Company in-line with industry peers as it relates to the fleet of larger devices it markets (GridION, P2 Integrated and P24 models) through offering more conventional capital purchase schemes to customers, whilst continuing to allow the flexibility for leasing as appropriate. This new approach will continue to allow for affordable and accessible sequencing for Oxford Nanopore customers across the portfolio, but in particular through the range of smaller devices it markets (MinION and P2 Solo) and through grant funding for Academics.

In December 2023, the original EGP agreement was revised to provide greater flexibility to achieve the programme objectives and reflected both parties desire to refocus on clinical uses of the platform, that can utilize the platform's unique benefits of richer and faster data. EGP revenue in 2024 was £1.8 million and going forward is not expected to be a material portion of revenue. As such, the Group will cease reporting EGP revenue separately following these results. Revenue related to the EGP in 2023 (under the original and revised agreement) was £12.0 million.

Alternative performance measures

The Group has identified Alternative Performance Measures ("APM"s) that it believes provide additional useful information on the performance of the Group. These APMs are not defined within International Financial Reporting Standards ("IFRSs") and are not considered to be a substitute for, or superior to, IFRS measures. These APMs may not be necessarily comparable to similarly titled measures used by other companies. All adjusted measures are reconciled to the most directly comparable measure prepared in accordance with IFRS in note 34 to the consolidated financial statements.

Directors and management use these APMs alongside IFRS measures when budgeting and planning, and when reviewing business performance.

Results at a glance

	2024 £m	2023 £m	Change reported
Year ended 31 December:			
Total revenue	183.2	169.7	8.0%
Gross profit	105.4	90.5	16.5%
Gross margin (%)	57.5%	53.3%	+420bps
Operating loss	(152.3)	(168.6)	9.7%
Adjusted EBITDA ¹	(116.1)	(104.9)	(11.2)
Loss for the year	(146.2)	(154.5)	8.3
Cash, cash equivalents and other liquid investments ¹	403.8	472.1	(14.5)%

1. Based on Alternative Performance Measures (see note 34, page 193).

Glossary

Adjusted EBITDA: EBITDA adjusted for events which are non-recurring or intermittent, which do not relate to the ongoing operational performance that underpins long-term value generation. See reconciliation in note 34, page 193

bps: basis points

CAGR: Compound annual growth rate

Cash, cash equivalents and other liquid investments: Cash and cash equivalents, plus investment bonds

Constant Currency ("CC"): the application of the same exchange rate to the 2024 and 2023 non-GBP results, based on 2023 rates

Underlying revenue by product range

Underlying growth has been strongest across the PromethION product range, primarily driven by increasing customer flow cell utilisation. This helped offset softness in the MinION product range, which declined in the year due to a mix of factors primarily related to product life cycle management, with the discontinuation of the Mk1C device and delayed launch of the Mk1D.

Revenue from the PromethION product range, representing all devices and flow cell sales from the PromethION range, grew 55.8% to £75.9 million in 2024 (2023: £48.8 million) when stripping out the impact of EGP. The increase is driven by strong growth across both PromethION Flow Cell and device revenues. Growth across the PromethION range was supported by increasing demand from customers such as Plasmidsaurus in AMR and PRECISE in APAC, as well as increased utilisation. The utilisation rate for PromethION devices was up 13% in 2024 compared to 2023 for our larger devices. Excluding the impact of EGP, utilisation was up 52%. P2 Solo Flow Cell and device revenue was up 23% in 2024 compared to 2023.

Revenues from the MinION product range, representing all sales of MinION Flow Cells and devices that run MinION Flow Cells (including GridION and MinION) reduced by 9.6% to £53.1 million in 2024 (2023: £58.8million), when stripping out the impact of COVID sequencing. Growth in GridION device sales was offset by the reduction from the Mk1C MinION device and lower flow cell revenues. Utilisation rates across the MinION range of devices remained broadly consistent year on year, in spite of the headwind from COVID.

On an underlying basis, other revenues, representing kits, services revenues and other devices grew 18.8% to £50.2 million (2023: £42.2 million) when stripping out the impact of EGP and COVID sequencing.

	2024 (£m)	2023 (£m)	% change
PromethION product range	77.3	59.2	30.6%
Less EGP	(1.4)	(10.4)	
Underlying PromethION product range	75.9	48.8	55.8%
MinION product range	55.0	63.4	(13.2)%
Less COVID sequencing	(1.9)	(4.6)	
Underlying MinION product range	53.1	58.8	(9.6)%
Other	50.9	47.1	8.0%
Less EGP	(0.4)	(1.5)	
Less COVID sequencing	(0.3)	(3.3)	
Underlying other	50.2	42.2	18.8%
Total revenue	183.2	169.7	8.0%
Less EGP	(1.8)	(12.0)	
Less COVID sequencing	(2.2)	(8.0)	
Total underlying revenue	179.2	149.7	19.7%

Geographical trends

The Group aims to make its technology available to a broad range of scientific users, and currently supports users in more than 125 countries. In some territories the Group works with distributors to achieve or enhance its own commercial presence.

The Group delivered strong underlying revenue growth in all regions, led by EMEAI and APAC and driven by new product launches, new and expanded contracts, and increasing sales team productivity.

The strong and broad-based acceleration across the business in H2 2024 was moderated in part by export control restrictions to China. Growth across the AMR region was lower than that of EMEAI and APAC, but the anticipated acceleration in H2 2024 for the AMR region started as expected. Whilst our confidence that this will continue to accelerate in 2025 is underpinned by our growing commercial pipeline across both our existing customer base and new opportunities, we expect this growth to be somewhat impacted by changes to Federal funding in the US for institutions such as the NIH, albeit the materiality of this impact is still uncertain as the situation is still evolving. In 2024 management estimated that the Group had a maximum exposure of 10-15% of revenues in 2024 to the NIH.

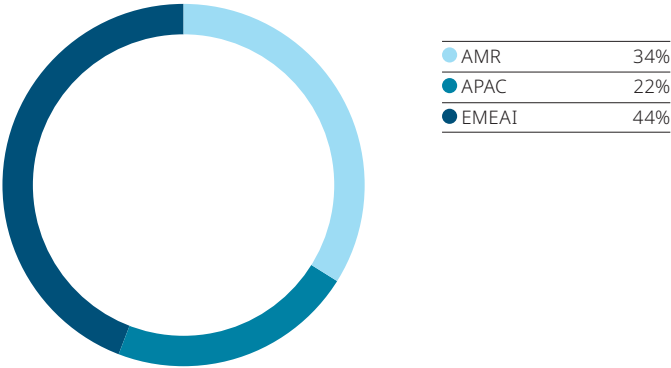
Underlying AMR revenue grew by 7.0% to £62.5 million in 2024 (2023: £58.4 million) when stripping out the impact of COVID sequencing. Underlying growth in AMR was driven primarily by growth in the US partly offset by lower revenues in Canada.

Underlying APAC revenue grew by 22.1% to £40.2 million in 2024 (2023: £32.9 million) when stripping out the impact of COVID sequencing. Underlying growth in APAC was driven by large population genomics programmes in Singapore, Japan, Hong Kong and Indonesia, and increased revenue in China.

Underlying EMEAI revenue grew by 31.1% to £76.6 million (2023: £58.4 million) when stripping out the impact of EGP and COVID sequencing. Underlying growth in EMEAI was driven by new and expanded contracts delivering strong growth, particularly in the UK and Central Europe.

Reported revenue is up on 2023 in all regions with strongest growth in EMEAI and APAC despite the £16 million headwind from the reduction in EGP and COVID sequencing revenue in 2024.

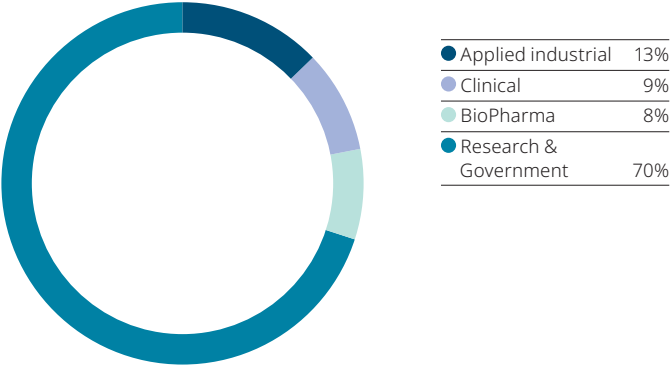
Revenue by region



Reconciliation of reported revenue to underlying revenue by geographical region:

	2024 (£m)	2023 (£m)	% change
AMR	63.1	61.5	2.6%
Less COVID sequencing	(0.7)	(3.1)	
Underlying AMR revenue	62.5	58.4	7.0%
APAC	40.4	34.1	18.6%
Less COVID sequencing	(0.3)	(1.2)	
Underlying APAC revenue	40.2	32.9	22.1%
EMEAI	79.6	74.0	7.5%
Less EGP	(1.8)	(12.0)	
Less COVID sequencing	(1.2)	(3.6)	
Underlying EMEAI Revenue	76.6	58.4	31.1%
Total revenue	183.2	169.7	8.0%
Total underlying revenue	179.2	149.7	19.7%

Revenue by customer type



	2024 (£m)	2023 (£m)	% change
Applied Industrial	23.5	16.6	41.8%
Clinical	17.3	15.4	12.2%
BioPharma	14.9	12.6	17.7%
Research	127.5	125.1	1.9%
Total revenue	183.2	169.7	8.0%

2024 revenues by customer end market (i.e. the end market of the customer or company buying Group products) was as follows:

- 70% came from Research customers which are funded to research novel science such as academic research institutes. This category includes government, public health, grant funding and distributors. Revenue of £127.5 million was 1.9% above 2023 (£125.1 million);
- 13% came from Applied Industrial customers, which are utilising sequencing for application in industrial or service settings, e.g. outsourced Synthetic Biology. Revenue of £23.5 million was 41.8% above 2023 (£16.6 million);

- 9% from Clinical customers where data may have diagnostic, prognostic or therapeutic value. Revenue of £17.3 million was 12.2% above 2023 (£15.4 million); and
- 8% from BioPharma customers funded to develop, make, and sell pharmaceuticals. Revenue of £14.9 million was 17.7% above 2023 (£12.6 million).

Gross margin

Year ended 31 December	2024	2023	Change
Gross margin (%)	57.5%	53.3%	420 bps

Gross margin improved by 420 bps to 57.5% in 2024 from 53.3% in 2023. This margin expansion was predominantly driven by underlying margin improvements (up 410 bps) mainly across PromethION Flow Cells and devices, offsetting headwinds from mix (420 bps) and currency (120 bps). The gross margin in 2023 was negatively impacted by a number of one-off items, including the adverse performance of the EGP, the write-off of excess COVID sequencing kits and legacy devices, and upgrading the compute on large PromethION devices (550 bps).

We remain committed to continual margin improvement across all products and will continue to invest in manufacturing innovation, to deliver this goal.

Impact of headcount

Average headcount (FTEs)	2024	2023	% change
Research & development	512	464	10.3%
Manufacturing	158	156	1.3%
Selling, general & administration	645	513	25.7%
Total	1,315	1,133	16.1%

In 2024, the average number of employees across all functions increased by 16.1%. This increase was predominantly across research and development and in the commercial and marketing teams. The research and development headcount increased by 10.3% as the Group invested in bringing onboard new research and development staff to support the later stage development activities across its disruptive platform.

In 2024 the Group's manufacturing headcount has increased by 1.3% from 2023. This follows the significant expansion of the team in 2021, when staff covering all manufacturing stages and processes expansion were recruited to cater for increased demand from a growing client base.

The largest increase in the Group's average headcount took place in the selling, general and administration functions including legal functions and corporate executives, with an increase of 25.7%. The significant expansion of the commercial teams in key geographic regions supports the Group's business growth objectives globally. In addition, the investment in in-field and customer support teams was necessary to maintain and increase customer loyalty and customer retention.

Post year-end, the Group entered into a targeted restructuring program, leading to a reduction in the overall workforce of around 5%, spread broadly evenly across R&D, commercial and corporate areas. Alongside this reduction in headcount, management has also targeted non-headcount related savings of around 5%. Management expects to take a total cash charge of around £6 million in 2025 in relation to redundancy payments, which will be treated as an adjusting item.

Research and development expenses

The Group's research and development expenditure is recognised as an expense in the year as it is incurred, except for development costs that meet the criteria for capitalisation as set out in IAS 38, "Intangible assets". Capitalised development costs principally comprise qualifying costs incurred in developing the Group's core technology platform.

	2024 (£m)	2023 (£m)	% change
Research and development expenses	98.9	103.8	4.7%
Adjusting items:			
Employer's social security taxes on pre-IPO share awards	0.5	0.6	
Adjusted R&D expenses	99.4	104.4	4.9%
Amortisation of capitalised development costs	(23.7)	(18.4)	
Capitalised development costs	34.7	19.5	
Total R&D expenses and capitalised development costs	110.4	105.5	(4.6)%

The Group's adjusted research and development expenses reduced by £5.0 million to £99.4 million in 2024 (2023: £104.4 million). This was principally due to:

- a 77.7% increase in capitalised development costs to £34.7 million. This included £18.8 million of staff costs and £15.9 million of third-party costs. This was partly offset by £5.3 million higher amortisation costs of £23.7 million for the year. The increase in capitalised development costs reflects projects reaching an advanced stage of development and reflecting improvements to and an expansion in the suite of products offered;
- a 10.3% increase in average headcount leading to a £7.1 million increase in payroll costs and a £1.2 million increase in materials and other costs, partly offset by a £3.7 million increase in the research & development tax credit; and
- there was a further £1.2 million benefit from lower share-based payments and associated costs.

Overall investment in research and development was £110.4 million (2023: £105.5 million), an increase of £4.9 million.

Selling, general and administration expenses

	2024 (£m)	2023 (£m)	% change
Selling, general and administration expenses	158.8	155.2	(2.3)%
Adjusting items:			
Share-based payment expense on Founder Long-Term Incentive Plan (LTIP)	6.1	(20.9)	
Employer's social security taxes on Founder LTIP and pre-IPO share awards	2.3	0.3	
Adjusted selling, general and administration expenses	167.2	134.6	(24.2)%

The Group's selling, general and administrative expenses increased by £3.6 million to £158.8 million in 2024 (2023: £155.2 million).

On an adjusted basis selling, general and administrative expenses in 2024 increased by £32.6 million to £167.2 million (2023: £134.6 million).

The main changes were:

- the total increase in the average headcount in selling, general and administrative of 25.7%, which was primarily driven by the planned increase in headcount in the commercial teams (34.4% increase compared to 2023). Coupled with inflationary pressures of salaries, this resulted in a £21.3 million increase in payroll costs; and
- an increase in depreciation of £0.2 million to £13.1 million in 2024 from £12.9 million in 2023.

The total share-based payment charge included in selling, general and administrative expenses decreased by £29.8 million in 2024 to £0.5 million. The reduction was primarily driven by a decrease in the Founder LTIP charge (from £20.9 million in 2023 to a credit of £6.1 million in 2024).

Adjusted EBITDA

	2024 (£m)	2023 (£m)
Loss for the year	(146.2)	(154.5)
Reconciling items:		
Taxation	6.2	4.7
Finance income	(14.8)	(18.9)
Interest on lease	3.6	2.2
Depreciation and amortisation	43.3	41.6
EBITDA	(108.0)	(124.8)
Adjusting items:		
Share-based payments on Founder LTIP	(6.1)	20.9
Employer taxes on pre-IPO share awards	(2.7)	(0.9)
Impairment of investment in associate	0.7	(0.1)
Adjusted EBITDA	(116.1)	(104.9)

Adjusted EBITDA losses increased from £104.9 million to £116.1 million. This was primarily driven by increasing operational expenses associated with the increase in headcount partly offset by a Founder LTIP credit and a credit relating to employers social security tax.

Balance sheet

	2024 (£m)	2023 (£m)
Property, plant and equipment	66.3	49.9
Intangible assets	43.8	32.9
Right-of-use assets	34.9	32.5
Net deferred tax asset	2.6	5.5
Working capital	59.8	84.6
Other assets and liabilities	28.3	21.0
Provisions	(7.2)	(13.0)
Cash and cash equivalents and other liquid investments	403.8	472.1
Lease liabilities	(46.0)	(41.7)
Net assets	586.3	643.9

Key elements of change in the balance sheet during the year included the following:

Property, plant and equipment

The net book value of property, plant and equipment was £66.3 million at 31 December 2024, an increase of £16.4 million over 31 December 2023. This has been driven primarily by the net book value of assets subject to operating leases of £34.7 million, an increase of £7.0 million over 31 December 2023; this included the purchase of NVIDIA's A-series on new PromethION devices.

Intangible assets

Intangible assets of £43.8 million at 31 December 2024 increased by £10.9 million from £32.9 million at 31 December 2023 as a result of additional projects having passed through the capitalisation criteria in the year.

Right-of-use assets

During the year right-of-use asset additions were £8.6 million (2023: £12.0 million), resulting in a net book value at 31 December 2024 of £34.9 million (2023: £32.5 million). As at 31 December 2024, the outstanding balance sheet liability in respect of the right-of-use assets was £46.0 million (2023: £41.7 million).

Working capital

The working capital balance of £59.8 million (2023: £84.6 million) predominantly reflects inventory of £99.5 million (2023: £101.5 million), trade and other receivables of £62.7 million (2023: £61.5 million) and trade and other payables of £102.3 million (2023: £78.4 million).

The reduction in working capital was due primarily to increased trade and other payables due to higher accruals up £12.6 million, higher contract liabilities up £5.5 million, and higher trade payables up £6.1 million.

Inventory of £99.5 million at 31 December 2024 decreased by £2.0 million from £101.5 million at 31 December 2023. This was driven primarily by a reduction in MinION Flow Cell, Kits and GridION inventory, partly offset by an increase in PromethION Flow Cell inventory.

Provisions

Provisions of £7.2 million at 31 December 2024 (2023: £13.0 million), primarily related to a provision for employer social security taxes on share awards of £4.7 million (2023: £9.9 million). The provision is estimated at each reporting period with reference to both the expected number of awards vesting and their expected value, using the share price at the reporting date. The release of the provision during the year was reflective of the reduction in share price from £2.08 at 31 December 2023 to £1.29 at 31 December 2024.

Cash flow

Cash, cash equivalents and other liquid investments were £403.8 million at 31 December 2024, a decrease of £68.3 million from 31 December 2023 (see note 34). This was comprised of cash and cash equivalents of £199.5 million and investment bonds less fair value gains of £204.3 million.

There was a net cash outflow of £109.9 million from operations (2023: outflow of £137.3 million). The main reasons for this were as follows:

- increase in working capital of £1.8 million included an increase in inventory and assets subject to operating leases of £21.2 million and a increase in receivables of £1.8 million, partly offset by a increase in payables of £21.2 million. Excluding assets subject to operating leases, working capital would have decreased £18.7 million;

- in the second half of the year the Group entered into a new arrangement with a third-party firm to provide customers with financing options to fund capex purchases in certain markets, which could potentially help alleviate the financial burden on Oxford Nanopore from leasing devices directly. Alongside this initiative, the Group released an update to its business and pricing model in February 2025 with the aim of increasing simplicity and transparency for customers whilst improving the sustainability of Oxford Nanopore as a business;
- these changes align the Group with industry peers by offering more conventional capital purchase schemes to customers, alongside flexibility for leasing as appropriate through financing partners or direct, whilst maintaining affordable and accessible sequencing through its range of portable devices;
- adoption of this service or if Oxford Nanopore customers choose to purchase devices direct (rather than lease) could benefit future cashflows through reducing the investment required in placing assets with customers (£20.6 million in 2024).

Alongside this, the Group remains in active discussions with third party firms over the potential sale and leaseback of Oxford Nanopore owned assets at customers to release invested capital to the Group as and when required.

Net cash inflows from investing activities of £15.0 million (2023: outflow of £61.8 million) included:

- the proceeds from the sale of other financial assets of £54.2 million; and
- interest received of £9.5 million.

Partly offset by:

- the purchase of property, plant & machinery of £13.9 million; and

- the spend on capitalised development costs of £34.7 million.

Net cash inflows from financing activities of £73.6 million (2023: £64.7 million) included:

- net proceeds from issues of shares of £80.9 million, mainly relating to the £80.0 million equity placing.

Partly offset by:

- lease and interest payments of £7.3 million.

Outlook

2025 has started well and in-line with guidance. Whilst the uncertainty caused by geopolitical instability remains high the demand for our products remains strong as customers within both established and new end-markets see the intrinsic value of the Oxford Nanopore sensing platform within their own workflows. Alongside strong top line growth we see the opportunity for further gross margin improvement and continued focus on cost discipline that is set to continue over the medium term and deliver significant operational leverage.

With a strong balance sheet, further enhanced by the £80.0 million placement in 2024 and recent changes to our pricing model, alongside continued focus on working capital, we are well funded to deliver against our medium-term targets of adjusted EBITDA breakeven in 2027 and cash flow breakeven in 2028.

Our sustainable impact

At Oxford Nanopore, we are committed to innovating and growing in a sustainable way that honours our core values even as we maintain our cutting-edge technology advantage.

Advancing biological sciences, human and environmental health and improving food and agricultural outcomes are consistent with and enabled by our product and our business model. And yet, we recognise that a commitment to sustainability and positive impact must extend through every facet of our business, from our product to our footprint and our team. In 2024, we continued with our sustainability strategy focused on the three areas of product, people, and planet, in which we set clear targets to hold ourselves accountable to the highest sustainable standards that will help guide us as we enter this next phase of growth.

CEO's statement

At Oxford Nanopore, we are dedicated to innovation and sustainable growth, upholding our core values while maintaining our leading technological advantage. Over the past year, we have further reinforced our commitment to harnessing cutting-edge technology while staying true to the principles that have guided us from the start. As we expand globally, we remain steadfast in aligning our impact with responsible and ethical practices.

We have always believed that advancing biological sciences, human and environmental health, and improving food and agricultural outcomes must go hand in hand with sound sustainability principles. This year, we have deepened our engagement with our sustainability strategy, focusing on Product, People, and Planet. Building on our previous materiality assessment, we have refined our targets and accountability measures, ensuring that our actions stay aligned with the most pressing environmental and social priorities facing our planet.

Since founding Oxford Nanopore, we have been driven by a vision to enable anyone, anywhere to analyse anything using our new generation of molecular sensing technology. Over the past decade, we have continually refined our multi-omics sequencing platform, reducing barriers to adoption while improving performance.

The result is a set of tools that empower researchers to address some of the world's greatest challenges, from infectious disease surveillance to plant and animal conservation. Our MinION devices remain a cornerstone of accessible sequencing, helping us make genetic insights more widely available.

We are inspired by the remarkable contributions of our global user community, who have now collectively published over 14,000 peer-reviewed papers featuring nanopore sequencing. Even as these applications grow, we remain committed to doing business responsibly. In June 2024, we published our second Sustainability Report, which charts our ongoing efforts to minimise environmental impact. Having surpassed our 2023 carbon intensity reduction target, we remain committed to further reductions in 2024 and have set even more ambitious goals for 2025 and beyond, as outlined in our updated Net Zero Transition Plan. We are focused on reducing our emissions further, and we are continuing to enhance our Task Force on Climate-related Financial Disclosures ("TCFD") reporting to provide clearer insights into the climate-related risks and opportunities for our business.

Our people remain at the heart of everything we do. We are immensely proud of our dynamic, interdisciplinary team and are committed to fostering an inclusive and supportive culture that attracts, develops, and retains the very best talent. A resilient and diverse workforce is essential to long-term sustainability, as innovation thrives in environments where people are empowered, engaged, and supported. This year, we have deepened our investment in talent development, diversity, and wellbeing initiatives, recognising that a strong, motivated team underpins not just our success, but also our ability to drive meaningful scientific and environmental impact.

Looking ahead, we will continue embedding sustainability throughout our practices, from product innovation through to operational practices. In this 2024 Annual Report, we share the progress we have made, alongside the challenges we aim to address in the years to come. Our aim is to keep building a business that generates broad, lasting benefits for people and the planet, grounded in technology that expands the frontiers of possibility in research and clinical settings.

Thank you for your continued support and partnership. Together, we will keep championing science that improves our world while upholding the highest standards of social and environmental stewardship.



Our aim is to keep building a business that generates broad, lasting benefits for people and the planet, grounded in technology that expands the frontiers or possibility in research and clinical settings"

Dr Gordon Sanghera, CBE
Chief Executive Officer



Dr Gordon Sanghera, CBE
Chief Executive Officer
18 March 2025

Product

	We continued to design and support a transformative technology platform that empowers people to answer biological questions.
63%	Continued to see improvements in the tonnes of used products returned to us, an increase of 63% on FY23.
73%	73% of packaging sourced from recycled materials of which 57% were from renewable sources.
>3x	We were able to reuse over three times the number of recycled flow cells in 2024 than in 2023 for external customers.
57%	Increased the coverage of our supplier risk assessments from 43% to 57% of our total spend.
	We hosted London Calling 2024, an ISO 201201-accredited event which enabled a diverse array of scientists across a breadth of research areas to network and share their research using Oxford Nanopore sequencing.



People

	Several notable Values in Action initiatives delivered in FY24 from the Social & Community pod, Environment pod and Wellbeing pod.
2,608	Doubled the number of internship applications this year to 2,608 applications.
	Further enhancements made to our EcoOnline EHS system, including implementation or trials of training, documents, checklist and lone working modules.
	Engaged with iGEM to create a formal offering to support university and high school teams as part of the iGEM Competition, the biggest synthetic biology competition in the world.
23,192	23,192 total training hours. This includes 6,365 hours dedicated to mandatory training assigned by the organisation, with the remaining hours spent on professional development courses and technical training.
344	344 unique employees completed a My Mastery or Manager Mastery Programme, accumulating a total of 3,142 hours of instructor-led training for delegates.
66	A total of 66 senior leaders joined an Evolving Leaders cohort representing 1,898 programme (module) hours and 131 coaching hours.
	Continuation of IOSH Managing and Leading safely training programmes.

Planet

Our near-term and net-zero targets were validated by the SBTi, showing Oxford Nanopore's commitment to the UK's own net-zero ambitions.

An ESOS Action Plan was developed and implemented, identifying key areas to improve energy efficiency and achieve cost savings. These included upgrading to more efficient air conditioning and heating systems, expanding LED lighting installations, and activating Power Factor Correction, with the added benefit of cost savings over time.

10%	We successfully reduced Scope 1 & 2 tonnes of CO ₂ e per £m revenue by 10% in 2024, beating our target of 2.5% reduction.
	Installed external UV window film on our Gosling building to improve energy efficiency as part of our newly developed ESOS action plan.
119	Achieved further expansion of genomic resources for endangered species, with 119 genomes for IUCN Red List species now complete as part of ORG.one program.



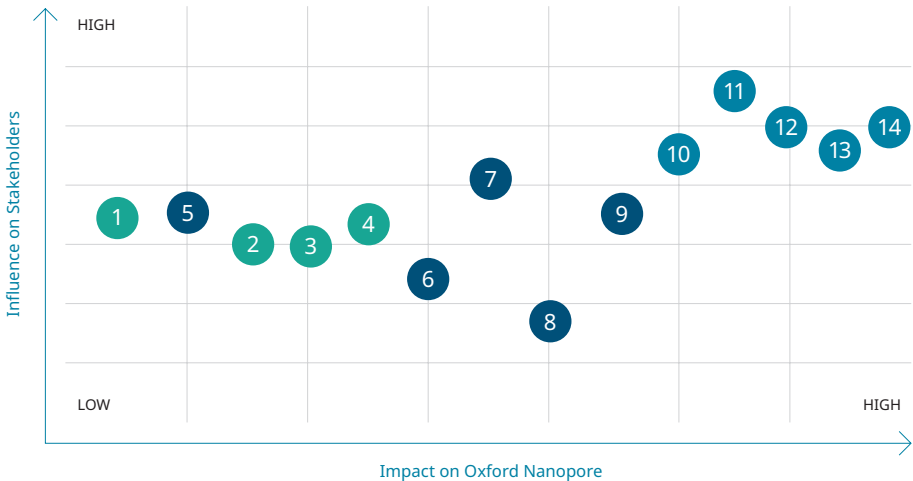
Our sustainable strategy

Our mission is to empower people to explore and answer biological questions with our transformative technology platform. Creating positive, lasting impact is at the core of what we do. Alongside our company strategy, in 2022 we launched our sustainability strategy as part of our commitment to apply a sustainability-embedded mindset to our entire value chain, from our products to our team and to our global footprint.



Materiality assessment

In 2023, we completed a materiality assessment to determine the Company's key sustainability issues. The results of the assessment have provided guidance on what areas should be prioritised for measurement and disclosure in reporting. The results continue to be applicable for FY24 as there have been no major changes to our business model and operations. See results in the matrix opposite:



Product

- 10 Biomedical ethics
- 11 Product responsibility (Environment & Social)
- 12 Product quality & safety
- 13 Access & impact
- 14 R&D innovation

People

- 5 Cybersecurity/IP & data protection
- 6 Talent & career management
- 7 Ethical conduct & compliance
- 8 Opportunity & belonging
- 9 Health, safety & wellbeing

Planet

- 1 Climate change including emissions and energy management
- 2 Resource efficiency, Packaging and circularity
- 3 Waste management
- 4 Responsible sourcing



Product



Strategy pillar 1: Accessibility & impact

Design our business and innovate our products to increase accessibility within the broader scientific communities who are driving solutions to global challenges in health, food and the environment.



Strategy pillar 2: Sustainable innovation

Continuous innovation of our technology through creative and flexible approaches to maintaining our competitive advantage without sacrificing our core values.



People



Strategy pillar 3: Inclusivity & wellbeing

Promote a culture that is inclusive, embraces diversity and prioritises the development of our people and their wellbeing.



Planet



Strategy pillar 4: Responsible scaling

Maintain high growth in a responsible way by protecting the planet through energy efficiency and ensuring that our commitment to sustainable practices extends beyond our internal operations and distribution to encompass our entire value chain.

Sustainable innovation has been key to developing a product line that fulfils our mission to increase global access to genomic information, while minimising our environmental impact.

Sustainable products

STRATEGY PILLAR 1: Accessibility & impact

Our commitments

Guiding principle
Design our business and innovate our products to increase accessibility within the broader scientific communities who are driving solutions to challenges in health, food, and the environment.

Commitments

- Continue to establish global support and logistics to fulfil our mission to enable anyone, anywhere to use Oxford Nanopore products, building on progress made to date.
- Continue to iterate on product design to develop smaller, easier to use, and lower cost formats to enable more people in broader communities to use this technology.
- Strengthen our relationships and collaborations within the education landscape, utilising these examples to showcase student research impact across demographics and geographies.
- Develop a best-in-class customer experience throughout our customer journey, across customer types and use cases.

Related sustainable development goals (SDGs)

3GOOD HEALTH AND WELL-BEING

4QUALITY EDUCATION

14LIFE BELOW WATER

15LIFE ON LAND

With a goal to increase access to genomics and optimise for positive, global impact, we have designed our business model and innovated our products to broaden accessibility for global scientific communities who are driving solutions to challenges in health, food, and the environment. We strive to put these tools directly into the hands of existing scientific communities, so that researchers no longer need to rely on external partners to perform their experiments.

Accessibility
The cost, size and complexity of legacy sequencing technologies have historically made genomic insight inaccessible to much of the world and have resulted in imbalances towards the most developed countries. We have brought solutions to the market that increase access to high-quality sequencing. Our products are easy to use and portable, making nanopore sequencing technology accessible to anyone, anywhere. Accessibility at Oxford Nanopore also involves disrupting access to technology within hierarchical institutional structures in wealthier economies. Traditional academic research funding and even commercial sequencing mechanisms have been centred around a small number of expert institutions, with researchers traditionally sending their samples through these central laboratories. This often causes significant time delays, removing the ability for real-time insights and rapid trial and error, which is useful in the scientific process. Oxford Nanopore technology removes the need for this centralised processing, enabling rapid, high-throughput insights to help answer whatever the scientific question, however capitalised the investigator. We have been proud to play a part in a changed market dynamic as researchers are increasingly able to take control of their own sequencing.

Impact
Oxford Nanopore technology is positioned to provide solutions to many of the world's greatest challenges. Scientists continue to use our technology in more traditional laboratory environments in universities, industry or government facilities, but many are also expanding the reach of science by sequencing in new environments such as jungles, deserts, in the Antarctic and on the International Space Station. Our technology provides a more comprehensive insight into genomics with the ability to read short-to-ultra-long fragments of DNA, as well as being able to look directly at the individual bases that make up DNA and RNA in a way not possible using other sequencing technology. As a result, a new generation of research is pushing biological science further than previously possible.

Impact	Why is this important?	
 Impact in biomedical research and human health	Infectious disease: rapidly understanding the genomic sequence of pathogens can identify the disease and any drug-resistance characteristics. Oxford Nanopore products rapidly characterise pathogens, on demand and in environments near the sample.	Lower respiratory tract infections remain the fourth most common cause of death. Infectious diseases including tuberculosis, viral hepatitis, rare disease and sexually-transmitted infections were forecast to kill an estimated four million people in 2020 (World Health Organization: December 2020).
	Human genetics: from discovery of new drug targets for various diseases, to understanding the cause of rare disease and characterising tissue for rapid transplants, the impact of comprehensive genomic insights is broad.	It is estimated that 5.3% of newborns will suffer from a genetic disorder and 34% of all disease-causing variation is made up of variants that are larger than a single base-pair substitution, making long sequencing reads vital.
	Cancer: DNA/RNA is altered in cancer. Understanding those changes can help design best treatment pathways and identify new drug candidates. Oxford Nanopore products provide the most comprehensive characterisation of cancer DNA, including methylation (chemical modification of the DNA), and 'liquid biopsy' samples that identify cancer markers directly from blood and other bodily fluids.	Worldwide there will be 28 million new cases of cancer each year by 2040.
 Food security and agriculture	Genomics can help grow a more efficient crop/livestock, reduce food spoilage and enable quality assurance. Oxford Nanopore products provide accessible, high-performance analyses to users in broad environments.	Around 795 million people face hunger daily and more than two billion people lack vital micronutrients, affecting their health and life expectancy. 30% of food production is lost to pests and pathogens.
 Environment	Oxford Nanopore products are enabling researchers to find out quickly, and often <i>in situ</i> , if a species is endangered and how to support it. Our products also help to further knowledge of changing environments such as the ocean microbiome.	Three quarters of the land-based environment and roughly 66% of the marine environment have been significantly altered by human actions and one million species are now threatened with extinction. Loss of biodiversity is therefore shown to be not only an environmental issue, but also a developmental, economic, security, social and moral issue as well.



Product

STRATEGY PILLAR 2:

Sustainable innovation

Our commitments

Guiding principle
Continuous innovation of our technology through creative and flexible approaches to maintaining our competitive advantage without sacrificing our core values.

Commitments
Minimise the environmental impact of our product packaging by:

- Further investing in recyclable materials and packaging, aiming to continue to improve our packaging by moving up the waste hierarchy and/or by improving the percentage of recycled material. Ensure all recycled packaging states it is made of recycled content and includes the material symbol where feasible.
- Improving the processes and systems for recording packaging to ensure scope and boundary is consistent and data/measures are accurate.
- Compiling SKU data on all packaging weights by types and material component and continuing to reduce SKU packaging variability to reduce packaging waste.
- Minimising packaging weight, while ensuring the protection of the product.
- For sub-components, using reusable packaging for transport where feasible.
- If using plastics, selecting those that are recyclable.
- Strengthening our supply chain by identifying opportunities to replace disposables with reusables in all points of the value chain.

Related sustainable development goals (SDGs)





Resource efficiency and materials
We are committed to conducting our operations and producing our devices in the most sustainable and resource-efficient manner possible. We have focused on internal processes, switching the packaging material in our distribution process, as well as increasing circularity in the life cycle of our products. We are constantly reviewing and optimising our manufacturing processes and use of materials to reduce our environmental impact.

Due to the design of our products, we are able to recycle them and maximise the circularity of raw materials, if they are returned to us. In 2024, 14 tonnes (11.2 tonnes of devices; 2.8 tonnes of consumables) were returned to us, a year-on-year increase of 63% on FY23.

PromethION and MinION Flow Cells are able to be reused directly and our ratio of flow cells returned to shipped improved from 32% in 2023 to 68% in 2024. We were then able to reuse these with customers. We returned over 20% more MinION and over 300% more PromethION disposable flow cells than returned in 2023. This increase includes the effect of improving our processes to reduce a backlog from 2023.

Boosting innovation
We continue to integrate sustainability into our product design and delivery as new materials and components become available. We consider and respond to environmental issues throughout every stage of our product lifecycle, and our high-efficiency products play a role in helping the economy move to a low-carbon future.

Packaging
To ensure our packaging is as recyclable and sustainable as possible, starting in 2017, we began insulating our products with Woolcool®, a recyclable cardboard container with a wool-based insulator to keep products at the required temperature without the need for polystyrene. In 2024, we continued to insulate our products with Woolcool® and make best use of Credo Boxes (reusable iceless insulating containers) resulting in a reduction in plastic use of 13.1 tonnes. Overall, in 2024 across all our products and services, we were able to source 89 tonnes (73%) of packaging from recycled materials of which 69 tonnes (57%) were from renewable sources (made from a natural resource that can be replenished). Values from 2023 were 72% and 56% respectively.

Our reagent kits are suitable for ambient or cool shipping. This enables them to be shipped alongside our consumable flow cells and reduces the number of parcels required to ship compared to other technologies that have to ship their consumables and reagents separately. This reduces transport fuel consumption and costs.

Product quality and safety
Oxford Nanopore is committed to providing high quality products. We have a Quality Management System in place, which was certified to ISO 9001:2015 at year end, covering approximately 10% of our product SKUs. There have been no product recalls regarding compliance or safety issues in the current or last two fiscal years. Our Quality Policy outlines our commitment to:

- Meet and exceed customer expectations by delivering high-quality products and services
- Maintain compliance with applicable external regulations and standards
- Ensure through quality system feedback processes that the voice of the customer (internal and external) is heard throughout the organisation so opportunities for improvement are identified and acted upon

Monitoring of product safety performance is undertaken in line with post market surveillance requirements required by local regulations. This takes all post market information available to the Company and examines it for signs of safety and performance signals.

Biomedical ethics
Oxford Nanopore is committed to promoting and conducting research involving human samples or data in accordance with all applicable laws and regulations, and in line with the highest standards of ethical conduct. Oxford Nanopore does not support the use of its technology for purposes that may deliberately or illegally harm human health or otherwise deliberately infringe on human rights, for example for the creation of biological weapons or deliberate ethical misuse of genomic data. Oxford Nanopore employees should not engage in research that supports any such uses.

The Company has developed an ethics policy that sets out Oxford Nanopore's approach to ethical conduct within research involving human samples and/or data. To hold itself accountable, the Company has several governing bodies in place to ensure adherence to the policy, including:

- A designated Ethics Committee, which oversees all matters relating to the conduct of ethical research within Oxford Nanopore. The committee meets a minimum of twice yearly, with additional meetings scheduled as needed.
- The Human Physical Sample Committee reviews projects involving human samples and approves commencement of projects involving the acquisition and use of human samples within the Company based on review of information provided by the project team in relation to relevant policies.
- The Board of the Company is responsible for ensuring that Oxford Nanopore has appropriate technical and organisational measures in place designed to enable compliance with this policy.

Responsible sourcing
Our commitment to sustainable practices extends beyond our internal operations and distribution, to encompass our entire value chain. Oxford Nanopore seeks to work with worldwide suppliers who operate under principles that are similar to Oxford Nanopore's business conduct and ethics standards. All suppliers must comply with the laws governing such suppliers and apply the United Nations Guiding Principles on Business and Human Rights to all business operations.

Supply chain code of conduct
Oxford Nanopore has a Supply Chain Code of Conduct in place and a robust, risk-based approach to managing ESG within our supply chains. It is important that Oxford Nanopore works with suppliers who have a consistent set of ethical standards and who conduct business legally, fairly, and with integrity. All suppliers must comply with the laws of applicable legal systems and conform to the United Nations Guiding Principles on Business and Human Rights in all their business operations. We are dedicated to engaging with suppliers who uphold high ethical standards, prioritise environmental stewardship and embrace social responsibility.

Our supply chain risk monitoring system, using a third-party software, automates several elements of the supplier audit process, allowing us to cover more suppliers than a manual process. We obtain substantial supplier data across both environmental and social factors, including whether there have been breaches of our environmental requirements. In 2024, we continued to conduct thorough risk assessments of our global key suppliers, which comprised 57% of our total spend (an increase from 43% in FY23). The environmental compliance aspects included a deep dive on ISO14001 certification and controls to avoid environmental breaches. Social factors assessed include Supply Chain Responsibility, Quality Management and Health & Safety. Both new and existing suppliers are included in this assessment.

Our Supply Chain Engagement programme supports our progress towards our net-zero commitments and science-based targets. We aim to assist our suppliers in developing and improving their own environmental monitoring and improvement processes to drive decarbonisation in our supply chain.



People

Building an inclusive culture that supports the health, wellbeing and development of our people is a key driver to the success of our business.

STRATEGY PILLAR 3:

Opportunity & belonging

Our commitments

Guiding principle
Promoting a culture which is inclusive, prioritises the development of our people and their wellbeing.

Commitments

- Continue running events through our Values in Action community which, as we move into 2025, will play an integral role in supporting initiatives to embody and embed the planned evolution of our organisational values as “cultural cornerstones”.
- Continue to strengthen the skills of our employees through ongoing customised learning and development. Bespoke training solutions will be devised and delivered for several teams needing to focus on key skills and build collective performance.
- Improve EHS resources, implementing additional modules, including documents, training, and checklists, which will enhance the value of the database as a one-stop EHS portal for Oxford Nanopore.
- Begin to align our EHS programmes with the international standards for the environment (ISO 14001) and occupational health and safety (ISO 45001) in 2025.

Related sustainable development goals (SDGs)





Health and safety

Health and safety is of paramount importance to us as a responsible employer. We strive to safeguard the health, safety and wellbeing of all our employees, visitors and contractors. Our EHS Policy sets out our arrangements for Health and Safety, with the Board having ultimate responsibility and accountability. The EHS policy is reviewed once every year and the EHS Steering Committee meets at least twice per annum. Leaders at all levels of the organisation have been trained and are required to communicate Oxford Nanopore’s health and safety expectations and ensure appropriate resources are provided to achieve a high health and safety performance standard. All employees are responsible for their health and safety through compliance with Oxford Nanopore’s EHS policy, procedures and EHS performance expectations.

Safety first

Oxford Nanopore is in the process of developing an EHS management system, and we are continuing to align our EHS programmes with the international standards for the environment (ISO 14001) and occupational health and safety (ISO 45001) with an objective to begin the certification process in 2025. We provide all of our employees with health and safety training, including general and role-specific EHS training. General training includes EHS induction (individual and laboratory), manual handling, ergonomics, and fire and evacuation procedures. Employees are also given specific training based upon their role, such as managerial responsibilities and accountability awareness, best laboratory practices, first aid and fire marshal training.

Safety performance

We are committed to preventing occupational accidents, diseases and illnesses to ultimately achieve an accident-free workplace. Health & Safety hazards are identified and associated controls enacted; the process is documented and disseminated through formal risk assessments. Health and Safety metrics are recorded using a cloud-based EHS management system EcoOnline and we actively encourage the reporting of injuries, incidents, improvement suggestions, near misses and hazards.

There have been no fatalities of employees or contractors in FY24 and in all prior years.

Our Lost-Time Incident Rate (LTIR) was 0.12 in FY24 (FY23: 0), representing two lost-time injuries recorded in 2024. Our LTIR is defined as total number of lost-time incidents in a year, divided by the total number of hours worked, multiplied by 200,000. We define a lost-time incident as an incident that occurs when a worker sustains a lost-time injury that results in time off from work, or loss of productive work. As a result of these incidents, we have increased our focus on ergonomic issues and design across the business. In FY24, we had no RIDDOR incidents (Reporting of Injuries, Diseases and Dangerous Occurrences) making our RIDDOR rate 0. These metrics cover all employees and contractors.

Health and wellbeing

We believe that our employees’ wellbeing is a critical component of the Company’s success. Both physical and mental wellbeing are of importance to us, and we take steps to proactively assist all our employees. We aim to make sure that we provide them with the support they need to stay healthy and to have easy access to help, advice, and treatment when they may need it. We have various programmes and provide a range of benefits to support their health and wellbeing including private medical insurance and an Employee Assistance Programme (EAP). The EAP is an employee benefit designed to help employees deal with personal and professional problems which could be affecting their home or work life, health and general wellbeing. We consistently review the range of support we provide and to continue our focus on mental health, with 31 active mental health first aiders at the end of 2024.

People

Our people
Our people believe in the purpose and vision of Oxford Nanopore. Effective engagement aligns employees with our strong culture and core values, ensuring everyone works together towards a shared vision. We look after our employees, support their training and development, recognise cultural differences, respect their human rights and promote a fair working environment with equal opportunities for all.

Engagement
It is important to us that we engage with our employees. In 2022, we launched the Values in Action (ViA) programme, a framework to create a pathway to optimise engagement and offer everyone in the Company the chance to contribute. In 2024, the ViA pods gathered monthly to gather input and drive their initiatives, resulting in three notable initiatives delivered in 2024.

1. The Social & Community pod piloted a volunteering project in Harwell, with a view to establish a process and criteria for expansion of volunteering opportunities globally.
2. The Environment pod collaborating with colleagues in EH&S supported the roll-out of a recycling initiative on the Oxford Science Park buildings, as well as provision of a bike repair station to promote cycling to work.
3. The Wellbeing pod, in collaboration with the Group Reward Team, planned and hosted a week of awareness, in celebration of World Wellbeing Week. Practical yoga, meditation and neuro-science-led Physical Intelligence sessions were complimented with educational health seminars, highlighting the holistic range of benefits on offer for colleagues in each region.

Opportunity and belonging
At Oxford Nanopore, we actively recruit people with varied experience and perspectives, who truly reflect the global scientific community we serve. This is reflected across our entire business practice; there are currently 63 different nationalities employed at Oxford Nanopore. Our ambition is to build and maintain a diverse, equitable, and inclusive culture in the workplace and across Oxford Nanopore's value chain. We value people as individuals with diverse opinions, cultures, lifestyles, and circumstances and believe in equality of opportunity, following practices which are free from unfair and unlawful discrimination. We are committed to creating a supportive and inclusive environment where respect and understanding are fostered, and the diversity of both people and perspective is positively valued. Oxford Nanopore has an Opportunity and Belonging Policy in place, applicable to all employees. The Board has overall responsibility for this policy. We have clear procedures in place that enable job candidates and employees to raise a grievance or make a complaint if they feel that they have been unfairly treated.



Our commitments

- Creating an environment in which individual differences and contributions are recognised and valued
- Providing a working environment that promotes dignity and respect for all, where no form of intimidation, bullying or harassment is tolerated
- Providing training, development and progression opportunities for all
- Understanding equality in the workplace is good management practice
- Reviewing all our employment practices and procedures to ensure fairness
- Reviewing our recruitment practices to ensure they are fair, consistent and free from unconscious bias
- Full support of this policy by senior management
- Monitoring and reviewing this policy annually
- Having clear procedures that enable candidates for jobs and employees to raise a grievance or make a complaint if they feel they have been unfairly treated
- Treating breaches of our Opportunity and Belonging Policy as misconduct which could lead to disciplinary proceedings



We have worked to maintain a culture that incentivises and rewards excellence, while encouraging long-term relationships with Oxford Nanopore."

Talent and career management
Our goal is to attract, develop, and retain talent at Oxford Nanopore, as well as inspire and nurture the next generation of scientists through provision of accessible technology and educational support. To strengthen these efforts, we conduct a number of internal and external programmes. The Nomination Committee is responsible for ensuring that appropriate talent development programmes are in place to maximise the potential of our employees. We have worked to maintain a culture that incentivises and rewards excellence, while encouraging long-term relationships with Oxford Nanopore, resulting in our low attrition rates over the years. In 2024, our attrition rate was 10.27% (2023: 8.03%). Voluntary employee turnover was 9%.

Training
We are committed to offering training for all levels, providing opportunities for our employees to engage in lifelong learning. A range of training was completed by our teams including:

- Mandatory technical training and team learning (1,519 hours)
- Continuous improvement capability through two Six Sigma cohorts (1,664 hours)
- Sales and Commercial skills through the Challenger programme, New Hire training and E-Learning Platforms (7,383 hours)
- Specialist training through AWS and our Global IT function (156 hours)
- Logistics and Global Supply Chain training (680 hours)

In 2024, 100% of employees completed mandatory training courses to ensure compliance across the organisation. A training calendar was shared to provide clear visibility and ensure all courses were scheduled and tracked.

Career development
Career development and specifically the development of leaders within Oxford Nanopore is important to us and we are committed to offering and promoting career development opportunities.

During the year, the Group partnered with its external providers to develop the Mastery programme of content and introduced a new management development programme, Evolving Leaders. The Evolving Leaders programme was designed to enhance management capability within the Group's leadership community. During the year, a total of 66 senior leaders joined an Evolving Leaders cohort (with a further 27 registering to commence in 2025), representing 1,898 programme (module) hours and 131 coaching hours.

Selection Excellence was another new module introduced in 2024 to enhance management's skills in recruitment. Through insightful content and role play, the training covered different recruitment laws and cultures to provide consistent quality to both candidate and hiring manager experience.

Internships and apprenticeships
Our core intern programme runs from April each year and accommodates up to 22 science undergraduates/postgraduates for 3-to-12 month placements. An additional five interns are placed for 12 months each in our Corporate Functions. In 2024 we carried out a cohesive campaign promoting equality, opportunity and belonging and improving candidate experience, including extensive recorded marketing collateral on our Early Careers pages within the Company website.

We created a community through a variety of activities, some before they even joined us. During their time on the programme, they enjoyed access to learning content and a fireside careers talk with our CEO, Dr Gordon Sanghera, and senior engineer, Dr Emma Walton. The intention is to build an intern community where onboarding, social activities and personal development opportunities are promoted during their placements and a talent pipeline created to attract candidates to return for permanent opportunities.



We believe that high growth does not need to come at the expense of the planet – and we are committed to scaling responsibly by making choices that protect our environment.

Environmental leadership

STRATEGY PILLAR 4:
Responsible scaling

Our commitments

Guiding principle
Maintain high growth in a responsible way by protecting the planet through energy efficiency and ensuring that our commitment to sustainable practices extends beyond our internal operations and distribution to encompass our entire value chain.

Commitments

- Repeating our target to reduce the tonnes of Scope 1 and 2 CO₂e emitted per £m revenue by 2.5% again in 2025
- Continue to work with all suppliers on core ESG Governance, ensuring that all key suppliers (covering 57% of total spend) meet our ESG standards on human rights, environmental protection, health and safety, compliance and more
- Align our ESG Governance in supply chain with best practice of the UN Global Compact
- Continue developing our Supply Chain Engagement programme and working with our suppliers to enhance their environmental sustainability.
- Use the waste hierarchy to assess, and where feasible, implement projects to further enhance waste management practice across the organisation
- Increase the range of materials recycled year on year at our Oxford and Harwell sites managed by AXIL-IS

Related sustainable development goals (SDGs)



Responsible scaling
At Oxford Nanopore, our products contribute to research designed to analyse, assess and develop solutions and strategies to address the impacts of climate change that affect us all globally. We are committed to protecting the environment and reducing our impact within all our operations. We are adapting to, and mitigating against, climate change risks and impacts, through commitments to improved efficiencies throughout Oxford Nanopore’s operations, including in our buildings and value chain. Our commitment to transparency includes the disclosure of our carbon emissions and reporting against the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, which includes details of our oversight, risk assessment and strategy of climate-related issues.

Managing environmental performance
Our EHS Policy sets out our environmental arrangements and the Board has ultimate responsibility for environmental matters. The EHS Policy applies to all employees. In 2024, environmental training was provided to employees through EHS Inductions, management training, communications via our Resource Centre and through discussions at the EHS Steering Committee meetings. We strive to improve our environmental performance throughout all of Oxford Nanopore’s global operations. We are committed to pollution prevention; the reduction of waste, releases, emissions and water use; and to the efficient use of energy. Oxford Nanopore incurred no environmental fines or penalties in the year ended 31 December 2024.

As mentioned previously, we are in the process of aligning our EHS programmes with the international standard for the environment (ISO 14001) covering waste and hazardous materials. We conduct regulatory reviews, which include the topics of waste and hazardous materials, with developing actions to be included in our environmental goals and our EHS strategic plan moving forward. Additionally, during 2024, Grant Thornton conducted an internal audit on behalf of the Company to assess the design and operating effectiveness of processes and controls around data governance, to support the Company’s environmental compliance reporting.

Water
Oxford Nanopore’s operations are not particularly water intensive. However, we recognise the importance of water conservation and are committed to reducing our water consumption and withdrawal. We will employ water-efficient technologies and practices to minimise our impact on water resources.

	2024	2023	2022	2021
Freshwater usage (m³)	6,979	4,152	4,311	2,558

For all years data covers water use at Gosling, MinION, Genesis and ECH. Data for Florey was obtained and included for 2024 and combined with increases across ECH, Gosling and Genesis for a year-on-year increase. Data is based on water bill estimates.

Energy consumption and emissions data

	FY24			FY23		
	UK	Global (excl UK)	Total	UK	Global (excl UK)	Total
Emissions						
Scope 1 (tCO ₂ e) Total	313	0	313	361	0	361
Scope 2 – location based (tCO ₂ e)	1,210	0	1,210	1,089	0	1,089 ¹
Total Scope 1 & 2 (location based)	1,523	0	1,523	1,450	0	1,450
Scope 2 – market based (tCO ₂ e)	0	0	0	0	0	0
Total Scope 1 & 2 (market based)	313	0	313	361	0	361
Intensity ratio (tCO ₂ e per £m revenue) – Scope 1 & 2 (location based)	8.32			8.58		
Energy (kWh)						
Total energy consumption (kWh)	7,440,235	7,440,235	6,802,410	0	6,802,410	

Energy consumption (renewable/non-renewable)

	FY24 (kWh)	FY23 (kWh)
Total Energy Consumption	7,440,235	6,802,410
Total renewable energy consumption	5,845,349	5,259,759
Total non-renewable energy consumption	1,594,886	1,542,651
% renewable energy consumption	79%	77%

1. Scope 2 and Scope 3 Category 8 Upstream Leased Assets have been restated due to an error in prior year which incorrectly included one of our sites within our organisational boundary which we do not have operational control over.

Energy and greenhouse gas emissions
Oxford Nanopore has committed to reduce the carbon intensity of our operations. With support from several environmental consultants, we have begun to recognise opportunities to understand and improve sustainability, and we have placed a specific focus on identifying projects to reduce carbon emissions. For the year ending 31 December 2024, we aimed to reduce the tonnes of CO₂e emitted per £m revenue by 2.5%. We have successfully reduced tonnes of CO₂e emitted per £m revenue by approximately 10% in 2024. In 2025 we will repeat our target to reduce the tonnes of Scope 1 and 2 CO₂e emitted per £m revenue by 2.5%. To calculate our emissions and energy usage data, we have followed the 2019 UK Government environmental reporting guidance. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government’s GHG Conversion Factors for Company Reporting 2019.

Our reporting of Scope 1 and 2 emissions and energy data covers 100% of our global operations within our operational control. Furthermore, our reporting of Scope 3 emissions covers 100% of our upstream and downstream value chain.

Absolute Scope 1 emissions have decreased year on year, driven by lower fugitive emissions as the refrigerant top-ups required in FY24 had lower global warming potentials (GWP). This is common with fugitive emissions, as top-ups are not required consistently year on year, making them volatile. The increase in Scope 2 location-based emissions was driven by an increase in electricity consumption across all sites, reflecting the growth in production. However, as these sites procure renewable electricity, Scope 2 market-based emissions remained nil.



Scope 3 Emissions

Category	FY24 (tCO2e)	FY23 (tCO2e)
Purchased goods and services	36,836	36,477
Capital goods	-	-
Fuel and energy-related activities	54	439
Upstream transportation and distribution	785	331
Waste generated in operations	15	7
Business travel	5,102	7,203
Employee commuting	1,627	1,216
Upstream leased assets	1,015	985 ¹
Total Upstream Scope 3	45,434	46,658
Downstream transportation and distribution	1,889	1,441
Processing of sold products	-	-
Use of sold products	1,677	1,935
End-of-life treatment of sold products	0.22	2
Downstream leased assets	-	-
Franchises	-	-
Investments	2,215	1,778
Total Downstream Scope 3	5,781	5,156
Total Scope 3	51,215	51,814
Scope 3 intensity (tCO₂e per GBP value added)	485	572

1. Scope 2 and Scope 3 Category 8 Upstream Leased Assets have been restated due to an error in prior year which incorrectly included one of our sites within our organisational boundary which we do not have operational control over.

Overall, Scope 3 emissions reduced minimally year-on-year; however, due to our increased gross profit, our tCO₂e per GBP value added reduced by 15%.

Improvements in methodology and resolving errors identified in prior year calculations have driven the movements in fuel and energy-related activities, business travel and employee commuting.

Due to the increase in returns from customers during the year and the purchase of heavier items such as machinery, upstream transportation emissions increased significantly in FY24 compared to FY23. Downstream transportation also increased; however, this was driven by the increase in sales and a more accurate measurement of distances travelled from Oxford Nanopore sites to customers; thus a more accurate emissions figure has been reported this year.

The decrease in emissions resulting from the use of sold products has occurred due to a change in sales product mix, whereby fewer devices that use electricity during their use phase were sold.

Transitioning our business to net-zero

Our business was founded on the vision of making a positive impact and we are committed to understanding and improving our environmental and social performance so that we can ensure this vision is realised. We strive to grow in a responsible way, by protecting the planet through energy efficiency, product design, and ensuring that our commitment to sustainable practices extends beyond our internal operations to encompass our entire value chain.

In FY24 we obtained validation of our science-based targets. We have now released our Net Zero Transition Plan to further express our commitment to net-zero and support the delivery of these targets, this can be found at nanoporetech.com/about/investors/reports/nztp-2025.

Our targets

In order to ensure we align to the Paris Agreement goals of keeping warming within a 1.5°C scenario and contribute to the UK’s commitment of reaching net-zero by 2050, we have set the following science-based targets:

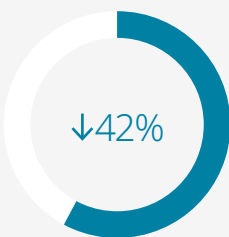
Near-term	Long-term and Net-Zero
We commit to reduce absolute Scope 1 and 2 emissions by 42% by FY2030 from FY2023 base year and to reduce Scope 3 emissions 52% per GBP value added within the same timeframe.	We commit to reduce absolute Scopes 1, 2 and 3 emissions by 90% and reach net-zero greenhouse gas emissions across the value chain by FY2045 from a FY2023 base year.

- Our near-term and net-zero targets have been validated by the SBTi.
- Targets are set on a 2023 base year.
- We target at least 90% reduction in emissions by 2045. Any residual emissions may be addressed via the use of offsets.

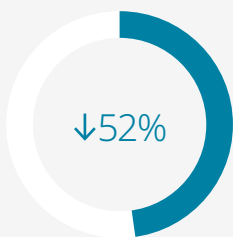
Alongside this, we continued to take actions to reduce our emissions intensity whilst growing the business, setting a target for 2024 to reduce the tonnes of CO₂e emitted per £m revenue by 2.5%, which was achieved.

By 2030

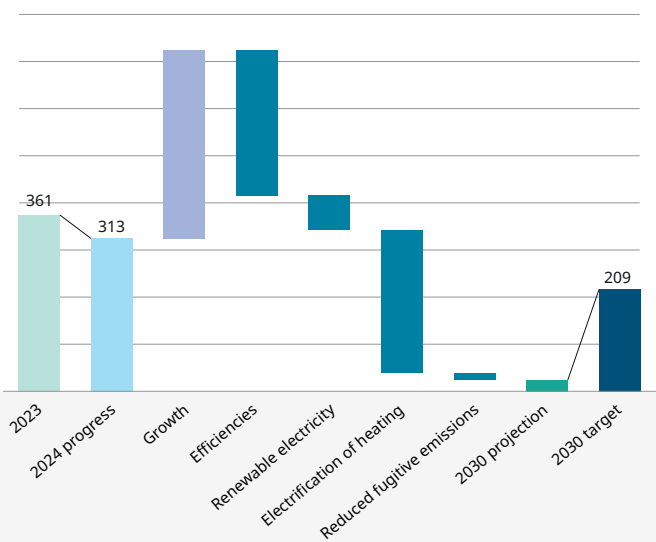
Reduce absolute Scope 1 and 2 emissions



Reduce Scope 3 emissions per GBP value added



Our Scope 1 & 2 emissions pathway



Our primary focus is to maximise energy efficiency and reduce our energy demand. Whilst no reduction in electricity is required to meet our targets, several efficiency measures have been identified, which in aggregate produce a meaningful reduction in electricity use over time. These include behaviour and process changes, installs and upgrades, smart metering and intelligent controls. We then plan to install solar panels for renewable self-generation where we can, thereby reducing our exposure to the grid and the use of REGOs. The same is true for heating & cooling (Scope 1 emissions), where a number of efficiencies have also been scoped and ranked, including the use of timers, smart sensors, seasonal adjustments to space use, altering the temperature of freezers and use of reflective films on windows. Larger scale upgrades include the replacement of low efficiency cooling units, switching natural gas heating to heat pumps and replacing cooling units with those that use refrigerants with lower global warming potential. The commercial availability of zero emissions refrigerants is expected to be beyond our near-term target window. Our project team will be phasing these larger scale upgrades over time, in conjunction with our landlords where required, taking into consideration our equipment upgrade cycle and our buildings strategy.

Scope 3 target progress

	FY24	FY23 (base year)	% change
Scope 3 intensity (tCO₂e per GBP value added)	485	572	-15%

Reduction in our Purchased goods and services emissions is key to our net-zero ambition, which has led us to improve dialogue with our supply chain and develop a long-term strategy for emissions. Our supply chain management software is assisting us to obtain additional data on the carbon impact of our suppliers, focus our efforts and work with our suppliers to identify specific improvements they can make. We may investigate collaboration with other customers of our larger suppliers via multi-sector working groups to coordinate our ambition for improved environmental performance. Suppliers’ environmental performance is already a feature of our procurement process, including within the selection and review of suppliers. We believe that our suppliers will be receptive to any engagement that takes place to improve our joint environmental impact; however if there is continued disengagement on such matters, we may consider the viability of other suppliers. We also factor in background trends into our plan such as the decarbonisation of global electricity grids, which will benefit our suppliers’ emissions profiles over time.

In addition, through our own internal product development processes, we have the ability to design for lower carbon in our products, such as via lightweighting or the use of alternative materials and we will investigate these, cognisant that there may also be trade-offs between product price and performance.

We will also be looking at controlling our smaller emissions sources. We will assess our logistics strategy to identify opportunities for reducing the overall emissions footprint associated with product logistics. We are continuing to seek reduction opportunities from business travel and employee commuting, making full use of technology to reduce the need for travel and encouraging low-carbon travel options.



Task force on climate-related disclosures

We have published a full transition plan, which can be found alongside this Annual Report, and our newly validated science-based targets. Discussion on our progress towards this plan in 2024 can be found on page 64.

In conjunction with our net-zero ambition, this report covers the Group's governance of climate change, the integration with overall risk management, strategy in managing climate-related issues and opportunities, and the metrics to measure progress towards our targets. In line with the requirements of the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and UK Listing Rule 14.3.27R, the following pages set out our Non-Financial and Sustainability Information Statement consistent with all of the TCFD recommendations and recommended disclosures, as detailed in "Recommendations of the Task Force on Climate-related Financial Disclosures" (2017) and the additional guidance as set out in the TCFD 2021 Annex, "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures" ("TCFD Annex") including Section C "Guidance for All Sectors" and Section E "Supplemental Guidance for Non-Financial Groups". Given our transition plan development, we are now in full alignment with all requirements.

Non-financial sustainability information statement

Recommendation	Recommended disclosures	Reference
Governance		
Disclose the organisation's governance around climate-related risks and opportunities	a) Describe the Board's oversight of climate-related risks and opportunities	Page 67
	b) Describe management's role in assessing and managing climate-related risks and opportunities	Page 67
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Page 70
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	Page 69
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Page 69
Risk management		
Disclose how the organisation identifies assesses, and manages climate-related risks	a) Describe the organisation's processes for identifying and assessing climate-related risks	Page 68
	b) Describe the organisation's processes for managing climate-related risks	Page 68
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Page 68
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Page 70
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 Greenhouse Gas (GHG) emissions, and the related risks	Page 63, 70
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Page 71

Governance

Board level

The Board, headed by the Chairman, has overall responsibility for climate change management and strategic response, including oversight of climate-related risks and opportunities, in addition to all relevant Group policies matters that impact the Group's strategy. The Board is supported and informed on climate-related issues via two pathways as detailed in the following diagram. This structure ensures that any potential impacts of climate change are incorporated into the review of Group strategy, business plans, and risk management. The operational and strategic pathway manages the Company's strategic response to climate change and the flow of information to the Board around key KPIs, capital spend, and strategic initiatives. Metrics such as Scope 1, 2 and 3 emissions, progress against the annual carbon emission intensity target and newly submitted SBTi targets are reported to the Board and monitored as reported by the EHS Steering Committee, via the Operating Committee. To date, our longstanding environmental programme has included energy efficiencies and renewable electricity purchases, which have formed part of our ongoing strategy and have been included in annual budgeting. Our new SBTi emissions targets provide a framework that enhances our ambition, resulting in a high-level plan that is being incorporated into our financial planning and strategy. This plan includes a continuation of energy efficiencies and renewable electricity purchases, but also includes considerations for our building strategy and actions around our supply chain and products, which need to be factored in over time. These details are outlined in our transition plan and monitored by the EHS Steering Committee.

The risk pathway monitors, manages and informs the Board of climate-related risks through the Audit and Risk Committee, supported by the Operating Committee. The Audit and Risk Committee meets four times each year and reviews all risks at least twice each year, with the Chair of the Audit and Risk Committee referring key matters of risk to the Board, including climate-related issues if deemed material. The Audit and Risk Committee reports to the Board who provide direction on risk profiling and mitigation.

Additionally, the Board is informed of any key strategic or financial issues arising from the management of climate-related risks and opportunities by the Operating Committee. The Board considers climate-related risks twice per year.

Management level

The EHS Steering Committee is a cross-functional committee which has responsibility at management level over all environmental issues facing the Group, including climate-related risks and opportunities and progress against our transition plan. This committee reports to the Operating Committee, led by the CEO. The EHS Steering Committee monitors metrics related to climate risks and opportunities as outlined in this report, tracks our progress to our targets (below) and monitors matters relevant to climate-related risks and opportunities, such as the status of relevant decarbonisation projects like our energy efficiency efforts and the transition to renewable electricity underway in the business. The Operating Committee is also responsible for identifying, assessing, and mitigating risk under the direction of the Audit and Risk Committee. The Operating Committee enables the flow of information to and from the Board and from across the Company to the senior management. Twice yearly (and as needed on an ad hoc basis), the Operating Committee reports to the Audit and Risk Committee on risks and mitigation.

Directors are updated on ESG issues. For example, in 2024, the Audit and Risk Committee received updates on upcoming sustainability deliverables which included a materiality assessment and net-zero transition plan alongside the TCFD and Sustainability Report.



Planet

Risk Management

The Group has used third-party climate consultants to assist in the identification of climate-related risks and opportunities. This assessment covers all of our operations and considers all categories of risks and opportunities from the TCFD guidance, but not all climate-related risks and opportunities are relevant to the business. A bottom-up site-level risk assessment using geospatial natural hazard mapping software was conducted to determine the potential climate-related physical risks for each site. Climate-related transition risks tend to impact the Group in a top-down manner. These are identified and shortlisted, in collaboration with internal stakeholders and senior management, in conjunction with the EHS Steering Committee. This analysis includes a horizon-scanning exercise to incorporate policy and legal risks and is refreshed annually to include any changes to the business, external regulatory developments, or operating conditions.

Following identification, climate-related risks are then integrated into the Group's overall risk management framework. All the Group's risks, including climate-related risks, are categorised using the same methodology, so that their importance is comparable. The Group's Risk Register categorises all existing and emerging risks, including climate-related risks, with the Register covering the probability of the risk occurring, the degree of the potential impact and whether they first occur within the Group's short- (0 to 1 year), medium- (1 to 5 years), or long-term (5 years+). The short-term horizon covers our immediate in-year actions, the medium-term horizon includes our near-term business strategy and SBTi targets, and the long-term time horizon is sufficient to incorporate our asset life, our net-zero targets and time for certain climate-related risks to manifest.

For the purposes of our climate risk assessment, we assess risks out to 2050 in the long term. A risk that is present during the short or medium term may continue into the long term.

All risks are assessed on a 5x5 matrix incorporating an assessment of both impact and likelihood, which allows for the prioritisation of risks. Risk impact (materiality) is determined giving consideration to the financial statement materiality, as currently defined by the table below.

Risk likelihood is defined under five categories: Remote, Unlikely, Possible, Probably, Highly Probable.

Mitigation factors for all risks are included in the Company's Risk Register. This informs decision-making when managing risks (e.g., further mitigation, accept, or control), with this decision determined by the options for mitigation, cost of mitigation and overall risk management strategy. The Risk Register is reviewed and updated twice annually to reflect new and developing areas in the operating environment which might impact business strategy. Internally, the cost of mitigation is described (where possible) along with an explanation of how this is derived. Risks are subject to ongoing refinement and quantification over time and assist with incorporating climate-related risks into the ongoing strategy, budgets and financial statements, if required.

	Insignificant	Minor	Moderate	Major	Catastrophic
Financial Impact*	Estimated impact or lost opportunity of <£1.65m	Estimated impact or lost opportunity of £1.66m–£3.4m	Estimated impact or lost opportunity of £3.5m–£6.5m	Estimated impact or lost opportunity of £6.6m–£13.1m	Estimated impact or lost opportunity of >£13.2m

* The materiality limits have been updated in line with the Group's financial statement materiality levels. The materiality used for the Group financial statements was £3,500,000 (see page 148).

Strategy

Oxford Nanopore recognises the global threat climate change poses on the environment and acknowledges that it may present both risks and opportunities to the business. We have assessed all our sites for physical climate risks with the conclusion that direct physical risk exposure to our sites is extremely limited due to the nature of our business and locations of our sites. Only three of our sites are deemed to be business critical, being our head office and key manufacturing sites in Oxford and Harwell, all of which face a low risk of riverine flood as the only physical risk exposure. The headcount across other business sites represents a small fraction of staff and therefore would result in only minor disruption to productivity in the event of travel or site-related disruption. Oxford Nanopore's established home working procedures, insurance recovery in the event of natural disasters, and short-term leases of facilities, further mitigates the impact of physical risks. Risks such as higher mean temperatures, rising sea levels, wildfires and severe weather are also not seen as having any impact over the period to 2050. We do however include physical risks exposure of our supply chain within our key risks below. Transition risks, e.g., potential exposure to reputation, policy, and legal and technology risks, were also considered and those that we deem material are outlined below.

Scenario analysis out to 2050 has been used to improve our understanding of how different climate outcomes may affect the behaviour of certain risks, and thereby improve our understanding of the resilience of our business to climate change. Physical risks were analysed using scenarios embedded in the software tool, which are from the Intergovernmental Plan on Climate Change¹:

- **RCP 2.6:** a climate-positive pathway, likely to keep global temperature rise below 2°C by 2100. CO₂ emissions start declining by 2020 and get to zero by 2100.
- **RCP 4.5:** an intermediate and probably baseline scenario more likely than not to result in global temperature rise between 2°C and 3°C by 2100 with a mean sea level rise 35% higher than that of RCP 2.6. Many plant and animal species will be unable to adapt to the effects of RCP 4.5 and higher RCPs. Emissions peak around 2040, then decline.
- **RCP 8.5:** a bad case scenario where global temperatures rise between 4.1-4.8°C by 2100. This scenario is included for its extreme impacts on physical climate risks as the global response to mitigating climate change is limited.

Transition risks and opportunities were flexed using scenarios from the International Energy Agency ("IEA")², which are far more descriptive and useful for modelling positive climate outcomes.

Net zero 2050 (NZE): an ambitious scenario which sets out a narrow but achievable pathway for the global energy sector to achieve net-zero CO₂ emissions by 2050. This meets the TCFD requirement of using a "below 2°C" scenario and is included as it informs the decarbonisation pathways used by the Science Based Targets initiative (SBTi).

Stated policies scenario (STEPS): a combination of physical and transitions risk impacts as temperatures rise by around 2.5°C by 2100 from pre-industrial levels, with a 50% probability. This scenario is included as it represents a base case pathway with a trajectory implied by today's policy settings.

Each of our climate-related risks has been analysed against the scenarios and we have quantified our exposure to each risk. We deem our overall climate-related risk exposure to be 'Minor' after factoring in our industry and business model, site locations and exposures and the impact of our mitigating actions and our net-zero transition plan. We believe Oxford Nanopore has the financial resilience and strategic robustness to mitigate climate change. Two of our climate-related risks are mitigated through our net-zero transition plan and the opportunities outlined below are to be developed in line with the company strategy and objectives for net-zero. Given the limited direct impact of climate-related risks on the business as per our assessment, no effects are reflected in any judgements and statements applied in the financial statements and any mitigation or required investment is currently assumed to be covered and integrated into the Group's strategy. We will continue to monitor the climate exposure and action plans through the Group's risk management framework, whilst developing our analysis as new data is made available to us.

1. <https://www.ipcc.ch/report/ar5/syr/>
2. <https://www.iea.org/reports/global-energy-and-climate-model>



Risks

Four key climate-related risks have been identified as follows:

Risk	1. Carbon pricing in operations	2. Carbon pricing in the supply chain	3. Water risk in the supply chain	4. Risk of not achieving our emissions targets
Type	Transition (Current and Emerging Regulation)	Transition (Emerging Regulation)	Physical (Flood Disruption, Water Scarcity)	Transition (Market and Reputation)
Area	Own Operations	Upstream	Upstream	Upstream/Own Operations
Primary potential financial impact	Higher costs associated with energy (Operations)	Higher input costs (Supply chain and/or value chain)	Lost production/revenues (Supply chain and/or value chain)	Higher costs, higher cost of capital
Time horizon	Medium term	Long term	Medium term	Long term
Likelihood	Highly Probable	Highly Probable	Possible	Possible
Impact	Insignificant	Moderate	Minor	Major
Location or service most impacted	United Kingdom ¹	Group	Group	Group
Related metric(s)	Scope 1 & 2 emissions	Scope 3 emissions (Purchased Goods & Services and Upstream Transportation and Distribution)	Annual Supplier Risk Assessment	Scope 1, 2 and 3 emissions

1 Scope 1 & 2 emissions only include our UK sites

1) Carbon pricing in operations

We have quantified the financial impact to our operating expenses of an application of carbon prices applied as a “tax” to our FY 2023 Scope 1 and 2 emissions under NZE and STEPS scenarios. Our analysis shows the impact to be “Insignificant” in magnitude in all time periods, using the financial impact magnitudes outlined previously and reduces even further net of our transition plan actions. As part of efforts to reduce emissions and ultimately reach our net-zero targets, we have begun to implement a number of mitigation measures. All of our sites now have REGO-certified electrical power supplies, reducing our market-based scope 2 emissions to zero. The recommendations set out in our recent ESOS report and Building Energy Use Audits have outlined several further initiatives which support our target of a 42% reduction in Scope 1 & 2 by 2030 and ultimately our net-zero ambition. These are highlighted in our transition plan.

2) Carbon pricing in the supply chain

There is a risk of carbon pricing being applied to activities upstream of our businesses (Scope 3). Based on the IEA's carbon price forecasts and our Scope 3 emissions for the 2024 financial year (Purchased Goods and Services and Upstream Transportation and Distribution), we assess the impact of this risk to be “Moderate” in magnitude. Purchased Goods and Services emissions form the largest component of our Scope 3 emissions, reflecting a potential carbon pricing risk associated with the embedded carbon in our supplied goods. Our supplier strategy is therefore critical to our net-zero ambition and mitigating this risk. This is outlined further in our transition plan, page 64.

3) Water risk in the supply chain

Extreme weather events are expected to rise in both frequency and magnitude as an impact of climate change. Global temperatures rise in all three scenarios we studied, peaking only in 2050. Under these scenarios, changes in precipitation patterns and weather extremes could increase both the risk of flooding in some locations within the Group's supply chain and influence water availability in regions with water scarcity risks. Geospatial modelling found that two supplier sites in North America are located in regions of high-water stress when projected out to 2030, and one supplier site in Asia is located

in an area of high riverine and coastal flood risk. Modelled under the RCP 8.5, drought risk at the North American supplier locations is forecast to progressively intensify when projected to 2030, 2050 and beyond. In addition, exposure to storm surge and precipitation risk at the Asian supplier site is forecast as very high throughout these time horizons. Our plans for enhanced engagement with our supply chain will provide further context to our suppliers' resilience to these physical risks. Whilst the sites do not represent a significant proportion of our supply chain, alternative supply precautions have also been initiated for all three suppliers to introduce redundancy within the overall supply chain. Our initial assessment of this risk is “Minor” based on a risk-adjusted assumption of the impact on our business from an outage of each of the suppliers concerned. We are currently working with our suppliers to gather additional data that will help us to refine the calculation of the financial impact of this risk.

4) Risk of not achieving our emissions targets

In light of our newly validated science-based targets, we have a risk based on our reliance on drivers outside of our direct control in order to achieve our ambitions for both near-term and long-term science-based targets. The achievement of our near-term Scope 1 & 2 targets is partially reliant on the actions of our landlords and on the development of widespread low or zero emissions HVAC technologies for our long-term net-zero target. Our Scope 3 targets are partially reliant on the emissions performance of our value chain partners (suppliers and logistics providers), global technological developments such as low-carbon transportation solutions for both goods and mass transport, the decarbonisation of global electricity grids and public/private collaboration to add policy or pressure on our value chain. We cannot meaningfully quantify reputation exposure due to the number of assumptions and estimates required and have judgements categorised this risk as “Major” to be conservative. However, we do expect the market to be reasonably accommodative to our reliance on external factors to achieve our goals. We will continue to monitor progress, refine our plans and review based on experience and emerging technology as required.

Opportunities

We have currently identified the following three climate-related opportunities, which relate to the mitigation of risk exposures above:

Opportunity	1. Energy & waste savings
Type	Resource efficiency, resilience
Area	Own operations
Primary potential financial impact	Decreased costs (Operations)
Time horizon	Medium term
Likelihood	Probable
Impact	Minor
Location or service most impacted	United Kingdom
Related metric(s)	Energy consumption and Scope 2 emissions

Opportunity	2. Renewable energy
Type	Energy source
Area	Own operations
Primary potential financial impact	Decreased costs (Operations)
Time horizon	Medium term
Likelihood	Possible
Impact	Minor
Location or service most impacted	United Kingdom
Related metric(s)	% renewable energy consumption

Opportunity	3. Electrification
Type	Energy source
Area	Own operations
Primary potential financial impact	Decreased costs (Operations)
Time horizon	Long term
Likelihood	Probable
Impact	Minor
Location or service most impacted	United Kingdom
Related metric(s)	Energy consumption and Scope 1 emissions

1) Energy & waste savings

Efficiency improvements across our sites may reduce costs as well as reducing environmental impact. Moreover, reducing energy consumption helps mitigate risks related to carbon pricing. After a Building Energy Use Audit at our Oxford corporate headquarters identified significant opportunities to reduce the building's energy consumption, a second building energy audit of our next two largest energy users was commissioned. This identified opportunities that are outlined in our transition plan, page 64. Reductions in waste will also act to reduce operating costs and reduce associated emissions with disposal, which would positively impact Risk 2.

Consequently, we continue to maximise the circularity of raw materials and improve the material efficiency of the manufacturing process to deliver resource efficiency. Measures to reduce the weight of packaging, as well as the plastic content, are ongoing.

2) Renewable energy

Procuring energy from renewable sources can help mitigate the risks associated with carbon pricing as well as reducing our environmental impact. Initial focus was on sourcing Energy Attribute Certificates (e.g. REGOs) to reduce scope 2 market-based emissions to zero whilst efficiency measures and self-generation initiatives are investigated; this was achieved for all UK sites in 2024 and we will investigate the viability of this for our sites abroad. Installation of solar panels at primary UK sites is currently under proposal, with one site confirmed to have solar panels installed in the near future. At other office locations in leased buildings with shared occupancy, we will continue to engage with landlords to make energy efficiency improvements and source renewable energy.

3) Electrification

Electrification of heating may reduce costs as well as reducing environmental impact, via the mitigation of risks related to carbon pricing. One of our key operational decarbonisation levers is the electrification of natural-gas-based heating. Only two of our major operating sites still have gas-based heating. Electric solutions are available, and we will look to phase these in where we have control or otherwise discuss the potential for a switch with our landlords, taking into consideration our equipment upgrade cycle and our buildings strategy.

Metrics and targets

We monitor and report on relevant cross-industry metrics such as our Scope 1, 2, and 3 greenhouse gas (GHG) emissions, calculated in line with the GHG protocol. We also track and disclose freshwater use and total renewable and non-renewable energy consumption, see page 63. The metrics used to track our identified climate-related risks and opportunities are outlined above. Of these, the only metric not reported publicly corresponds to our Annual Supplier Risk Assessment. Within our plans for enhanced engagement with our supply chain, we will begin to collate details of our suppliers' resilience to physical risks (existing or planned mitigation features), to track exposure to Risk 3 above.

In 2024, the Group established the following emissions near-term and long-term targets which have been validated by the SBTi:

- Reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2023 base year
- Reduce Scope 3 GHG emissions 52% per GBP value added by 2030 from a 2023 base year
- Reduce absolute Scopes 1, 2 and 3 GHG emissions by 90% by 2045 from a 2023 base year
- Reach net-zero GHG emissions across the value chain by 2045

Alongside this, we continued to take actions to reduce our emissions intensity whilst growing the business. Our target for 2024, was to reduce the tonnes of CO₂e emitted per £m revenue by 2.5%, which was achieved and which has been renewed again for 2025.

Whilst acknowledging the recommendation to integrate an internal carbon price, as Risk 1 highlights, it is not material and therefore deemed unnecessary to implement. However, it may be used in assessing future large capex and investment activities.

Principal risks evaluation

Risk management framework

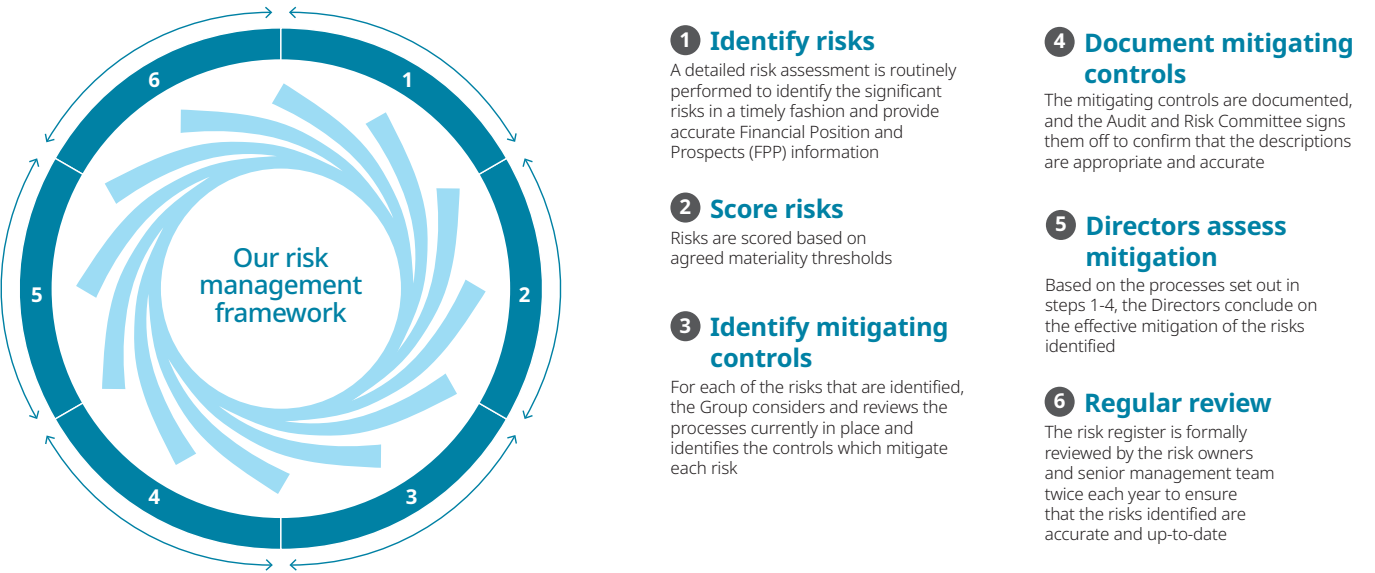
- The Group has established a risk management framework that includes:
- a. Formal focused risk registers established for International Organisation for Standardisation (ISO) 27001 (Information Security and Process), 9001 (Quality Management) and 13485 (Medical Devices) accreditations
 - b. A process for identifying emerging risks
 - c. A process for profiling and scoring risks
 - d. A process to report risk to the senior leadership team, who will approve mitigations and report to and consult with the Audit and Risk Committee
 - e. A process for internal audit
 - f. A process for sharing direction from the Audit and Risk Committee and the Board on risk tolerance and mitigation with leadership and, in turn, their reports

Three Lines of Defence

01 First Line of Defence Operational teams	Departmental meetings/ Committees Representatives of each standing departmental meeting who serve on the Operating Committee escalate risks identified in the departmental meetings for review in the Operating Committee	Research & Development Manufacturing & Supply Chain Legal/Finance Strategic People & Organisation	Information Technology Intellectual Property Commercial
02 Second Line of Defence Business assurance and oversight	Board - Based on a recommendation of the Chief Executive Officer, the Board defines and adjusts the Group's risk tolerance - Direction from the Board is shared with the Operating Committee Operating Committee - Risk is a standing discussion item in each Operating Committee meeting - Risks and mitigation plans are documented in the Group's risk register and the Operating Committee's minutes. The minutes identify the risk discussed, the mitigation agreed, assigned next steps, and the responsible party - Direction from the Board is shared by the Operating Committee with each department - Twice annually the Operating Committee, in coordination with the VP Finance and Risk & Controls Manager, reviews and updates the Risk Register	Central Functions and Internal Controls The Group has established controls, which provide a solid basis for making proper judgements on an ongoing basis as to its FPP. These controls cover: - High-level reporting environment - Forecasting and budgeting - Management reporting - Financial and accounting reporting - Significant transactions and strategic projects - Technology	HR Legal & Co Sec Strategic Comms Finance IT Investor Relations
03 Third Line of Defence Independent assurance	Audit and Risk Committee - Twice yearly (and as needed on an ad hoc basis), the Operating Committee reports to the Audit and Risk Committee on risks and mitigation - The Audit and Risk Committee review the risk register twice each year - The Audit and Risk Committee reports to the Board	Internal audit The Group has engaged Grant Thornton to fulfil the responsibilities of an internal audit function to assess the adequacy of such internal controls. In 2024, Grant Thornton completed and presented findings on internal audits on four functions, with an additional audit completed in Q4 2024 and reported at the February 2025 Audit and Risk Committee meeting.	Due diligence Due diligence checks are performed by third parties on suppliers and channel partners. Due diligence on customers is also completed in certain jurisdictions

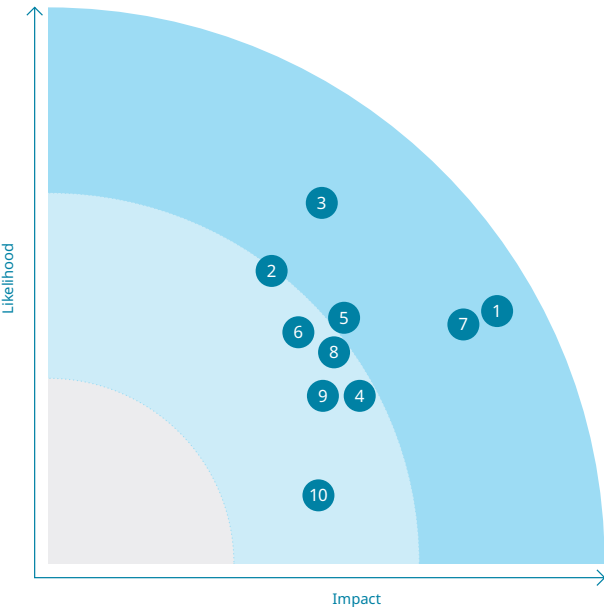
Risk management process

The Group has created a risk profiling framework pursuant to which the Operating Committee (either directly or through delegation to department leadership) is responsible for identifying, assessing, and mitigating risk under the direction of the Audit and Risk Committee. The Operating Committee enables the flow of information to and from the Board and across the Company to the senior management. The risk profiling procedure consists of the steps as described below.



Principal risks and uncertainties

Based on information shared by the Operating Committee, as supported by a risk committee led by the CFO and General Counsel, the Audit and Risk Committee has assessed the principal risks facing the Group as at 31 December 2024. This included an assessment of the likelihood of each principal risk identified, and the potential impact of each risk after taking into account mitigating actions being taken. Risk levels were modified to reflect the current view of the relative significance of each risk.



Link to strategy			
Innovation Commercial execution Operational excellence			
Principal Risks	Rating	Trend Strategy	
1 Ability to achieve medium-term revenue growth targets and ability to expand into diagnostics clinical, biopharma, and applied industrial sectors, including the successful introduction of products	High	↔	📊📈🎯
2 Ability to successfully introduce products to remain a technology leader and to offer a reliable platform on which customers may rely	High	⬆️	📊📈🎯
3 Trade (including tariffs, export compliance, end user controls, GPU controls and sanctions), war, fluctuations in research funding, component inflation, and price competition triggered by competitors	High	⬆️	📊📈🎯
4 Reliance on channel partners and expanding geographies	Medium	⬆️	📊📈🎯
5 Cyber security (network and device)	Medium	↔	📊📈🎯
6 Intellectual property protection and competition	Medium	↔	📊📈🎯
7 Founder-led company and succession planning	Medium	⬇️	📊📈🎯
8 Ability to make products: supply chain and manufacturing	Medium	↔	📊📈🎯
9 Data privacy, data classification and sample collection, use and study ethics, and ethical use of products	Medium	↔	📊📈🎯
10 Environment, health and safety	Medium	↔	📊📈🎯

Principal risks and uncertainties

1			
Ability to achieve medium-term revenue growth targets and ability to expand into diagnostics clinical, biopharma, and applied industrial sectors, including the successful introduction of products			
Trend since 2023 ↔ Rating HIGH	Links to strategy Innovation Commercial execution Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	NON-FINANCIAL 4. WOMEN IN SENIOR LEADERSHIP ROLES 5. PUBLICATIONS
Potential impact The Group has incurred significant losses since inception and continues to be loss-making. We incurred operating losses of £152.3 million in 2024, £168.6 million in 2023, £98.5 million in 2022, and £164.6 million in 2021, and as at 31 December 2024, we had an accumulated deficit of £402.0 million. The Group will need to generate and sustain increased revenue levels and decrease proportionate expenses in future periods to achieve profitability. The Group may continue to incur losses in the near term as a result of substantial increases in our operating expenses, as we continue to invest in order to increase the number of customers and utilisation. We may be required to continue to provide discounts to large customers and/or invest in proofs of concepts to demonstrate the utility of our products. We will continue to invest in existing and new markets, research and development, expanding marketing channels and operations, and adding new products. These efforts may prove more expensive than we anticipate, and we may not succeed in increasing our revenue and/or gross margins sufficiently to offset these expenses. Many of our efforts to generate revenue and/or increase margin are in new markets and/or require improvements to our products that may not materialise or may be unreliable. Any failure to adequately increase revenue or contain the related costs could prevent us from attaining or increasing profitability. Our investment in large-scale human genomics projects, which are necessary to support the desired pace of growth, has often required pricing concessions that reduce margin, and our continued success in winning such projects will further put pressure on our margin. Parts of our business – e.g. large-scale human genomics projects – are difficult to forecast, particularly regarding the timing of revenues. The Group's efforts to restructure and better align costs and growth may make it harder for the Group to achieve its product development and/or commercialisation efforts, which could require the Group to consider further similar measures. With negative cash flow expected until the Group achieves EBITDA break-even, which it aims to do by the end of 2027, and continued investments in growth, the Group is expected to continue to incur net losses and experience negative cash flow from operations over the next few years. This could increase the Group's vulnerability to general adverse economic and industry conditions, limit its ability to react to changes in the Group's business and the industry in which it operates and place it at a disadvantage to its competitors. The Group's losses may make it vulnerable to general adverse economic and industry conditions, may limit our ability to fund capital expenditures, research and development and other business opportunities, and may result in a lower and more volatile share price.			
Mitigating strategy Commercial team doubled since IPO Number of channel partners (distributors and dealers) doubled since IPO Restructuring to align team with pace of growth and projects with strategy Development of new markets, including clinical, applied industrial, and biopharma through collaborations with partners and potential customers Development of Q-line Regular review and prioritisation of ongoing and new investment, including, without limitation, hiring and personnel, projects, markets, and products, based on prudent financial analysis and management Development of applications demonstrating unique features of the platform and innovative research that can be done on the platform Regular improvements to the platform and products Expanded manufacturing capability Expansion of and investment in indirect sales channels Cost containment including reduction in workforce (see page 12)			

Strategic Report	Corporate Governance	Financial Statements	Further Information
2			
Ability to successfully introduce products to remain a technology leader and to offer a reliable platform on which customers may rely			
Trend since 2023 ↑ Rating HIGH	Links to strategy Innovation Commercial execution Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	NON-FINANCIAL 5. PUBLICATIONS
Potential impact The global life science research market is characterised by rapid and significant technological changes, frequent new product introductions and enhancements, and evolving market standards. This may result in the Group's products becoming obsolete. The Group is also aware of increasing competition in the nanopore sequencing space. The Group's success depends on its ability to continue delivering improvements to its products at a competitive price, as well as its ability to develop and introduce new products, in each case, to address the evolving needs of the Group's customers on a timely and cost-effective basis. In turn, this has an impact on the Group's ability to increase (and maintain) revenue and margin. The Group's entry into clinical, applied industrial and biopharma markets means that the Group must establish new means of sales, refine terms of sale, products and related services, and pricing to meet differing customer expectations. In some cases, the Group's products are being introduced ahead of established demand and into regulatory environments designed for legacy technologies the Group hopes its products replace. This has an impact on the Group's ability to maintain and/or increase revenue and margin. Our success is highly dependent on our ability to further penetrate the market and establish new markets for our products. If our products fail to achieve and sustain sufficient market acceptance, we will not achieve our financial objectives.			
Mitigating strategy Investment in Q-line and collaborations for regulated products for clinical and applied industrial markets Continued focus and investment in R&D activities separate and in addition to product development Engagement with customers and prospective customers in new markets Executive team focus and regular monitoring Continuous product release through early access channels to establish customer requirements and input into the product development pipeline Investment in technology transfer, quality and regulatory groups that focus on prototype to production-ready manufacturing processes, quality control, and regulatory requirements, compliance, and stakeholder engagement Continuing manufacturing innovation and optimisation Focus on dedicated teams to research alternative product designs to enable high-volume and high-quality manufacturing Continuous data collection at every critical point of manufacturing to drive production improvement projects Focus on strong Quality Management System (QMS)			
3			
Trade (including tariffs, export compliance, end user controls, GPU controls and sanctions), war, fluctuations in research funding, component inflation, and price competition triggered by competitors			
Trend since 2023 ↑ Rating HIGH	Links to strategy Innovation Commercial execution Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	NON-FINANCIAL 5. PUBLICATIONS
Potential impact The Group operates a global business, and its business has been and may continue to be impacted by restrictions on trade, the wars in Ukraine and Israel/Gaza/Lebanon and possible war in Taiwan. In particular, the UK and US trade restrictions on sale of certain goods to China, including rules with respect to advanced AI specific to certain GPUs has increased the Group's costs, slowed growth, and reduced demand from customers in the Middle East and Asia. Further, life science research funding has been reduced since the COVID pandemic and may be further adversely impacted by the recent elections in the US, in particular reductions in NIH funding and internation aid supporting pathogen detection and prevention of infectious disease, and slow growth in Europe and China. Uncertainty regarding tariffs makes it difficult to plan and potential tariffs on UK products may adversely affect sales in the US. This has an impact on the Group's ability to maintain and/or increase revenue and margin. Because someof our customers and suppliers are based in China, our business financial condition and results of operations could be adversely affected by the political and economic tensions between the United States and China.			
Mitigating strategy Availability of an integrated P24 and P2i Proactive forward-looking export licence applications, increased end-customer diligence in China, and more tailored end-user undertaking agreements with certain end customers Investments in trade compliance Use of internal audit to assess risk and mitigations Expansion into clinical, applied industrial and biopharma sectors Investment in sales and marketing in the US and Europe Maintaining large inventory of key components Minimising outsourcing of manufacture Robust export control policy Detailed training provided to staff In-house legal team supported by access to external advice			

4			
Reliance on channel partners and expanding geographies			
Trend since 2023 ⬆️	Links to strategy 📊 Commercial execution 🏆 Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	
Rating MEDIUM			

Potential impact
The Group increasingly relies on channel partners to support sales and marketing, importation, and first-line technical and customer support. The Group does not have control over these channel partners and such channel partners may fail to comply with laws. The Group's ability to properly train, manage, and audit these channel partners is likely to impact its financial performance. Misconduct by channel partners may adversely affect the Group's reputation and may result in fines or loss of business opportunities. The Group has also expanded the number of jurisdictions in which it operates, often with a small number of employees in many jurisdictions. It may be challenging for the Group to effectively manage such persons and to efficiently identify and meet local law compliance requirements. Any failure to meet such requirements may adversely affect the Group's financial performance, cause it to incur costs, such as legal, tax, travel and expenses, that are not offset by sufficient increases in revenue, adversely affecting the Group's ability to achieve its financial objectives.

5			
Cyber security (network and device)			
Trend since 2023 ↔️	Links to strategy 📊 Innovation 🏆 Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	
Rating MEDIUM			

Potential impact
The Group's systems, data (wherever stored), software, networks, and those of third parties, are vulnerable to security breaches (whether deliberate or unintentional), including unauthorised access from within the Group or by third parties (for the purpose of misappropriating financial assets, IP or sensitive information, or otherwise), computer viruses or other malicious code and other cyber threats that could corrupt data, cause operational disruption or otherwise have an adverse security impact. In addition, certain of its devices are similarly vulnerable when deployed by the Group's customers, particularly if such customers do not implement their own physical, administrative, and technical safeguards for the lab in which the device is used. As the Group and its customers begin to use the Group's products for clinical and translational research, including, as a laboratory tool used as part of laboratory-developed tests, and/or by biopharma customers for manufacturing quality control, the risks related to unauthorised access to devices grows. Further, while the Group continues to minimise collection and storage of human genomic data, some such data is collected and an even smaller amount is stored. This is done for research, occasionally as part of pilot projects to demonstrate performance of the platform, and in the instances where the Group performs sequencing on its platform as a service. Recent events experienced by companies in related sectors show this is an ever-present risk.

6			
Intellectual property protection and competition			
Trend since 2023 ↔️	Links to strategy 📊 Innovation 🏆 Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	NON-FINANCIAL 5. PUBLICATIONS
Rating MEDIUM			

Potential impact
The Group's ability to add and create value and, therefore, its success, depends, in large part, on its ability to obtain, maintain and enforce a combination of patents, trademarks, copyright, trade secrets and proprietary knowledge, and to impose confidentiality procedures and contractual and other restrictions, in all cases so as to establish and protect its proprietary IP rights. Growing and maintaining a larger patent portfolio is expensive. Enforcing patents against new entrants is expensive and a distraction from the Group's primary objectives. However, the failure to grow, maintain and enforce IP may lead to substantial harm to the Group and its ability to operate. Increasing the Group's activities in applications of its platform, whether in the clinical, applied industrial or biopharma space introduces additional IP risks as participants in these sectors are themselves active in building patent portfolios and the Group's patents in such areas are not as numerous as those covering its platform. The life science industry generally is litigious. The Group itself has in the past had to spend significant amounts of money and time defending itself from unsuccessful patent litigation. Customers and collaborators file patents on methods of using the Group's platform, which may limit the Group's ability to expand into new markets.

7			
Founder-led company and succession planning			
Trend since 2023 ↔️	Links to strategy 📊 Innovation 📊 Commercial execution 🏆 Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	NON-FINANCIAL 4. WOMEN IN SENIOR LEADERSHIP ROLES
Rating MEDIUM			

Potential impact
The Group's future success depends to a large extent on the experience and knowledge of the Executive Directors, its executive team and other key employees, and loss of the services of one or more of such persons could adversely affect the Group's business. Risk is heightened in the event of a departure of the Group's Chief Executive Officer, or key employees, consultants, suppliers and/or advisers with specialist scientific and technical skills that the Group requires for its product development or commercialisation. Departure of the Group Chief Technology, Innovation, and Product Officer in 2024 and the successful appointments of Rosemary Sinclair Dokos as Chief Product and Marketing Officer and Lakmal Jayasinghe as Chief Scientific Officer demonstrates that the Group's bench of talent and succession planning are successfully mitigating this risk. Efforts to restructure the business to ensure alignment of persons, growth, and strategy have the potential to trigger undesired attrition. The Group's success also depends on its ability to attract, train, motivate and retain key personnel.

Mitigating strategy

- Competitive remuneration package including a Long-Term Incentive Plan (LTIP) in place to retain executive talent
- Succession planning in process
- Expanding leadership team and depth
- Recruitment of and fostering development of emerging leadership
- Implemented a competitive reward and recognition package
- Established career development opportunities widely promoted
- Focus on culture, mission, and creating a stable and motivating environment for all staff

8			
Ability to make products: supply chain and manufacturing			
Trend since 2023 ↔ Rating MEDIUM	Links to strategy Innovation Commercial execution Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	NON-FINANCIAL 5. PUBLICATIONS
Potential impact Supply chain issues driven by demand, changes to products and introduction of new products, logistics interruptions, heightened geopolitical tensions – particularly between the United States and the People's Republic of China, the wars in Ukraine and Israel/Gaza, and the risk of war in Taiwan – have made it challenging to source key electronic components on a timely and cost-effective basis. The Group's products include several unique customised components, many of which have been developed and produced solely for the Group and are tailored to its specifications. The Group's products are manufactured or assembled either at the Group's manufacturing facilities located in the MinION Building in Oxfordshire or within the Group's laboratories and facilities within England or, in the case of certain components of the Group's products, including the ASIC chips and wafers and certain biologics, at the Group's third-party manufacturers' facilities. Unavailability of or the lack of timely availability of such components or the inability to redistribute such goods to some jurisdictions may require the Group to use substitute components, which could increase the cost of manufacture and support, and may decrease the demand for the Group's goods, on a temporary or ongoing basis. The manufacture of the Group's products is highly exacting and complex, and problems have in the past required pulling some flow cells before distribution and, on occasion, replacing flow cells distributed. Such issues may continue to arise during manufacturing or shipment for a variety of reasons, including equipment malfunction, failure to follow specific protocols, or defective or slightly variable materials and components. In addition, if the manufacturing facilities of third parties on whom the Group relies, become unavailable for any reason, the Group would need to secure alternative manufacturing facilities with the necessary capabilities or move such manufacturing processes in-house. This could require substantial lead times and substantial capital investment. If this were to include unavailability of access to ASICs or GPUs designed, fabricated or assembled in Taiwan, the Group may not be able to continue to manufacture its products or meet growing demand. In turn, this would have an impact on the Group's ability to maintain and/or increase revenue and margin.			
Mitigating strategy • Policies and agreements to manage our suppliers, including use of dual sourcing • Detailed forecasting of requirements • Maintaining large inventories of key components • Developing alternative components, suppliers, and/or products and increasing flow cell recycling • Maximising internal manufacture • Use of internal audit to assess risk and mitigations • Established a Business Continuity Plan (BCP) and conduct test scenarios on a regular basis			

9			
Data privacy, data classification and sample collection, use and study ethics, and ethical use of products			
Trend since 2023 ↔ Rating MEDIUM	Links to strategy Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	
Potential impact The Group operates globally and relies on access to data relating to its customers, its employees, and its research and development to conduct its operations. Properly collecting, classifying, and controlling this data to comply with often conflicting laws and in a manner to enable the Group to grow its business is expensive and challenging. In addition, the Group's ability to identify and protect its trade secrets while remaining nimble is also a challenge. The Group is increasingly required to process and hold for a short time more human genomic data, which requires compliance with stringent and complex regulations.			
Mitigating strategy • Investment in resources to protect the data held by the Group and the use of it • Data protection policy in place • Segregation of duties within systems where personal data is handled has been established • The HR records are segregated from other data, and only limited access is available • A Data Protection Officer (DPO) role is active within Oxford Nanopore with independent responsibility for assuring security of personal information • Legal support in-house • General Data Protection Regulation (GDPR) practices employed to limit data processing • Regular training and awareness provided to the staff with at least annual requirement to read Company policies • Implementation of a system to enable classification of data and establishment of different controls based on such classifications			
10			
Environment, health and safety			
Trend since 2023 ↔ Rating MEDIUM	Links to strategy Innovation Commercial execution Operational excellence	Relevant KPIs FINANCIAL 1. REVENUE 2. GROSS MARGIN 3. ADJUSTED EBITDA	
Potential impact The Group's R&D and manufacturing activities involve the use of hazardous materials, including chemicals, biological materials, solvents, and radioisotope materials ("hazardous materials") and genetically modified organisms. One or more of the kits sold by the Group include a chemical that may be deemed hazardous. Accordingly, the Group is subject to laws, regulations, and permits relating to environmental, health and safety matters, including, among others, those governing the use, storage, handling, exposure to and disposal of solvents and other hazardous materials and waste, the health and safety of its employees, and the shipment, labelling, collection, treatment and disposal of non-hazardous and hazardous waste appropriately managed by internal staff and approved waste contractors. If the Group were found to have failed to handle hazardous materials or genetically modified organisms with care and/or to have violated environmental, health and safety laws and regulations (in respect of past or future activities), as a result of human error (including failure to understand applicable laws and regulations), accident, equipment failure, or otherwise, it may be subject to investigations, substantial fines and penalties, remediation costs, property damage and personal injury claims, suspension of production or product sales, loss of permits or a cessation of operations. This may result in potential fines, reputational damage, and/or suspension of operations leading to an impact on financial results.			
Mitigating strategy • Dedicated Health & Safety (H&S) resources to ensure all rules are enforced • Complete and accurate safety data sheets are prepared and maintained for all products • Software tools and third-party advisors to better enable compliance and incident avoidance • Training and awareness given to staff • Full regulatory assessment and identification of any compliance gaps and actions to mitigate these • Legal support in-house and engagement of third-party consultants as SMEs			

Section 172 statement and stakeholder engagement

The vision of Oxford Nanopore is to enable the analysis of anything, by anyone, anywhere. We have developed our technology to make it accessible for all those who need it, whether in developed markets or more resource-limited settings. Our technology is being used by scientists around the world to make a positive impact on society and we are committed to running our business in a sustainable and ethical way. This is firmly embedded in our culture.

The Group’s stakeholders are the people, communities, and organisations which have an interest in our vision, purpose and strategy or who may otherwise be affected by decisions made by its Board. The Board is committed to open, transparent dialogue with stakeholders and believes that effective engagement is critical to drive long-term value creation.

The Board confirms that throughout the year ended 31 December 2024, it had regard to the matters set out in section 172 of the Companies Act 2006 as amended by the Companies (Miscellaneous Reporting) Regulations 2018. Further information on each of the matters set out in s172 is detailed in the table opposite.

In addition to the Group’s key stakeholders, the Board engages with and considers the interest of any other stakeholders who may be interested in the Group’s business or otherwise be impacted by its decisions. Examples of other stakeholders include governments and governmental bodies, research partners, academic institutions, analysts, governance bodies, which include proxy advisors, and regulators.

Pages 80 to 86 detail the ways in which the Board engages with our key stakeholders to deepen their understanding of the issues that matter to them and to allow for stakeholder views to be taken into account in Board decision making.



Meaningful engagement with our stakeholders is a priority for us, and is a key part of achieving our strategy. This year, we were proud to celebrate our tenth annual London Calling conference, which has remained a key opportunity for us to engage with our customers and the wider Nanopore Community.”

Dr Gordon Sanghera, CBE
Chief Executive Officer



Section 172 factor	Disclosure	Pages
The likely consequences of any decision in the long term	Our mission	2
	Our business model	30
	Our strategy	32
	KPIs	40
	Viability statement and going concern	88
The interests of the Group's employees	Opportunity and belonging	60
	Talent and career management	61
	Our people	58
The need to foster the Group's business relationship with suppliers, customers, and others	Our business model	30
	Our strategy	32
	Our sustainable impact	48
	Governance	90
The impact of the Group's operations on the community and the environment	Sustainability	48
	TCFD	66
The desirability of the Group maintaining a reputation for high standards of business conduct	Culture	100
	Governance	90
	Internal controls	113
The need to act fairly between members of the Group	Annual General Meeting	93
	Rights attaching to shares	140

Our people

Why our people matter Effective engagement aligns employees with the Group’s strong culture and core values, ensuring everyone works together towards a shared vision. We continue to invest in our ability to engage, retain, incentivise, and develop the best talent globally.

- What matters to our people**
- Execution and delivery of strategy
 - Purpose and culture
 - Training and development
 - Opportunity and belonging
 - Reward and benefit structures
 - Wellbeing and mental health

- How we engage**
- Designated Non-Executive Director for workforce engagement
 - All-Employee Meetings
 - Sharing great customer case studies
 - Employee intranet
 - Monthly People news
 - Values in Action initiative (see page 100 for further details)
 - Internal talent development programme
 - Manager and Leadership development programmes
 - HR business partnering
 - Externally facilitated whistleblowing hotline
 - Mental health first aiders

- How feedback influences Board discussions**
- The Non-Executive Director of Workforce Engagement meets with employees taking part in the Group’s employee experience initiative, Values in Action. The CEO and Non-Executive Director of Workforce Engagement were closely involved in re-imagining the structure of the Values in Action initiative, including to establish dedicated regional communities.
 - The ability to recruit and develop the most talented employees who believe in the Group’s purpose and motivating employees towards a common goal, is a priority for the Board in its decision making.
 - The Board receives updates at each Board meeting on employees including KPIs around headcount, attrition, and diversity, including the cited reasons behind employees leaving the Group. The Board considered the interests of employees balanced with promoting good financial stewardship, alongside external factors such as inflation, when approving the Group’s annual budget for 2025.

- Highlights for 2024**
- Initiatives delivered by our Values in Action communities included: (i) piloting a volunteering project in Harwell, (ii) supporting roll-out of a recycling initiative on the Oxford Science Park buildings and (iii) provision of a bike repair station to promote cycling to work.
 - World Wellbeing Week held in June, involving various sessions focused on wellbeing including practical yoga, meditation and neuroscience-led physical intelligence sessions and educational health seminars.
 - 344 employees completed one of the Group’s My Mastery or Manager Mastery courses, representing 3,142 hours of instructor-led training.

Stakeholder engagement in action Engaging with our people – Evolving Leaders

During the year, the Group partnered with a select number of preferred partners to develop a new management development programme, Evolving Leaders. The goals of this programme were to fully equip and help participants develop their line management responsibilities, encourage them to enhance and adapt their leadership style in order to improve team performance, increase engagement and drive delivery.

Delivered over nine months, the Evolving Leaders programme interwove thought-provoking theory and experiential learning sessions. It was developed to allow for immediate experimentation and application of learning in the work environment, to accelerate understanding and generate higher return on investment.

During the year, a total of 66 senior leaders joined an Evolving Leaders cohort (with a further 27 registering to commence in 2025), representing 1,898 module hours and 131 coaching hours.

Our customers, research partners and collaboration partners

Why our customers, research partners, and collaboration partners matter	The Group considers itself part of a broader scientific community of users of its technology. The Group collaborates deeply with its customers, as well as supporting them from a technical and customer service perspective. The Group also collaborates with a number of third parties. As such, understanding, engaging, and responding to customer and partner needs is a critical priority.	How feedback influences Board discussions	- Following customer engagement and insight gathered from ongoing market intelligence and customer relationships, the Board reviews and provides input on strategy, resource allocation and prioritisation across markets and customers - The Board continued to drive the senior leadership team to deliver disruptive, high performing technology into existing markets and to create new markets and utilise good business practice with all stakeholders - The Board receives updates and feedback on the Group's markets, customers and operational performance at every Board meeting
What matters to our customers	- High performance technology that enables the performance of groundbreaking and routing scientific analyses - The ability of our technology to enable advancements of science and to be used in applied settings - Vision, purpose and progress and how this relates to market opportunities - Strategy and operational performance - The range of applications available to customers and how the Group supports new application development and customers - Access to useful products at a reasonable price with limited barriers to commence sequencing/analysis - Sustainability	Highlights for 2024	- Two main customer events held during the year – London Calling (London) and National Community Meeting (Boston), in addition to a series of Nanopore Days as part of the ‘What you're missing matters’ tour - Asuragen released AmpliDeX® Nanopore Carrier Plus Kit on the Company's platform, a long-range PCR and long-read sequencing solution - Expansion of NHS England's respiratory metagenomics programme led by Guys and St Thomas' NHS Foundation Trust, combining effective infectious disease management with rapid emerging pathogen detection and notification
How we engage	- Meetings/calls with senior leadership team and Board members - Extensive training of our customer-facing teams, to ensure we support our customers in the best way possible - Direct customer feedback - London Calling, ‘What you're missing matters’ meetings, and Nanopore Community Meeting (NCM) conferences, as well as ‘Nanopore Days’ - Sponsored research at leading academic institutions - Participation in leading industry conferences - Strategy planning processes, taking into account both existing and future customer needs and trends over the next five years		

Stakeholder engagement in action
Engaging with our customers – tenth anniversary of London Calling

This year, we celebrated the tenth anniversary of our London Calling customer conference. Dr. Gordon Sanghera, CEO, gave remarks reflecting upon progress since the first London Calling conference in 2015, which had 178 attendees. The 2024 conference welcomed over 600 pioneering genomics scientists in person, with another 4,000 joining online, reflecting the expanding impact and usage of the Company's technology in the past ten years.

At the conference, compelling research was presented which once again illustrated the transformative potential of nanopore sequencing in driving new discoveries across diverse fields of biology, including conservation genomics, foodborne disease surveillance and paediatric clinical research. The Company also gave updates on product improvements, including improved performance on accuracy, higher accuracy and output for direct RNA sequencing, and pipeline updates, such as the MinION Mk1D entering early access. London Calling 2024 demonstrated the strength of the Nanopore Community and the potential of the Company's technology to shape the future of genomics.

Our shareholders

Why our shareholders matter	Engagement with and an aligned vision with the Group's shareholders is key to our success. The Board treats all shareholders fairly and ensures decisions are made for the benefit of all shareholders.	How feedback influences Board discussions	- The Board takes into account shareholder opinions when developing and discussing the Group's strategy to deliver long-term and sustainable growth. The Board considered the interests of all stakeholders, including shareholders, when it discussed the Group's medium-term plan. - The Board ensures that the Group has sufficient capital to achieve its purpose and pursue its long-term strategic aims. The Board considered the capital needs of the Group throughout 2024 and in particular, when approving the Group's financial statements and the £80 million equity placing (including £50 million strategic investment from Novo Holdings). - In 2024, the Company engaged with its largest shareholders as part of the remuneration policy review, with feedback leading the Remuneration Committee to restructure components of the 2025 annual bonus (see page 118 for further details). - The Audit and Risk Committee reviews the internal and external audit processes and reports to ensure the Group has a strong framework of controls to protect shareholder investment.
What matters to our shareholders	- Execution and delivery of strategy - Drive to a positive EBITDA in 2027 - Revenue growth - Technology, operational, commercial, and financial performance - Sustainability - Long-term growth and vision - Developments in customer markets and the competitive landscape - Capital allocation considerations - Executive remuneration	Highlights for 2024	- Met with more than 450 investors from 189 institutions during the year - Conducted seven multi-day investor roadshows and organised four investor site visits, in addition to attending ten conferences - Investor Relations update provided at each Board meeting including any movement in top 20 shareholders, market feedback and investor engagement
How we engage	- Annual General Meeting - Meetings and calls - Investor roadshows - Analyst events - Regulatory announcements - Annual Report and Accounts - Dedicated Investor Relations function - Updates on website and social media		

Our suppliers

Why our suppliers matter	The Group has a complex and robust supply chain, and our suppliers contribute to innovative processes by developing their own products and services, which are sometimes bespoke, to achieve the Group's goals. The Group aims to build honest, respectful and transparent relationships with suppliers who comply with applicable regulations and share our commitment to the highest standards of corporate governance.	How feedback influences Board discussions	• The Board discussed the Group's suppliers when deciding on the Group's inventory levels and approving purchase order requests • The Board considered key risks in relation to its supply chain, in particular in respect of geopolitical factors and components available from few sources, when reviewing its risk register and discussing risk • The Board received regular reporting on matters concerning suppliers, including key procurement reviews
What matters to our suppliers	• Responsible business practices and due diligence • Conduct and ethics • Fair business terms and prompt payment • Robustness and flexibility of supply chain • Visibility on requirements • Locations from which components and resources are sourced • Sustainability	Highlights for 2024	• Detailed training on ISO14001 is being provided to key suppliers to support them improving environmental standards • To help achieve the Group's net-zero commitments, suppliers are being trained on carbon footprints in order to map their own carbon emissions • Key suppliers have been offered extended licence of a risk management software (free of cost) to manage risks in their own sub-tiers. This will help the Group to reduce overall supply chain risk
How we engage	• Supply chain team reports directly to Chief Operating Officer • The Group's supply chain team develops deep relationships and seeks feedback from both new suppliers and existing suppliers • Full supplier performance management in place and developing ways to further improve relationships • Dedicated function within Supply Chain to manage ESG & Risk • Commenced the rollout of further support to key suppliers through a committed Supply Chain engagement programme. This will help the Company drive decarbonisation and better governance to address Scope 3 emissions		

Our communities and the environment

Why our communities and the environment matter	Our communities comprise those living and working in close geographic proximity to the Group's operations, those with whom the Group does business, and more broadly, the wider members of society whose lives the Group aims to positively impact with its technology. The Group's products and operations are designed to enable access to sequencing technology for the public good, whether this is in rapid pathogen analysis in outbreak situations, in human genetics, or in crop science in developing countries or those with lower incomes. The Group is committed to limiting the impact of its operations on the environment. Please see page 62 for further details. The Group is committed to the availability of its technology in low-income countries and by leading researchers, wherever they are located.	How feedback influences Board discussions	• The Remuneration Committee implements ESG metrics into the Group's remuneration targets on an ongoing basis • The Board regularly discusses the positive impact of the Group's technology on communities and the environment • The Board receives regular operational reports on the impact of our customers' work, in areas across science and society
What matters to our communities and the environment	• Vision and purpose • Problem solving where genomics may be a solution at a strategic level e.g., with governments and senior corporate leadership • Sustainability • Access to technology with as few barriers to entry as possible	Highlights for 2024	• Published a Net Zero Transition Plan, outlining the targets the Group has set to ensure progress is being made to contain global warming to 1.5 °C • Approximately 10% reduction in tonnes of CO₂e emitted per £m revenue • ESG measures were included in the 2024 annual bonus scheme for all employees, including Executive Directors, to ensure performance in this area is linked with remuneration at all levels throughout the business
How we engage	• An internal working group has been established which produces the Group's Sustainability Report • The Board has overall accountability for the Group's sustainability strategy and receives updates on sustainability • Sponsorship programmes, including for universities and the Royal Society of Chemistry's Broadening Horizons programme		

Stakeholder engagement in action
Engaging with our communities and the environment – Education

2024 saw the Group's new education function benefit from collaboration with the Cold Spring Harbor Laboratory DNA Learning Center (DNALC). Throughout the summer, seven training courses were conducted by the DNALC, catering to over 130 educators from 100 faculties – 90% of whom were brand new to nanopore sequencing and two-thirds of whom agreed that nanopore sequencing will become an essential technology in life science classrooms. The student impact of our focus on education also began to pay dividends — 16-year-old Noah Bryan made history as the first school student to take the stage at our Nanopore Community Meeting, presenting his field-based water contamination test, developed using nanopore sequencing. He represents just one point in the several thousand students now being given the opportunity to interact with nanopore sequencing every year.

Stakeholder engagement in action

Principal decision: Investment from Novo Holdings and Placing

In July, the Board approved an equity issue (the “Equity Issue”) to raise aggregate gross proceeds of approximately £75 million, involving a strategic investment from Novo Holdings A/S (“Novo Holdings”) of up to £60 million, and a placing to institutional investors (as further explained on page 141, the Board subsequently decided to increase the size of the Equity Issue from approximately £75 million to £80 million as a result of strong demand from investors). Proceeds from the Equity Issue will be used for general corporate purposes.

The Board believes that the Equity Issue consolidates the Company’s financial position and reinforces and validates the Company’s strategy and future growth plans across each of its end markets, including Life Sciences Research Tools, Clinical and Applied industrial, building towards its long-term opportunity of bringing faster, richer, more affordable and accessible molecular information to broad market needs.

Following consideration, the Board concluded that the Equity Issue would be in the best interests of all stakeholders. When making the decision, the Board had regard to the following stakeholders:

Shareholders

The Board considered the impact on the Group’s existing shareholders and worked to make the offering available to as many existing shareholders as was reasonably possible. The Board noted that the investment by Novo Holdings would help to strengthen the Company’s relationship with a strategic financial investor. Novo Holdings is a leading, long-term global healthcare investor with significant experience in developing growth companies like the Company to drive long-term value creation.

Soft pre-emption was adhered to in the allocations process for the placing element of the Equity Issue, thereby seeking, to the extent possible within the constraints of the exercise, to replicate the Company’s existing shareholder base. Allocations made outside of soft pre-emption were preferentially directed towards existing shareholders in excess of their pro rata interests, and wall-crossed accounts. The Board noted that although the investment would result in some dilution for the Group’s other shareholders,

shareholders

shareholders had previously approved the ability for the Company to allot new shares up to specified limits in accordance with the Pre-Emption Group’s advised limits at the 2024 AGM. The Board noted that the investment would be within the limits approved at the AGM.

In addition, Novo Holdings indicated that it intended (subject to, inter alia, availability and price) to make further market purchases of the Company’s shares up to £10 million. The Board felt that this would enhance liquidity of the Company’s shares, which was beneficial for the shareholders.

In addition, the money received from the investment would further strengthen the Group’s cash position, which the Board believes is in the best interests of all stakeholders including the shareholders.

Employees

Although the investment was unlikely to impact employees on a day-to-day basis, the Board concluded that the investment would be positive for employees as it would help enhance the Group’s strategy and provide additional cash to the Group.

Community and the environment

The Board noted that the Novo Holdings team had deep knowledge of the biopharmaceutical market, including biomanufacturing, a key growth area for the Company. The investment by Novo Holdings fits with the Company’s strategy, given the commitment to biopharma as one of the Company’s strategic growth vectors. Oxford Nanopore’s technology platform is uniquely suited to address the needs of this industry where information-rich, rapid and simplified sequencing are critical to developing and delivering biopharmaceuticals faster and with less complexity. The Board therefore concluded that the Equity Issue, including the investment from Novo Holdings, would help the Group deliver in the biopharma space, with the aim of improving healthcare worldwide and having a positive impact on the wider community, including for patients.

Other stakeholders

The Board also considered its wider stakeholders and noted that the Equity Issue would either have no impact on the stakeholders or have a positive impact on wider stakeholders.

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Non-financial information statement

Oxford Nanopore’s Non-financial information statement is presented in this section, complying with Sections 414CA and 414CB of the Companies Act 2006. The following table incorporates the Group’s approach on relevant non-financial matters.

Reporting Requirement	Oxford Nanopore’s policies and standards	Where to read more in this report	Page
Business model	N/A	Business model	30
Non-financial KPIs	N/A	Key performance indicators	40
Principal risks	Risk Register	Risk management	72
	ISO 27001, 13485 and 9001 accreditations	Principal risks and uncertainties	74
		Business model	30
		Audit and Risk Committee report	109
Stakeholders	Group Data Protection Policies including Privacy Policy, Human Genomic Policy and Data Retention Policy	Stakeholder engagement	80
		s172 statement	80
		Board activities	94
		Our sustainable impact	48
		Employee engagement	81
		Corporate Governance report	99
Employees	Flexible Working Policy Whistleblowing Policy Directors’ Remuneration Policy Environment, Health and Safety Policy	Audit and Risk Committee report	109
		Our sustainable impact	48
		s172 statement	80
		Engaging with our stakeholders – Our people	81
Human rights	Modern Slavery Statement (available at https://nanoporetech.com/about/modern-slavery-policy) Board Diversity Policy Conflict Minerals Policy	How the Board assesses, monitors and embeds culture	100
		Risk management	72
		Nomination Committee Report	106
		Our sustainable impact	48
Social matters	Modern Slavery Statement	Our sustainable impact	48
		s172 statement	80
		Engaging with our stakeholders – Our communities and the environment	85
		Directors’ report	140
Anti bribery and anti corruption	Anti-Bribery and Anti-Corruption Policy Conflicts of Interest Policy	Our sustainable impact	48
		Audit and Risk Committee report	109
Environmental matters	Environment, Health and Safety Policy	Our sustainable impact	48
		s172 statement	80
		Engaging with our stakeholders – Our communities and the environment	85

The Group has policies and codes of conduct in place to ensure consistent governance. For the purpose of the non-financial reporting requirements these include but are not limited to Anti-Bribery and Corruption Policy, Modern Slavery Statement, Whistleblowing Policy, Anti-Facilitation of Tax Evasion Policy, Conflicts of Interest Policy, Privacy Policy, Data Retention Policy and Securities Dealing Code.

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Viability statement

The Directors have complied with Provision 31 of the UK Corporate Governance Code, in which the Directors are required to issue a viability statement declaring whether they believe the Group is able to continue to operate over an appropriate period and state whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due throughout this period.

In doing so, the Directors have considered the Group's prospects taking into account its current financial position, its recent historical performance, its business model and strategy (pages 30 to 39) and the Principal Risks and Uncertainties (PRUs) (pages 72 to 79).

The Group's prospects are assessed primarily through its strategic planning process. This includes an annual review which considers forecast profitability and cash flows over three years, culminating in the Budget setting for the following year, approved by the Board in November 2024. As part of this strategic planning process, the forecast profitability and cash flows for the year are assessed each quarter and any necessary revisions are made to the forecast outcome for the year.

The first year of the forecast is based upon the Group's Budget for 2025. The second and third years are based off this forecast, with a top-down strategic overlay on revenues, gross margins and operating expenses.

The Group's financial forecasts are based on modelling of revenue by product group. Detailed financial forecasts are then prepared for the Group that considers orders, revenue, gross profit, capital expenditure, working capital, cash flow and key financial ratios.

The planning process is led by the Chief Executive Officer and the Chief Financial Officer through the Operating Committee and in conjunction with relevant functions. The Board participates fully in the annual process and has the task of considering whether the plan continues to take appropriate account of the external environment including technological, social and macro-economic changes.

As set out in the Audit and Risk Committee Report at pages 109 to 114, the Audit and Risk Committee reviews and discusses with management the schedules supporting the assessments of going concern and viability.

Forecasts have been sensitised based on a series of scenarios incorporating plausible yet severe impacts on revenue, cost inflation, and consequently the Group's consolidated cash position. In constructing these scenarios the Directors have assessed the viability of the Group's operations while considering the following fundamental properties of the business:

- A fast-growth revenue model;
- A variable cost structure which allows the Group to mitigate adverse financial conditions via the flexing of its major cost items; and
- The strong liquidity position of the Group.

Assessment period

In accordance with the UK Corporate Governance Code, the Directors have reviewed the period in which to frame the viability assessment and determined a three-year period of assessment to 31 December 2027 (the "viability assessment period") to be most appropriate. This period is longer than the 12-month period from the date of signing the consolidated financial statements (the "going concern period"), as it provides an appropriate midpoint between the Group's short and long-term planning phases and is a typical and comparable period for a business of this nature to be assessed over.

It is difficult to forecast revenue and costs beyond three years, given that the Group's revenue and costs are not materially covered by long-term contracts; within three years, costs could be substantially restructured to compensate for a major fall in revenue.

Assessment of viability

The output of the Group's strategic planning process reflects the Board's best estimate of the future prospects of the business. To make the assessment of viability, additional scenarios have been modelled over and above those in the ongoing plan. These scenarios were overlaid into the plan to quantify the potential impact of one or more of the Group's PRUs crystallising over the assessment period.

The Group's PRUs are set out on pages 72 to 79. Each of the Group's principal risks has a potential impact and has therefore been considered as part of the assessment; however only those that represent severe but plausible scenarios have been modelled. These were:

Scenario modelled	Principal risks include in the scenario (see pages 72 to 79)
1. Significant trading shortfall	
To consider the possibility that the Group is unsuccessful in growing its revenue as intended due to a loss of competitive advantage either through an inability to continue to invest in its product suite, the impact of trade restrictions, pressures from reductions in research funding, competitor or channel partner actions or a malicious cyber event.	Ability to penetrate new markets Ability to successfully introduce products to remain a technology leader Trade war, regional conflict, fluctuations in funding, inflation and price competition
We have modelled a significant reduction in revenue to capture the possibility of a reduction in new customers and the loss of some existing customers.	Reliance on channel partners Cyber security
During this period the Group continues to invest for growth and recovery throughout with no cost-saving measures.	Intellectual property protection and competition
2. Cost pressure	
Reflecting the potential for supply chain disruption, resulting in shortages and consequential material cost price inflation, impacted by a significant macroeconomic event such as the potential trading instability between the US and China/others.	Ability to make products: supply chain and manufacturing Trade war, regional conflict, fluctuations in funding, inflation and price competition
This could lead to an adverse impact on gross profit where margins, profitability and cash generation would be adversely impacted.	

The above scenarios were considered in isolation and cumulatively.

The results of the scenario modelling showed that the business would be able to withstand each of the scenarios in isolation, without recourse to mitigating actions. On a combined basis, minor mitigating actions such as growing costs less than the base case are required.

In the event that scenarios such as those tested were to occur, the Directors would also have a number of controllable mitigating options available to maintain the Group's financial position including cost-reduction measures should they be required, and raising external financing.

Confirmation of longer-term viability

Based on the assessments as outlined above, the Directors have assessed the prospects of the Group over a period they deem to be appropriate and confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period ending December 2027.

The Audit and Risk Committee reviewed the process undertaken and challenged whether management's assessment of the principal and emerging risks facing Oxford Nanopore and their potential impact were appropriate. This involved reviewing Oxford Nanopore's financial performance, forecast for 2025, cash flow projections and considering these against Oxford Nanopore's substantial available cash reserves. The Audit and Risk Committee also considered whether there were any additional risks which could impair solvency or which, whilst not necessarily principal risks in themselves, could become severe if they occur in conjunction with other risks. Based on this assessment of prospects and stress-test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2027.

The Strategic Report, which has been prepared in accordance with the requirements of the Companies Act 2006, has been approved by the Board and signed on its behalf.

On behalf of the Board

Duncan Tatton-Brown

Chair of the Board

18 March 2025

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During the year, we launched our first ever Board review facilitated by an external provider. This will help us enhance the Company’s corporate governance structure and ensure that it is set up to contribute to the Company’s long-term sustainable success.”

Duncan Tatton-Brown
Chair

Dear Shareholder,

On behalf of the Board, I am pleased to present our Corporate Governance report for the financial year ended 31 December 2024. We further strengthened our Board structure during 2024, as well as continuing to engage with our various stakeholders in order to communicate the Group’s vision and strategy. This included hosting our first Biopharma Day in September, which showcased the potential of the Group’s technology in the precision medicine space to a wide range of attendees in the biopharmaceutical industry. The Company continued regular engagement with investor stakeholders through in-person meetings and attendance at key conferences, including the J.P. Morgan Healthcare Conference, engagement with employee stakeholders via all-employee meetings and the Company’s Values in Action programme, and engagement with customers, including by attendance at most industry conferences and the Company’s own ‘What you’re missing matters’ events held in 27 locations around the world.

The Board remains firmly committed to strong corporate governance, which includes compliance with the UK Corporate Governance Code 2018 (Code) which is available at www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code. While we had previously been complying with the Code on a voluntary basis, it now formally applies to us as a result of the Company’s successful transfer to the equity shares (commercial companies) segment of the London Stock Exchange in November 2024. This report explains the key features of the Company’s governance framework and how it complies with the Code. I am pleased to report that for the year ending 31 December 2024, subject to one exception as noted below, the Company fully complied with the Code.¹

The Board intends to ensure that the Group fully complies with the new UK Corporate Governance Code 2024 for the financial year ending 31 December 2025.

Board composition and diversity

The composition of the Board is regularly reviewed to ensure that it has the requisite skills, experience, and balance, including with respect to diversity.

We welcomed Nick Keher as Chief Financial Officer and Director in January 2024, succeeding Tim Cowper, who moved into a new role as Chief Operating Officer. Nick’s appointment was approved by shareholders at the 2024 AGM. Tim, Dr Spike Willcocks and Wendy Becker resigned from the Board in June 2024, having not stood for re-election at the Company’s 2024 AGM. Tim and Spike remain in their operational leadership roles at the Company. Clive Brown stepped down from the Board with immediate effect in February 2024.

As previously announced, we were pleased to welcome Dr Daniel Mahony to the Group as a Non-Executive Director in October 2024. Dr Guy Harmelin stepped down from the Board with immediate effect in October 2024.

These changes have increased the percentage of independent directors on the Board from 66.7% as at 31 December 2023 to 77.8% as at 31 December 2024.

Following the resignation of Wendy Becker, John O’Higgins was appointed interim chair of the Remuneration Committee. The Board also resolved to appoint Kate Priestman as the Company’s new SID in December 2024.

The appointments of Kate Priestman, Dr Heather Preston and Dr Sarah Fortune to the Board (which took place during 2023) were approved by shareholders at the 2024 AGM.

As at 31 December 2024, the Board had 33.3% female representation on its Board. The Company remains committed to achieving the target for 40% female representation on its Board.

Oxford Nanopore meets the ethnic minority representation targets set out in the Parker Review and the new UK Listing Rules. We also meet the UK Listing Rule recommendation to have a female director in at least one senior Board position.

Board effectiveness review

In accordance with Code Provision 21, the Company appointed Independent Audit Limited to conduct its first externally facilitated review of board effectiveness, which took place in Q4 2024 and Q1 2025. Preliminary outcomes of this review and suggested action points were discussed at the Board meeting in March 2025. You can find further information of the process we have undertaken, in addition to the Board’s review of progress against the actions from last year’s internal review, on page 104.

Stakeholders

Stakeholder engagement and trust are critical for us to achieve the Group’s strategic aims. We recognise the importance of having open and effective communication with stakeholders and understanding the range of matters that are important to stakeholders so that these form part of the Board’s discussions and decision-making.

In September, the Group hosted its first BioPharma Day following the Nanopore Community Meeting in Boston. This successful event highlighted the potential of the Group’s nanopore technology for use in drug discovery, biopharma QC, and precision medicine, including therapeutics, mRNA vaccines, and companion diagnostics, with various speakers and panellists from the biopharmaceutical industry, and emphasised our ambitions in this important growth market.

For more information regarding shareholder engagement, including the key stakeholder groups and engagement activities that have taken place during the year, please see pages 80 to 86.

Application of the Principles in the UK Corporate Governance Code

The following table sets out sections in this report which address how the Company has complied with the Principles of the Code.

UK Corporate Code section	Location of Information
Board leadership and company purpose	‘Board leadership and company purpose’ on page 99 and ‘Governance at a glance’ on page 94 detail the role of the Board and how it promotes the long-term sustainable success of the Company. Information regarding ‘How the Board assesses, monitors and embeds culture’ is contained on page 100 ‘Internal controls and risk management environment’ on page 113 details the board’s responsibility for the operation of an effective system of internal control and risk management ‘Section 172 statement and stakeholder engagement’ on pages 80 to 86 addresses the Board’s engagement with the Company’s different stakeholders (including the workforce on page 81), and demonstrates how stakeholder feedback influences Board decision-making
Division of responsibilities	‘Division of responsibilities’ on page 101 and ‘Roles and responsibilities of the Board’ on page 102 set out the respective roles of the Company’s Board and its executive leadership ‘Composition, succession and evaluation’ on page 103 contains information regarding Non-Executive Directors and their independence Details of the Directors, including their significant external appointments, are included on pages 96 to 98 ‘Board meetings and provision of information’ on page 103 sets out details of Board meetings and the information provided to Directors that enable the Board to carry out its role

Annual General Meeting (“AGM”)

The Company’s 2024 AGM was held on 10 June 2024, and we were pleased to receive in excess of 94% of votes cast in favour for all of the resolutions.

The Board welcomes opportunities to discuss matters relating to corporate governance with shareholders at any time during the year, including at its AGM. The 2025 AGM is scheduled to take place at the Company’s offices as Gosling Building, Edmund Halley Road, Oxford Science Park, Oxford, OX4 4DQ at 10.30am on 4 June 2025.

The Notice of AGM contains details of the resolutions to be proposed at the meeting and explanatory notes on those resolutions.

Looking forwards

As a Board, we will continue to focus on delivering our strategic aims, maintaining good corporate governance and continuing to enhance the Company’s culture of innovation.

Duncan Tatton-Brown

Chair
18 March 2025

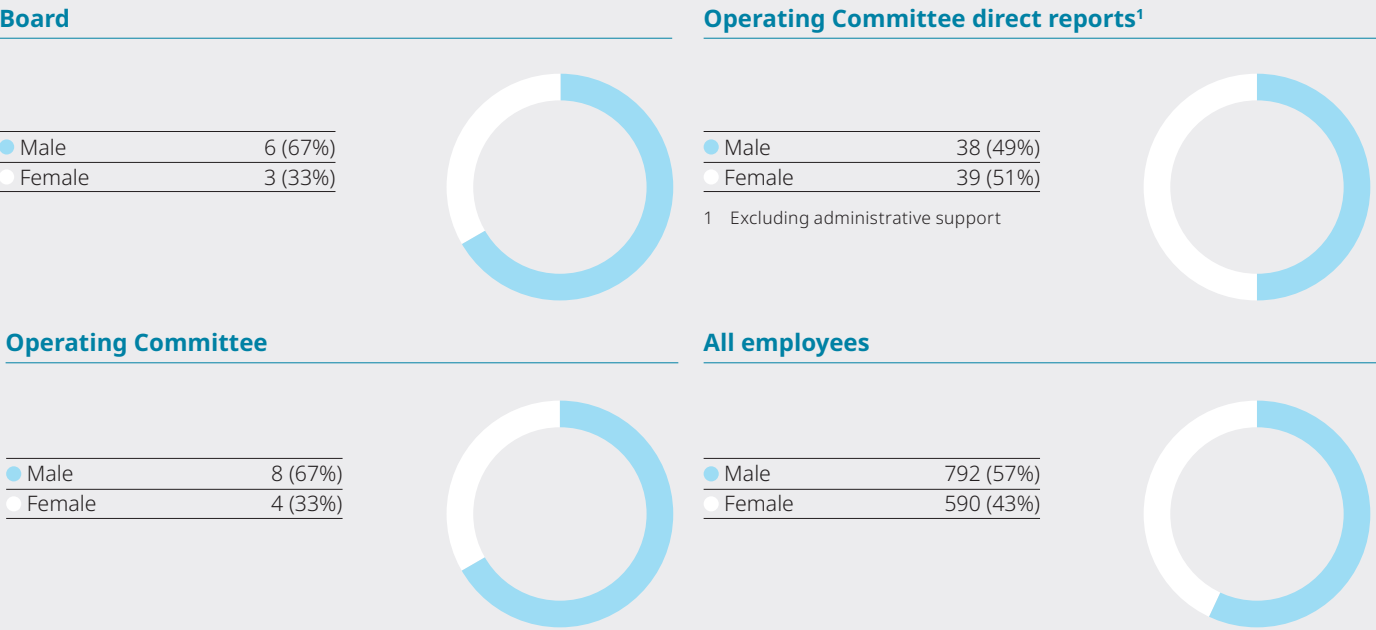
UK Corporate Code section	Location of Information
Composition, succession and evaluation	‘Composition, succession and evaluation’ on page 103 provides details regarding the process for recent Board appointments, and information regarding Board diversity is provided within the Nomination Committee report at pages 106 to 108 Details of the Directors, including their experience and length of service, are included on pages 96 to 98 Information regarding the Company’s approach to ‘Succession planning’ is contained on page 108
Audit, risk and internal control	Details regarding ‘Independence and performance of the auditor’ are contained in the Audit and Risk Committee report on page 114 Information regarding how the Board ensures that the Annual Report and Financial Statements are fair, balanced and understandable is contained on page 112 ‘Internal controls and risk management environment’ on page 113 discusses the Board’s oversight of the Company’s internal control framework
Remuneration	‘Remuneration Policy’ on pages 130 to 134 details how remuneration policies and practices are aligned to the Company’s long-term strategy The role of the Remuneration Committee in developing the Company’s remuneration policy is set out on pages 116 to 118, and page 135 contains discussion of the Remuneration Committee’s discretion in operating the Company’s incentive plans

1 Following Wendy Becker’s resignation from the Board in June 2024, the Company did not have a Senior Independent Director (SID) until the appointment of Kate Priestman as SID in December 2024.

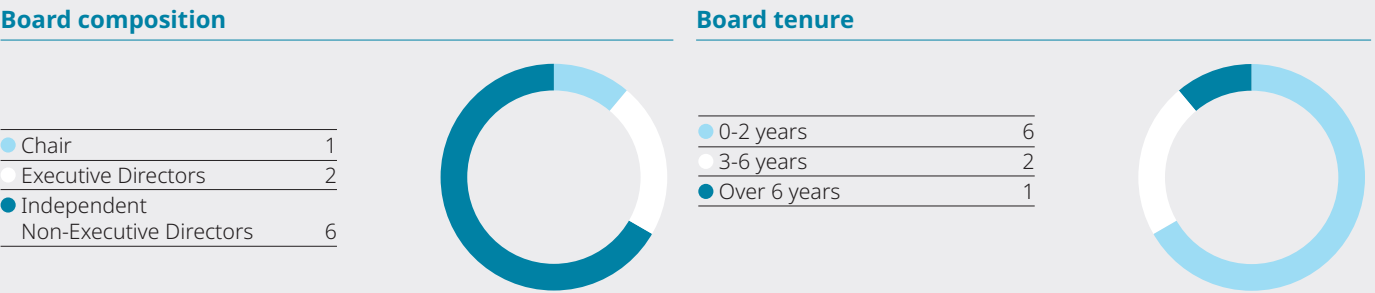
2024 Board activities

- Reviewed and approved half-year and annual results
 - Approved 2025 annual budget
 - Appointed Nick Keher as Chief Financial Officer
 - Appointed Dr Daniel Mahony as Non-Executive Director
 - Appointed Kate Priestman as the new Senior Independent Director
 - Received updates from CEO and CFO on operational performance
 - Worked with Independent Audit Limited in respect of first externally facilitated Board effectiveness review
 - Considered the principal risks and emerging risks
 - Reviewed the Group’s compliance with the Corporate Governance Code
- Oversaw a successful £80 million equity issue, including a new £50 million strategic investment from Novo Holdings
 - Oversaw the Company’s successful application to the Equity Shares (Commercial Company) listing category of the London Stock Exchange, with Citigroup Global Markets Limited (“Citi”) acting as sponsor
 - Received presentations from the Group’s brokers and external lawyers
 - Received updates following the Company’s major customer conferences
 - Approved the appointment of Berenberg as joint broker
 - Received reports and updates on investor relation activities

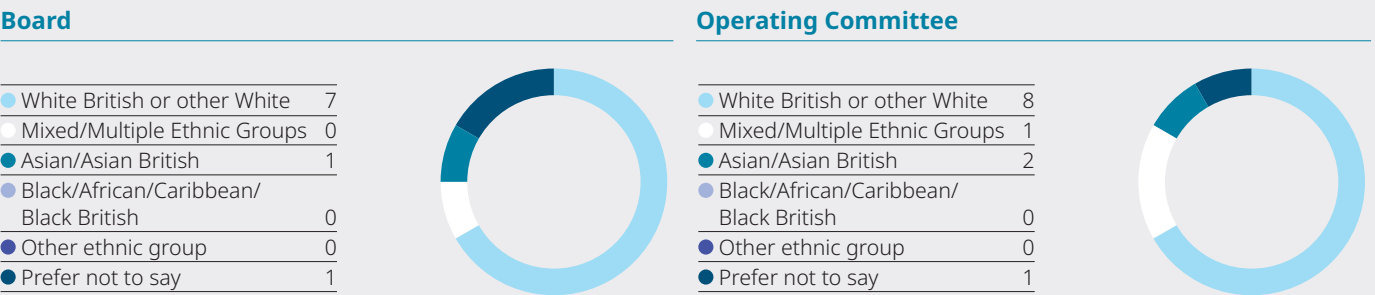
Gender diversity as at 31 December 2024



Board composition as at 31 December 2024



Ethnic diversity as at 31 December 2024



Board meeting attendance

The following table shows attendance at Board meetings during 2024:

Director	Scheduled meetings attended	Percentage of meetings attended
Wendy Becker*	4/4	100%
Clive Brown**	1/2	50%
Tim Cowper*	4/4	100%
Dr Sarah Fortune	8/8	100%
Dr Guy Harmelin***	5/7	71%
Adrian Hennah	8/8	100%
John O’Higgins	8/8	100%
Nick Keher	8/8	100%
Dr Daniel Mahony***	1/1	100%
Dr Heather Preston	8/8	100%
Kate Priestman	8/8	100%
Dr Gordon Sanghera, CBE	8/8	100%
Duncan Tatton-Brown	8/8	100%
Dr Spike Willcocks*	4/4	100%

* Wendy Becker, Tim Cowper and Dr Spike Willcocks stepped down from the Board at the 2024 AGM on 10 June 2024

** Clive Brown stepped down from the Board on 29 February 2024. He did not attend the Board meeting held the day immediately before this date at which his resignation was discussed.

*** Dr Daniel Mahony was appointed to the Board and Dr Guy Harmelin stepped down from the Board on 1 October 2024. It was agreed with Guy that he would not attend the Board meetings in August and September 2024 prior to his departure.

Board of Directors

- Key to Committees
- A Audit and Risk Committee
 - N Nomination Committee
 - R Remuneration Committee
 - Chair



Duncan Tatton-Brown
Non-Executive Chair

Appointed:	1 August 2022
Tenure:	2 years
Independent:	N/A
Committee memberships:	N

Skills and experience:
Duncan brings extensive, relevant experience as an executive and non-executive director of FTSE companies, growth and founder-led technology businesses, and, in particular, where UK-born businesses have grown to have a strong international commercial presence. He has had a distinguished career across a wide range of innovative businesses in the technology, retail, and media sectors, including serving as Chief Financial Officer of Ocado Group plc from 2012 to 2020, during which time the business expanded from being a pure-play online grocer to a leading UK technology business serving clients around the world, with revenue growing 3.5 times and technology headcount growing 10-fold.

Duncan holds a master’s degree in engineering from King’s College, Cambridge.

Current significant external appointments:
Duncan serves on the board of Trainline plc and chairs Wednesday Topco Limited, the company behind loveholidays.com.



Dr Gordon Sanghera, CBE
Chief Executive Officer

Appointed:	23 May 2005
Tenure:	19 years
Independent:	No
Committee memberships:	N

Skills and experience:
Gordon is a co-founder of Oxford Nanopore along with Spike Willcocks and Hagan Bayley. He was appointed CEO in May 2005 and has led the Company through multiple financing rounds, and in 2021, a listing on the London Stock Exchange.

Gordon has significant experience in the design, development and global launch of disruptive platform sensor technologies. Prior to working at the Company, Gordon spent 16 years at MediSense, Inc. Following its acquisition by Abbott Laboratories, Gordon held both UK and US Vice President and director positions, including as Vice President for Worldwide Marketing, Research Director, and Manufacturing Process Development Director. During this time, he was instrumental in the launch of several generations of blood glucose bio-electronic systems for the consumer and hospital medical markets.

Gordon has a doctorate in bio-electronic technology and a degree in chemistry from Cardiff University.

Current significant external appointments:
None



Nick Keher
Chief Financial Officer

Appointed:	22 January 2024
Tenure:	1 year
Independent:	No
Committee memberships:	None

Skills and experience:
Nick is an experienced life sciences CFO, having previously served as CFO of Clinigen Group and Benevolent AI. Prior to his CFO roles, he gained extensive experience in the life sciences industry serving as Managing Director and Head of the European healthcare equity research team at Royal Bank of Canada, and before that held roles at Investec and GSK after switching from practising pharmacy.

Nick has significant experience of financial leadership of complex, scientific businesses, and has a deep understanding of capital markets. Nick was appointed CFO in January 2024 and has responsibility for the Group’s finance function and investor relations function.

Nick has a master’s degree in pharmacy from Aston University and is a qualified chartered accountant.

Current significant external appointments:
None

Non-Executive Directors



Dr Sarah Fortune
Non-Executive Director

Appointed:	19 December 2023
Tenure:	1 year
Independent:	Yes
Committee memberships:	A N

Skills and experience:
As a Professor of Immunology and Infectious Diseases at the Harvard T.H. Chan School of Public Health in Boston, Dr Sarah Fortune brings deep expertise in genomic diagnostics and multi-omics approaches to infectious disease, including at the intersection of human genetics. Her world-leading research has focused on understanding how Tuberculosis (TB) mutates to become drug resistant using a combination of single cell, genetic, and genomic approaches, including nanopore sequencing. In 2019, she led one of three labs awarded funding by the US National Institutes of Health to establish a new centre for immunology research to accelerate progress in TB vaccine development – work that remains ongoing.

Sarah holds a Doctor of Medicine from Columbia University and a Bachelor of Science in biology from Yale University.

Current significant external appointments:
None



Adrian Hennah
Non-Executive Director

Appointed:	24 June 2021
Tenure:	3 years
Independent:	Yes
Committee memberships:	A N

Skills and experience:
Adrian spent 18 years in Chief Financial Officer roles at three FTSE 100 companies and his executive career spans healthcare, engineering, and fast-moving consumer goods. He was CFO at Reckitt Benckiser Group plc and held the same positions at Smith & Nephew plc and Invensys plc (now Invensys Limited). Prior to this, he spent 18 years at GlaxoSmithKline plc working in both finance and operations. Adrian has also recently completed a nine-year term as a director on the board of RELX plc. Adrian began his career working in audit and consultancy with PwC and Stadtsparkasse KölnBonn, the German regional bank.

Adrian holds a degree in law and economics from the University of Cambridge.

Current significant external appointments:
Adrian currently serves as a non-executive director of Unilever plc and J Sainsbury plc where he is also Chair of the Audit Committee. Adrian also serves as a Trustee of the charity, “Our Future Health” and as a Council Member of Imperial College, London.



John O'Higgins
Non-Executive Director

Appointed:	19 September 2019
Tenure:	5 years
Independent:	Yes
Committee memberships:	R A N

Skills and experience:
From 2006 to 2018 John was the Chief Executive Officer of Spectris plc, an international productivity-enhancing instrumentation and controls business, where he led rapid global growth and evolution of the company as it pursued multiple market applications from a board technology platform. From 2010 to 2015, he was a non-executive director of Exide Technologies, Inc. a US-based supplier of battery technology to automotive and industrial users.

John has a Master of Business Administration from INSEAD and a master’s degree in mechanical engineering from Purdue University.

Current significant external appointments:
John currently serves as a non-executive director of Johnson Matthey plc and as chairman of Elementis plc. John is also a member of the Supervisory Board of Envea Global SA.



Dr Daniel Mahony
Non-Executive Director

Appointed:	1 October 2024*
Tenure:	Less than 1 year
Independent:	Yes
Committee memberships:	A N

Key to Committees

A

Audit and Risk Committee

N

Nomination Committee

R

Remuneration Committee

Chair

Non-Executive Directors



Dr Daniel Mahony
Non-Executive Director

Appointed:	1 October 2024*
Tenure:	Less than 1 year
Independent:	Yes
Committee memberships:	A N

Skills and experience:
Daniel has more than 25 years’ experience as a global healthcare investor specialising in biotechnology, medical technology, and healthcare services. As Senior Partner in Growth Investments at Novo Holdings, Daniel has insights across a number of market sectors, but most specifically in respect of commercial opportunities in biopharmaceuticals.

Prior to joining Novo Holdings, Daniel co-founded the healthcare business unit at Polar Capital in London, growing it to more than \$4 billion in assets under management. He was formerly a Senior Research Analyst at Morgan Stanley in London, an Analyst at ING Barings Furman Selz in New York, and completed his postdoctoral work at DNAX Research Institute in Palo Alto.

Current significant external appointments:
Daniel currently chairs the UK BioIndustry Association and is a non-executive director of Evosep A/S, Keepabl Ltd, and the Wellcome Sanger Institute.

*Shareholders will be required to approve Daniel’s appointment at the 2025 AGM.



Dr Heather Preston
Non-Executive Director

Appointed:	19 December 2023
Tenure:	1 year
Independent:	Yes
Committee memberships:	N R

Skills and experience:
Heather brings more than 30 years of experience in healthcare as a scientist, physician, McKinsey management consultant, and long-time investor in biotech and the life sciences, most recently as a Managing Partner of Pivotal BioVentures based in San Francisco. She has been a director of more than 18 private and public technology-based healthcare companies, where she was involved in designing and implementing effective scaling strategies. Oxford Nanopore will draw on her expertise as it looks to deliver long-term growth and shareholder value.

Heather holds a Doctor of Medicine from the University of Oxford and a Bachelor of Science in biochemistry from St Bartholomew’s Hospital Medical School at the University of London.

Current significant external appointments:
Heather currently serves on the Board of Oxford Biomedica plc, Azura Ophthalmics, Aligos Therapeutics, Inc, and Invenra, Inc.



Kate Priestman
Non-Executive Director, Senior Independent Director and Director responsible for Workforce Engagement

Appointed:	13 July 2023
Tenure:	1 year
Independent:	Yes
Committee memberships:	N R

Skills and experience:
Kate brings extensive experience as a biopharma executive for more than 25 years, serving in leadership roles across commercial, operations, corporate strategy, communications, and government affairs. She is currently Chief Corporate and External Affairs Officer on the management team of global biopharma CSL Limited, and was previously Senior Vice President of R&D Strategy, Portfolio and Operations at GSK plc, where she led the evolution of GSK’s science and technology strategy, portfolio management and global R&D operations & business transformation, helping steer the FTSE 100 company’s growth. Kate also served on GSK’s separation board, delivering the successful spin-out of Haleon plc in 2022.

In addition, she previously held global and UK roles at Eli Lilly & Co and Zeneca, after an early career at the BBC, where she spent several years as a broadcaster. Kate currently also serves as a Trustee of RBG Kew, an organisation with around 500 scientists working globally to understand plant biology and fight biodiversity loss.

Current significant external appointments:
None

Corporate Governance report

Board leadership and company purpose



The Board

The Board is responsible for establishing the purpose, values, and strategy for the Group and has overall authority for the management and conduct of its business. The Board is also responsible for approving strategic plans, financial statements, acquisitions and disposals, major contracts, projects, and capital expenditure. The Board is focused on ensuring the long-term sustainable success of the Group and the continuous creation of value for its shareholders and stakeholders.

Compliance with the Code

The Group is committed to a high standard of corporate governance and continues to focus on the evolution of its corporate governance framework. For the year ending 31 December 2024, subject to one exception as noted below, the Company was in full compliance with the provisions of the Code.¹

Matters reserved for the Board

The Board has identified certain reserved matters for its approval. The schedule of matters reserved for the Board, along with the terms of reference for each of the Audit and Risk, Remuneration, and Nomination Committees can be found on the Company’s website at <https://nanoporetech.com/about/investors/corporate-governance>. The schedule of matters reserved for the Board was reviewed in March 2024 and it was concluded that no updates were required.

1 Following Wendy Becker’s resignation from the Board in June 2024, the Company did not have a Senior Independent Director (SID) until the appointment of Kate Priestman as SID in December 2024.

Key matters reserved for the Board

- Strategy and management**

 - Establishing the Group’s purpose, values, objectives, strategic and long-range plan, and monitoring culture
 - Approval of strategic aims
 - Approval of budgets
- Structure and capital**

 - Approving or recommending changes to share capital
 - Approving major changes to corporate structure
- Financial reporting and controls**

 - Approval of annual report and accounts
 - Approval of half-yearly report
 - Approval of treasury policies
- Audit, internal controls, and risk management**

 - Overseeing maintenance of a sound system of internal control and risk management
- Contracts**

 - Approving major capital projects, contracts, commitments, expenditures or disposals
- Stakeholder engagement and communication**

 - Receiving reports on, and reviewing the effectiveness of dialogue with shareholders and wider stakeholders
 - Considering balance of stakeholder interests in accordance with s172 obligations
- Board membership and other appointments**

 - Overseeing Nomination Committee, which leads on Board appointments and succession planning
 - Approving Board appointments
- Remuneration**

 - Overseeing Remuneration Committee
- Delegation of authority**

 - Agreeing division of responsibility between Chair and CEO
 - Approving delegated levels of authority
- Corporate governance matters**

 - Undertaking review of its own performance, committee performance, and individual director performance
- Policies**

 - Approving formal corporate policies

How the Board oversees environmental and social issues

The Board has overall responsibility in respect of environmental and social issues. As part of the Group's risk management framework, environmental, health and safety risks are escalated to the Board for review. The Board is ultimately responsible for policies including in respect of ethics, health and safety, and diversity.

Further details of the Board's overall responsibility for environmental issues can be found on page 67.

How the Board assesses, monitors and embeds culture

The Board recognises that the Group's culture is key to ensuring its long-term success and understands that everyone who works for Oxford Nanopore shares in the vision to create a positive impact in society. The Group's purpose of enabling the analysis of anything, by anyone, anywhere drives and motivates a deep level of commitment from its employees and wider workforce, which facilitates a positive, determined, and supportive culture.

Since Oxford Nanopore originated as a disruptive start-up, conversation, challenge and connection has been essential to our success and defines our culture to this day. As we expand and develop, we have considered how this culture can continue to ignite our imagination and inspire our approach.

The Board is able to gain insights into the Group's culture, including by being invited to the Company's customer and industry events, and engaging informally with senior management, such as at Board dinners. Directors are also actively involved in the shaping of the Group's culture. For example, the CEO and the NED for workforce engagement were involved in the redesign of the Values in Action framework (see below).

Values in Action (ViA)

The ViA community was originally designed to reflect six interest groups (known as 'pods') to represent the core themes which drive a highly engaged and impactful organisation: Opportunity and Belonging, Wellbeing, Social and Community, Internal Communications, Career Development, and Environment. Our pods are supported in their activity by our senior leadership team, through two roles:

- Business unit Advocates who help pod members navigate contacts and themes in a specific business area
- Sponsors who mentor a specific pod and support emergent ideas for the benefit of the whole organisation

Since the pods were established in 2022, they have met at least monthly during the year and members of each pod also join the CEO at a collective Hub meeting. At the first Hub meeting of 2024 a unanimous vote was taken, with the agreement of the CEO, SVP Global Human Resources, and NED for workforce engagement, to re-imagine the structure of the ViA community and regionalise the network. Membership was realigned and new membership was invited, to establish dedicated communities in each region – AMR, APAC and EMEA1 – allowing for local themes, culture and priorities to be better served.

As the community moves into 2025, they will play an integral role in supporting initiatives to embody and embed the planned evolution of our organisational values as “cultural cornerstones”.

Three notable initiatives from the ViA during 2024 were:

- The Social & Community pod piloting a volunteering project in Harwell, with a view to establishing a process and criteria for expansion of volunteering opportunities globally.
- The Environment pod collaborating with colleagues in Environmental Health & Safety to support roll-out of a recycling initiative on the Oxford Science Park buildings, as well as provision of a bike repair station to promote cycling to work.
- The Wellbeing pod, in collaboration with the Group Reward Team, planning and hosting a week of awareness, in celebration of World Wellbeing Week. Practical yoga, meditation, and neuroscience-led Physical Intelligence sessions were complimented with educational health seminars, highlighting the holistic ranges of benefits on offer for colleagues in each region.

Division of responsibilities

To maximise its effectiveness and ensure sufficient time can be devoted to matters requiring its attention, the Board has delegated authority in certain areas to its Board Committees. Each Board Committee has terms of reference which are reviewed annually.

Board		
Executive Directors		
• Chief Executive Officer • Chief Financial Officer		
Audit and Risk Committee Pages 109-114	Remuneration Committee Pages 115-139	Nomination Committee Pages 106-108
The Audit and Risk Committee's role is to assist the Board with the discharge of its responsibilities in relation to financial reporting and, in particular, to: • Review the Company's financial statements and accounting policies, internal and external audits and controls • Review and monitor the scope of the annual audit and the extent of the non-audit work undertaken by external auditors • Advise on the appointment of external auditors • Review the effectiveness of the internal audit, internal controls, whistleblowing, and fraud systems in place within the Company The Audit and Risk Committee meets at least four times each year and otherwise as required. In 2024, the Audit and Risk Committee met five times.	The Remuneration Committee's role is to: • Develop the policy on executive remuneration including bonuses, incentive payments, and pension arrangements • Determine the levels of remuneration for the Chair, the Executive Directors, the Company Secretary, senior management and such other members of the Company's management as determined by the Board • Oversee the implementation of the Company's employee share plans • Ensure that a report on the Directors' remuneration policy and practices is included in the Annual Report (please see pages 119-129) and that such policy is submitted to the Ordinary Shareholders for approval at the AGM The Remuneration Committee meets at least twice each year and otherwise as required. In 2024, the Remuneration Committee met three times.	The Nomination Committee's role is to: • Review the leadership needs of the Company and lead the process for the appointments of Directors and senior management • Review the balance of skills, knowledge, experience, independence, and diversity of the Board and senior management • Be responsible for succession planning to ensure the long-term success of the Company The Nomination Committee meets at least twice each year and otherwise as required. In 2024, the Nomination Committee met three times.
Operating Committee – page 102		
The Operating Committee is a committee of senior managers responsible for developing the Company's purpose, values, objectives, culture, strategic and long-range plans. The Operating Committee is also responsible for the Company's market disclosure requirements and oversees compliance with the Market Abuse Regulation.		
The Operating Committee meets on a monthly basis and otherwise as required.		
Delegated authorities		
The Company has a formal delegation of authority policy in place which establishes a clear framework for the use of any authority delegated from the Board to certain individuals within the Company in order to facilitate effective and efficient management of the business of the Company. The policy also details financial authority limits for employees at all levels within the business. The Company has worked throughout 2024 on a revised delegation of authority expected to be rolled out in 2025, with the objective of accelerating achievement of Company objectives by empowering regions and persons to act independently within prescribed guardrails.		

Roles and responsibilities of the Board

Chair	- Leads and manages the business of the Board - Ensures clear structure for effective operation of the Board and its Committees - Promotes high standards of governance - Sets Board agenda - Ensures effective communication with shareholders
Chief Executive Officer	- Leads on development and delivery of strategy with the Chief Strategy Officer - Responsible for the day-to-day management of the business and sets operational targets - Leads delivery of the Company’s operating plans and budgets - Ensures the Company’s financial structure and capacity support the Company’s objectives and implements the Board’s decisions - Maintains an active dialogue with shareholders in respect of the Company’s performance
Chief Financial Officer	- Responsible for the Company’s financial and investor relations matters - Sets the Company’s budget and ensures the Company remains appropriately funded - Responsible for financial reporting - Responsible for identification and mitigation of risk - Leads the Company’s tax and treasury functions
Non-Executive Directors	- Use outside expertise to support the Executive Directors and the senior leadership team - Provide constructive challenge to the development of strategy
Senior Independent Director	- Acts as a sounding board for the Chair and acts as intermediary between the Chair and the other Directors - Available to shareholders to discuss their views
Company Secretary	- Ensures the right Board policies and procedures are in place and followed - Advises the Board on corporate governance matters

Operating Committee

Committee Members	Thomas Bray (VP, Business Development) – joined March 2025 Rich Compton (SVP, Sales & Commercial Operations) Tim Cowper (Chief Operating Officer) Oliver Hartwell (VP, Strategic Planning) – joined March 2025 Jordan Herman (SVP, General Counsel) Dr Lakmal Jayasinghe (Chief Scientific Officer) Nick Keher (Chief Financial Officer) Sarah Lapworth (SVP, Global Human Resources) Zoe McDougall (SVP, Strategic Communications and Corporate Affairs) Dr Gordon Sanghera (Chief Executive Officer) John Schoellerman (SVP, Corporate and Business Development) Rosemary Sinclair Dokos (Chief Product and Marketing Officer) Carolyn Tregidgo (VP, Late Stage and Applied Product Development) Dr Spike Willcocks (Chief Strategy Officer)
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Purpose and responsibilities	The Committee’s role is to assist the Board with its remit of responsibilities in relation to corporate operations, including to: - Develop the Group’s purpose, values, objectives, culture, strategic and long-range plans; - Develop annual operating and capital expenditure budget targets; - Align Group priorities; - Facilitate communications and engagement with key meetings; - Identify and mitigate risk and review and approve updates to risk register; - Develop Board agenda; - Review and manage key projects, strategic and significant transactions and major litigation; - Review financial updates, including revenue update, material budget variances; and - Act as Disclosure Committee and oversee the Company’s compliance with its disclosure obligations.
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The Operating Committee meets on a monthly basis and otherwise as required.

Operating Committee’s focus on risk	Risk is a standing discussion item in each Operating Committee meeting. Based on a recommendation of the CEO, the Board defines and adjusts the Company’s risk tolerance. The risks and mitigation are documented in the Company’s Risk Register. The representatives of each departmental meeting who serve on the Operating Committee escalate risks identified in the departmental tactical meetings for review in the Operating Committee. The Operating Committee reviews and updates the Risk Register twice each year and reports to the Audit and Risk Committee on risks and mitigation twice yearly (and as needed on an ad hoc basis). The Audit and Risk Committee reports to the Board. The Operating Committee shares the direction from the Board with each department.
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Composition, succession and evaluation

Board composition	As at 31 December 2024, there were nine Directors on the Board. The biographies for each Director are provided on pages 96 to 98. In January 2024, the Company welcomed Nick Keher as Chief Financial Officer, succeeding Tim Cowper, and as a member of the Board. Nick is an experienced life sciences CFO, having previously served as CFO of Clinigen Group and Benevolent AI. Prior to his CFO roles he gained extensive experience in the life sciences industry, serving as Managing Director and Head of the European healthcare equity research team at Royal Bank of Canada (RBC) and before that held roles at Investec and GSK after switching from practising pharmacy. He brings significant experience of financial leadership of complex, scientific businesses, and has a deep understanding of capital markets. Nick has responsibility for the Group’s finance and investor relations functions. Nick’s appointment was approved by shareholders at the 2024 AGM.
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As previously disclosed, Clive Brown stepped down from the Board in February 2024, and Wendy Becker, Tim Cowper and Dr Spike Willcocks did not stand for re-election at the 2024 AGM, thereby leaving the Board in June 2024. Clive Brown remained Chief Technology, Innovation, and Product Officer until November 2024. Tim Cowper and Dr Spike Willcocks remain Chief Operating Officer and Chief Strategy Officer of the Company respectively.

In October 2024, the Board welcomed Dr Daniel Mahony as a Non-Executive Director of the Company. Dr Guy Harmelin resigned from the Board in October 2024 after four years of service.

The Board unanimously recommends to shareholders the appointment Dr Daniel Mahony.

Daniel brings extensive sector experience to help accelerate the Group’s strategic evolution, with more than 25 years as a global healthcare investor specialising in biotechnology, medical technology, and healthcare services. As Senior Partner in Growth Investments at Novo Holdings, Daniel will serve as a critical sounding board to the Group as it continues to advance its technology platform across a number of market sectors, but most specifically for the significant commercial opportunity in biopharmaceuticals. In addition, he currently chairs the UK BioIndustry Association and is a Non-Executive Director of Evosep A/S, Keepabl Ltd, and the Wellcome Sanger Institute.

Prior to joining Novo Holdings, Daniel co-founded the healthcare business unit at Polar Capital in London, growing it to more than \$4 billion in assets under management. He was formerly a Senior Research Analyst at Morgan Stanley in London, an Analyst at ING Barings Furman Selz in New York, and completed his postdoctoral work at DNAX Research Institute in Palo Alto.

The Board is satisfied that, having considered the other demands on his time, Daniel has sufficient time to devote to his role as Non-Executive Director.

These changes are part of normal Board evolution and in line with best practice governance.

Non-Executive Directors and independence	The Non-Executive Directors constructively challenge and scrutinise the performance of the Executive Directors and senior management team. The Company regards each of its Non-Executive Directors as independent within the meaning of the Code. There are no circumstances which are likely to impair, or could impair, each Non-Executive Director’s independence. The Company complies with the Code recommendation that at least half of the Board (excluding the Chair) should be independent. The recent changes to Board composition have increased the percentage of independent directors on the Board from 66.7% as at 31 December 2023 to 77.8% as at 31 December 2024.
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Board meetings and provision of information	The Board meets at least six times each year with further ad hoc meetings as required. Directors are provided with information packs in advance of meetings, including relevant materials prepared by management and, where applicable, materials produced by the Company’s external advisors.
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Board effectiveness review	2023 internal Board effectiveness review As noted in the last Annual Report, an internal Board effectiveness review was carried out during 2023. A summary of the actions arising from the 2023 review and their outcomes are set out below:
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Actions from 2023 review	Outcome
To bring more formality to the succession plans for the Company’s Executive Directors and to keep the succession plans updated	The Nomination Committee began working with Egon Zehnder, an external consultant, during 2024 to assist with succession planning in respect of the Company’s executive team (including the executive directors). Representatives of Egon Zehnder took part in meetings of the Nomination Committee, identification of key attributes and a desk review of potential talent. Egon Zehnder’s work with the Nomination Committee is expected to continue into 2025.
To build more flexibility into the Board meetings, including the length of Board meetings, to facilitate deeper discussions on certain topics	A standing item was added to the agenda for Board meetings, providing for open discussion between the CEO and Non-Executive Directors (but without other management present).
To consider ways for the Board to gain a deeper understanding of the Company’s culture	Non-Executive Directors were invited to portions of the Company’s customer and industry events (such as London Calling). The Board continued to hold dinners with members of senior management during 2024.

2024 external Board effectiveness review

In accordance with Provision 21 of the Corporate Governance Code, the Company conducted its first externally facilitated review of Board performance, which took place in Q4 2024 and Q1 2025. The review was facilitated by Independent Audit Limited (“IAL”), who were appointed by the Nomination Committee in October 2024 following a competitive process.

Selection of the review facilitator

The process to select the individual or company that would facilitate the review was led by Duncan Tatton-Brown, Chair of the Board, supported by Jordan Herman, SVP, General Counsel. The Chair presented a short list of providers to the Nomination Committee for discussion and selection of the provider. Prior to the review, IAL had no connection to the Company or any of its Directors. IAL is accredited by the Chartered Governance Institute (CGI) in respect of its board evaluation services, and the Company has followed the CGI’s ‘Principles of Good Practice for listed companies using external board reviewers’ in respect of this review.

Overview of the review process

To commence the process, a scoping meeting took place between IAL and the Chair. This meeting helped IAL understand the Group’s operating model and strategy and how the governance and Board structure are aligned to these. IAL then formulated a comprehensive brief of the review process.

IAL gathered views from Directors and executives who have a key role in governance, with regards to their perspectives on the operation of the Board and Committees. To facilitate this stage of the process, each participant completed a confidential questionnaire, and a follow up interview was held with each participant, the conversation being guided by their questionnaire responses. These interviews were conducted by a member of IAL, taking the form of an open, confidential, unattributed conversation with each person. IAL also interviewed the external auditor and internal auditor to gain their perspectives on the operation of the Board.

In Q1 2025, IAL observed meetings of the Board and Committees, having reviewed the materials presented to the Directors ahead of these meetings. In respect of gaining an insight into the quality and timeliness of the materials presented to the Board and Committees for each meeting, IAL were also provided access to materials for all Board and Committee meetings held during 2024.

Preliminary outcomes

Preliminary outcomes of the review and suggested action points were discussed at the Board meeting in March 2025. In response to the main recommendations of the report, the Board has agreed that the following will be key areas of focus in 2025:

- increasing alignment on the role of the Non-Executive Directors and Executive Directors and the resulting contribution and engagement, creating more opportunities for management to draw upon the Non-Executive Directors’ expertise.
- increasing further the Board’s focus on executive and management succession;
- refining the nature of the Board’s role in shaping the future strategy; and
- evolving further the Board materials to help direct and focus on the most pertinent issues.

Given the timing of the review, the action plan is currently being determined. However, no significant changes to Board composition are expected. Once the action plan is agreed it will be monitored, and an internal Board effectiveness review will be completed during 2025.

Succession planning

Details of the Company’s succession planning are set out on page 108 of the Nomination Committee report.

Board support

The Directors have access to advice and services from both the Company’s SVP General Counsel and the Company Secretary. Directors are also able to take independent professional advice.

Audit, risk, and internal controls

The Board is responsible for determining the Company’s risk appetite, agreeing the approach to risk management and assessing the Company’s principal risks. The Company has in place an ERM framework and a risk register, which allows the Audit and Risk Committee to assess risks across different areas of the business.

Grant Thornton acts as the Company’s internal auditor. In 2024, Grant Thornton conducted internal audits on financial and IT controls, accounts payable, export controls and sanctions compliance, channel partners and distributors, inventory management, and environmental compliance. The Audit and Risk Committee has approved a one-year internal audit plan for 2025.

The Company has carried out a robust assessment of the Company’s emerging and principal risks. Further details are set out on pages 72 to 79.

Induction of new directors and training

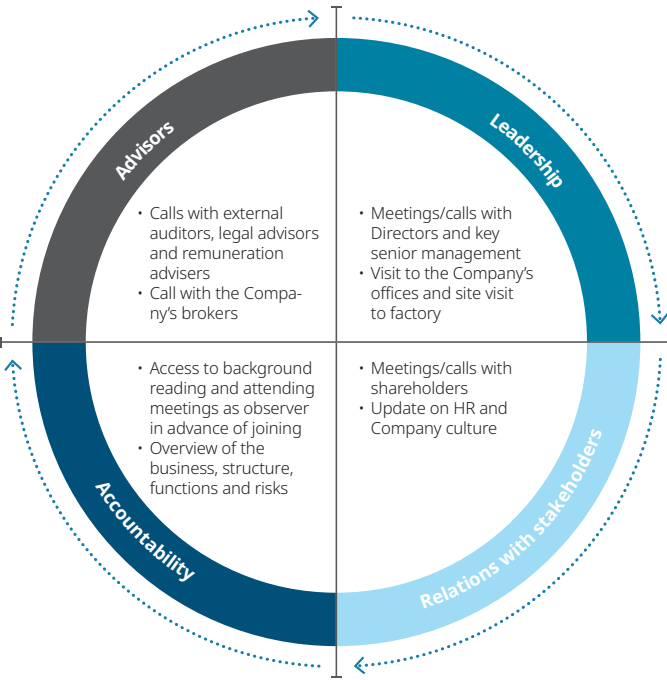
As new directors, Nick Keher and Dr Daniel Mahony received a comprehensive induction process. This included the following:

Training

Directors have access to the expertise of senior management and receive presentations on different areas of the business at Board meetings.

Directors received ongoing training on their responsibilities, including their fiduciary duties, and received updates on new and existing legislation throughout the year. This included training in relation to the changes to the Listing Regime, as well as in respect of the obligations to which the Company became subject as a result of its successful transfer to the Equity Shares (Commercial Company) listing category of the London Stock Exchange.

Directors also receive regular training and updates in relation to cybersecurity and AI. Cybersecurity incidents are addressed as part of the operational updates at Board meetings, and the Group’s VP Global IT gives regular updates to the Audit and Risk Committee on information security. The Audit and Risk Committee also discussed the Company’s cybersecurity insurance, with advice being sought from the Company’s brokers and solicitors. Directors have also considered the use of AI in Audit and Risk Committee meetings, and in particular in relation to the formulation of a forthcoming Company policy regarding acceptable use of generative AI.



Director inductions – meetings with Senior Management

As part of their induction process, Nick and Daniel had sessions with senior management covering the following topics:

Topics	Session with
Finance & investor relations	Chief Financial Officer and VP, Finance
HR & reward	SVP Global HR & VP, Global Reward
Strategy	Chief Strategy Officer
Technology, R&D and product	Chief Technology, Innovation, and Product Officer, SVP Programme Manager & SVP R&D Biologics
Product development	VP, Late-Stage and Applied Product Development
Strategic communications and corporate affairs	SVP, Strategic Communications & Corporate Affairs
Commercial operations, including sales	SVP, Sales & Commercial Operations
Business development	SVP, Corporate & Business Development
Quality assurance	Global VP, Quality Assurance and Regulatory Affairs
Legal & intellectual property	General Counsel, Company Secretary, and VP, Intellectual Property
Operations and manufacturing	VP Operations and VP Manufacturing
Supply chain and logistics	VP, Global Supply Chain and Senior Director, Global Logistics

Operations of the Board

Director conflicts of interest

The Company has a formal system in place for the Directors to declare conflicts of interest and for such conflicts to be considered for authorisation. The authorisation of any conflict and the terms of any such authorisation may be reviewed by the Board at any time. The Board has no reason to believe its formal system to deal with conflicts is not operating effectively.

Engagement with stakeholders

Details of how the Company engaged with its stakeholders can be found on pages 80 to 86.

Annual General Meeting (AGM)

The Company’s AGM is scheduled to take place at 10.30am on 4 June 2025 and will be held at the Company’s offices at Gosling Building, Edmund Halley Road, Oxford Science Park, Oxford, OX4 4DQ.

Duncan Tatton-Brown
Chair of the Board

18 March 2025

Nomination Committee report



Duncan Tatton-Brown
Nomination Committee Chair

Overview

- The Nomination Committee is comprised of the Chief Executive Officer, Chair and all Non-Executive Directors
- All members have relevant commercial and operating experience
- Three formal meetings were held during the year along with two ad hoc meetings
- The Group’s SVP, Global Human Resources is invited by the Committee to attend meetings

Committee roles and responsibilities

- Review the structure, size and composition of the Board
- Review the balance of skills, knowledge, experience, independence, and diversity of the Board and senior management
- Review the leadership needs of the Group
- Lead the process for the appointments of Directors and senior management
- Ensure adequate succession planning to ensure the long-term success of the Group

Main committee activities in 2024

- Recommended the appointment of Nick Keher as Chief Financial Officer and Director in January 2024
- Recommended the appointment of John O’Higgins as interim chair of the Remuneration Committee following Wendy Becker’s resignation
- Oversaw the recruitment and the appointment of Dr Daniel Mahony as Non-Executive Director of the Company in October 2024
- Appointed Egon Zehnder, an external consultant, to support executive succession planning and talent mapping
- Recommended the appointment of Kate Priestman as Senior Independent Director
- Appointed Independent Audit Limited to conduct the Company’s first externally facilitated board effectiveness review
- Reaffirmed the Company’s commitment to achieving its gender diversity targets and monitored its progress towards achieving the same

We further strengthened the Board during the year, and will continue to ensure that the Board and Board Committees have the requisite skills, experience and balance, including with respect to diversity, to enable the Company to deliver its strategy.”

Committee focus areas for FY2025

- Progress the formalisation of succession plans for the Executive Directors
- Review succession planning for other members of the Operating Committee
- Further develop the internal talent pipeline
- Further progress towards increasing diversity, including meeting the target of achieving 40% female representation on the Board

Committee member	Scheduled meetings attended	Percentage of meetings attended
Duncan Tatton-Brown (Chair of the Committee)	3/3	100%
Dr Gordon Sanghera	3/3	100%
Wendy Becker*	1/1	100%
Dr Sarah Fortune	3/3	100%
Dr Guy Harmelin**	2/2	100%
Adrian Hennah	3/3	100%
John O’Higgins	3/3	100%
Dr Daniel Mahony**	1/1	100%
Dr Heather Preston	3/3	100%
Kate Priestman	3/3	100%

* Wendy Becker stepped down from the Board on 10 June 2024.
** Dr Guy Harmelin stepped down from the Board on 1 October 2024. Dr Daniel Mahony was appointed to the Board on 1 October 2024.

Dear Shareholder,

I am pleased to present the Nomination Committee report for the year ended 31 December 2024. Details of the progress against key focus areas are set out in this report.

Meetings

The Nomination Committee meets as and when required, or as requested by the Board, and had three scheduled meetings during the year, plus two ad hoc meetings.

A majority of the members of the Nomination Committee (87.5% as at 31 December 2024) are independent, in accordance with the Corporate Governance Code.

Board and Operating Committee changes

During the year, the Nomination Committee recommended the appointment of Nick Keher as Chief Financial Officer and Director, following an extensive search, selection and interview process conducted during 2023 with the assistance of Russell Reynolds, an external search firm with no other connection with the Company or its Directors. Following unanimous approval by the Board, Nick was appointed as Chief Financial Officer and Director in January 2024, allowing Tim Cowper to move into the role of Chief Operating Officer on the same date.

The Committee also recommended the appointment of Dr Daniel Mahony as Non-Executive Director of the Company. Following unanimous approval by the Board, Daniel was appointed as Director in October 2024. Shareholders will be asked to approve the appointment of Daniel at the 2025 AGM.

Clive Brown stepped down from the Board in February 2024, and Wendy Becker, Tim Cowper and Dr Spike Willcocks did not stand for re-election at the 2024 AGM, thereby leaving the Board in June 2024. Dr Guy Harmelin resigned from the Board in October 2024.

Following Wendy’s departure, John O’Higgins was appointed interim chair of the Remuneration Committee. The Board also resolved to appoint Kate Priestman as the Company’s new Senior Independent Director in December 2024.

During the year, Nick Keher joined the Operating Committee upon his appointment as Chief Financial Officer.

Emma Stanton, SVP Clinical and Head of Oxford Nanopore Diagnostics, left the Group in September 2024. Chris Brown, VP, Strategic Programmes stepped down from the Operating Committee in October 2024 as he plans to leave the Group during 2025.

Clive Brown, Chief Technology, Innovation, and Product Officer stepped down in November 2024 to pursue new projects, being succeeded by Rosemary Sinclair Dokos as Chief Product and Marketing Officer and Dr Lakmal Jayasinghe as Chief Scientific Officer (who joined the Operating Committee in November 2024).

Diversity

The Company recognises the benefits of diversity at all levels throughout the organisation. The Company places great importance on ensuring the members of the Board reflect diversity in its broadest sense and believe that greater diversity is essential to deliver the Company’s strategy and can provide the Company with a competitive edge. The Company recognises that it has yet to achieve the target for 40% female representation on its Board but, in accordance with its Board Diversity Policy, remains committed to doing so alongside working towards other Group objectives. The Nomination Committee will continue to consider diversity, with a particular focus on increasing gender diversity, in relation to future appointments to the Board.

The Company is also committed to diversity below Board level, noting that as at 31 December 2024, there was 43% female representation across all employees.

Diversity

Gender representation at Board and Operating Committee level (as at 31 December 2024)

	Number of Board members	% of the Board	Number of senior Board positions (CEO, CFO, Chair, SID)	Number of Operating Committee members	% of Operating Committee members
Men	6	66.7%	3	8	66.7%
Women	3	33.3%	1	4	33.3%
Not specified/prefer not to say	–	–	–	–	–

Ethnicity representation at Board and Operating Committee level (as at 31 December 2024)

	Number of Board members	% of the Board	Number of senior Board positions (CEO, CFO, Chair, SID)	Number of Operating Committee members	% of Operating Committee members
White British or other White (inc. minority white groups)	7	77.8%	3	8	66.7%
Mixed/Multiple Ethnic Groups	0	0%	0	1	8.3%
Asian/Asian British	1	11.1%	1	2	16.7%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group	0	0%	0	0	0%
Not specified/prefer not to say	1	11.1%	0	1	8.3%

Board and senior management gender and ethnicity metrics

The Company has met the new UK Listing Rule targets for gender and ethnic diversity on the Board with the exception of the target for 40% female representation on the Board. Although the percentage of female Board members as at 31 December 2024 (33.3%) remains the same as that at 31 December 2023, the recent changes to Board composition have increased the proportion of independent Directors. Departures from the Board during 2024 were partly driven by a desire to avoid ‘overboarding’. The Company remains committed to achieving the target for 40% female representation on its Board as soon as reasonable, and increasing gender diversity will remain a particular focus in relation to future appointments to the Board.

The metrics on page 107 set out the range of gender and ethnicity as they relate to our Board and Operating Committee (being the Company’s executive management body) as at 31 December 2024. The process by which diversity data was collected was, where permitted by relevant laws, to contact relevant individuals and ask them how they identified using the categorisations set out in the UK Listing Rules.

As the Company is now a member of the FTSE 350 Index, it intends to take part in the Parker Review going forwards. In line with the recommendations from the 2023 Parker Review, the Company asked its ‘senior management’ (defined as, for this purpose, members of the Operating Committee and their direct reports) to self-declare their ethnicity. With a response rate of close to 80%, this has enabled a baseline of transparency of ethnic representation at the senior management level. As a result, our ongoing target is to remain above the average of senior management ethnic minority representation for FTSE 250 peers (being 12% as at December 2023), with current ethnic minority representation amongst the Company’s senior management being 23%.

Succession planning

The Nomination Committee has responsibility for ensuring that plans are in place for orderly succession to both the Board and senior management positions. During 2024, the Committee continued to consider the succession arrangements in respect of the Executive Directors, including defining the skillsets, qualities and experience that would be desirable in potential candidates. This is in addition to succession planning to mitigate risk in the event of an emergency or an unanticipated departure. Egon Zehnder, an external consultant with no other connection with the Company or its directors, were appointed to provide support to the Nomination Committee with regards to executive succession planning and talent mapping, and took part in meetings of the Committee and members of the leadership team.

The Nomination Committee also monitors the tenure of Non-Executive Directors and notes that none of the existing Non-Executive Directors is close to reaching the recommended maximum nine-year tenure.

The Nomination Committee is also responsible for ensuring that appropriate talent development programmes are in place to maximise the potential of the Group’s employees. The Group’s Talent Management Centre of Excellence offers a wide curriculum of training events and programmes at all levels.

During the year, the Group partnered with its external providers to develop the Mastery programme of content and introduced a new management development programme, Evolving Leaders. The Evolving Leaders programme was designed to enhance management capability within the Group’s leadership community. During the year, a total of 66 senior leaders joined an Evolving Leaders cohort (with a further 27 registering to commence in 2025), representing 1,898 programme module hours and 131 coaching hours.

2024 also saw the introduction of Selection Excellence as a new module, focused on recruitment. This module was delivered in four locations, covering different recruitment laws and cultures. The year concluded with an inclusion pilot session, ‘Managing neurodivergent teams’, which met with positive feedback and will be made widely available in 2025. Over 70 regional colleagues benefitted from local, in-person learning events in the AMR and APAC regions. During the year, 344 employees completed one of the Group’s My Mastery or Manager Mastery courses, representing 3,142 hours of instructor-led training.

Board effectiveness review

In accordance with Provision 21 of the Corporate Governance Code, the Company appointed Independent Audit Limited to conduct its first externally facilitated review of board effectiveness, which took place in Q4 2024 and Q1 2025. Details of the review are set out on page 104 within the Corporate Governance report.

Terms of reference

The terms of reference describe the roles and responsibilities of the Nomination Committee and can be found on our website at <https://nanoporetech.com/about/investors/corporate-governance>.

In preparation for the incoming changes to the Corporate Governance Code, the Committee reviewed its terms of reference once the wording of the 2024 Code was published. Following such review, it was concluded that minor amendments were required to align the terms with the updated Code. The updated terms of reference were approved by the Committee in March 2024.

Duncan Tatton-Brown

Chair of the Nomination Committee

18 March 2025

Audit and Risk Committee report



Adrian Hennah
Audit and Risk Committee Chair

Overview

- The Audit and Risk Committee (“Committee”) comprises four Independent Non-Executive Directors
- Adrian Hennah is considered by the Board to have recent and relevant financial and accounting experience. All members have relevant commercial and operating experience
- Five meetings were held during the year
- The CEO and CFO, members of management, the internal auditors and the external auditors attend the meetings by invitation
- The Committee members meet for private discussion with the external auditors and the internal auditors

Committee roles and responsibilities

- Monitoring external financial reporting
- Overseeing the relationship with the external auditor
- Monitoring effectiveness of internal controls and risk management systems
- Ensuring effective internal audit and governance arrangements
- Ensuring establishment of fraud prevention and whistleblowing arrangements

Main committee activities in 2024

- Oversaw and scrutinised the preparation of the financial statements for FY23 and the interim report for HY24
- Reviewed and discussed formal announcements relating to the Company’s financial performance and any significant issues and any significant judgements contained in them
- Advised the Board on whether the Committee believes that this Annual Report and the financial statements contained within it, when taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Group’s position and performance
- Approved the audit plan and fee for FY24
- Discussed key areas of financial judgement and estimates used by management, including revenue recognition and capitalised development costs



The Committee has continued to monitor the Group’s embedding of a robust environment of internal control, risk management and financial reporting.”

- Reviewed the independence, objectivity and effectiveness of Deloitte LLP as external auditor and initiated a tender process for the Group audit
- Approved the internal audit plan and oversaw the progress of the internal auditor
- Assisted the Board in its review of the effectiveness of the Group’s internal control and risk management systems
- Reviewed the Group’s evaluation of principal risks and uncertainties, including emerging risks
- Monitoring the effectiveness of the Group’s internal control and risk management systems, including whistleblowing and fraud controls

Committee focus areas for FY2025

- Oversee and scrutinise the preparation of the financial statements for FY24 and the interim report for HY25
- Discuss key areas of financial judgement and estimates used by management
- Oversight of the relationship with the external auditor
- Assist the Board in its review of the effectiveness of the Group’s internal control and risk management systems
- Review and monitor the principal risks identified by management and ensure continued appropriate mitigation
- Review the performance of the external auditor and conclude the group audit tender process
- Assess the internal auditor and monitor the progress of their internal audit plan
- Review the Group’s cyber security plans and processes and associated IT issues
- Oversee the continued development of sustainability reporting

Committee member	Scheduled meetings attended	Percentage of meetings attended
Adrian Hennah (Chair of the Committee)	5/5	100%
Dr Sarah Fortune	5/5	100%
John O’Higgins	5/5	100%
Dr Guy Harmelin*	4/4	100%
Dr Daniel Mahony*	1/1	100%

* Dr Guy Harmelin resigned from the Board on 1 October 2024. Dr Daniel Mahony was appointed to the Board on 1 October 2024.

Dear Shareholder,

I am pleased to present the Group’s Audit and Risk Committee report. The report provides a summary of the Committee’s role and activities for the financial period ended 31 December 2024 and sets out the work that the Committee has performed in respect of this Annual Report.

During FY24, the Committee comprised five Independent Non-Executive Directors: Dr Sarah Fortune, Dr Guy Harmelin (resigned 1 October 2024), Adrian Hennah, Daniel Mahony (appointed 1 October 2024) and John O’Higgins. I fulfil the requirement for a committee member to have recent and relevant financial experience, and all members (and therefore the Committee as a whole) have relevant commercial and operational experience. The biographies of each member of the Committee are set out on pages 96 to 98.

The Committee’s Terms of Reference include monitoring the integrity of the Group’s financial reporting; effectiveness of the internal control and risk management framework; internal audit; and the independence and effectiveness of external audit. The internal audit function is outsourced to Grant Thornton LLP, who provide the Group with specialist expertise in delivering a risk-based rolling review programme. Grant Thornton LLP has attended all Committee meetings held during the year. In carrying out its work, the Committee takes into account the requirements of the FRC’s guidance contained in “Audit Committees and the External Audit: Minimum Standard”.

The Group’s external auditor, Deloitte LLP, attended all five Committee meetings held during the year. The CEO, CFO and other members of management attended by invitation. Both the external auditor and the internal auditors will continue to regularly attend future meetings.

The Committee has reviewed the content in the Annual Report and considers that it explains the Group’s strategic objectives and is fair, balanced and understandable. Whilst this Audit and Risk Committee report contains some of the matters addressed during the year, it should be read in conjunction with the external auditor’s report starting on page 144 and the Oxford Nanopore Technologies plc financial statements in general. At the 2025 AGM, shareholders will vote on the Board’s recommendation to reappoint Deloitte LLP as the Group’s external auditor. During the year, the Committee performed a review of the external auditor’s performance and concluded that the external auditor remained effective. In connection with the successful transfer of the Company’s listing category to the equity shares (commercial companies) segment of the London Stock Exchange and admission to the FTSE 350 Index, the Company became subject to The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 requiring re-tender for a Statutory Audit Services Agreement a minimum of once every ten years.

The Group last conducted a competitive tender for its statutory audit services in 2010, appointing Deloitte LLP (Deloitte). The Group has retained Deloitte as its statutory auditor since that date, and Deloitte was reappointed for the financial year ended 31 December 2024.

While ONT was not previously planning to re-tender for the appointment of its statutory auditor until the financial year ending 31 December 2030, the Group committed to the CMA, in anticipation of its admission to the FTSE 350 index, to complete a Competitive Tender Process during the second half of 2025. ONT intends for any change in statutory auditor to come into effect for the financial year ending 31 December 2026. This will enable a fulsome tendering process to be undertaken, and the new auditor (if not the incumbent) to shadow the audit for the financial year ending 31 December 2025.

I would like to thank my fellow Committee members Sarah Fortune, Guy Harmelin, Daniel Mahony and John O’Higgins, whose focus and contributions have enabled the Committee to perform its duties effectively.

Adrian Hennah
Chair of the Audit and Risk Committee
18 March 2025

Purpose and responsibilities

The Committee’s role is to assist the Board with the discharge of its responsibilities in relation to financial reporting, including:

- Monitoring the integrity of the Group’s Annual Report and financial statements and any other formal announcements relating to its financial performance and reviewing the significant financial reporting judgements made in connection with their preparation
- Overseeing and maintaining an appropriate relationship with the Company’s external auditor and reviewing the independence, objectivity and effectiveness of the audit process
- Monitoring and reviewing the adequacy and effectiveness of the Company’s internal financial controls and internal control and risk management systems
- Ensuring that internal audit and governance arrangements are appropriate and effective
- Ensuring that fraud prevention and whistleblowing arrangements are established which minimise the potential for fraud and financial impropriety

As the Committee, we assist the Board in its oversight of the Group’s financial reporting, internal control and risk management and in doing so seek to ensure that shareholders’ and other stakeholders’ interests are protected and the Company’s long-term strategy is supported.

Terms of reference

The terms of reference for the Committee describe the roles and responsibilities of the Committee and can be found on our website at <https://nanoporetech.com/about/investors/corporate-governance>. Updated terms of reference were adopted by the Committee in March 2024, in order to reflect minor amendments to align the terms with the Corporate Governance Code 2024. They are reviewed on an annual basis and updates made where appropriate in order to reflect current market practice.

Financial reporting

The primary role of the Committee in relation to financial reporting is to review and monitor the integrity of the financial statements, including annual and half-year reports, and any other formal announcement relating to the Group’s financial performance.

In the preparation of the Group’s 2024 financial statements, the Committee assessed the accounting principles and policies adopted, whether management had made appropriate estimates and judgements and assessed the appropriateness of the disclosures in note 4 of the Financial Statements.

In doing so, the Committee discussed management reports and enquired into judgements made. The Committee reviewed the reports prepared by the external auditor on the 2024 audit. The Committee, together with management, identified significant areas of financial statement risk and judgement as described below.

Significant accounting matters

The Committee received reports from management in relation to the identification of significant accounting matters, judgements and key sources of estimation uncertainty, significant accounting policies and proposed disclosures in the 2024 Annual Report and Accounts. The Committee is satisfied that the judgements made by management are reasonable, and that appropriate accounting policies have been adopted and appropriate disclosures have been made in the accounts.

The Committee’s review of the full-year financial statements focused on the following:

- the materiality of the areas; and
- the nature of matter to the extent that they require significant judgement or estimation.

All such matters of focus were discussed and addressed with our external auditor throughout the external audit process. There were no significant differences between management and the external auditor.

The key matters of focus are set out below:

Internally generated intangible assets – Research & Development
Capitalisation of Research & Development costs is a particular area of focus due to: • Critical judgements being required in determining that development spend meets the criteria for capitalisation of such costs as laid out in IAS 38 “Intangible Assets”; and • Management does not have a formal timesheet process for monitoring time spent by employees on projects in their development stage. Instead, management consults with the relevant project leaders on a regular basis to understand and estimate the time spent on projects in their development stage.
How the issue was addressed The Committee reviewed the assumptions and disclosure around capitalisation of development costs made by management. Particular focus was placed upon: • Capitalisation policies and the procedures and controls in place • The application of IAS 38

Revenue recognition
Revenue recognition for the Group's revenue is a particular area of focus due to: • Revenue and revenue growth being key performance indicators • Revenue from significant contracts within the period • Application of IFRS 15 for the sale of bundled goods and services, specifically the performance obligations and the allocation of the transaction price on these significant contracts • Where sales are made around the year end, ensuring that revenue is recognised in the correct year
How the issue was addressed The Committee reviewed the assumptions and disclosure around revenue recognition made by management. Particular focus was placed upon: • Terms of significant contracts • Application of IFRS 15 to complex contracts, for instance including bill and hold arrangements, contract bundles, volume based variable consideration • Revenue cut-off
IFRS 2: Share-based payment valuation and employer social security taxes
The Group issued a number of share options to the Executive Directors of the Group, in particular in preparation for the IPO. These included: • Conditional retention awards representing up to 6.5% of the overall share capital, with expected vesting over a period of between two and five years and subject to achievement of a number of performance conditions linked to the Group's revenue and share price • Limited anti-takeover (LAT) non-voting shares issued to the Chief Executive Officer, Chief Strategy Officer, and Chief Technology, Innovation, and Product Officer (see page 140) The retention awards require the use of valuation models and certain assumptions in determining their fair value at grant date and the recognition of charges in the income statement under IFRS 2 Share-based payments. The employer's social security taxes on share options are accrued over the vesting period of the awards. The accrual is based on the market price at the period end. There is a risk that the expense recognised in the year may be materially misstated due to unreasonable assumptions or error.
How the issue was addressed The Committee reviewed the assumptions made by management on the conditional retention equity awards (refer to Directors' remuneration report on page 115).

Inventory provisioning
The Group holds significant inventory balances across a number of locations for the purposes of fulfilling sales orders and contractual obligations. Additionally, certain components of inventory are held for use within research and development. Inventory is held at the lower of cost and net realisable value, in line with IAS 2. Consideration is made of the technical properties of the inventory and its effect on net realisable value. Management judgement is primarily used to assess future revenues of product lines and where there is a doubt over its future net realisable value a provision is made.
How the issue was addressed The Committee discussed with management the level of provisioning and reviewed the assumptions made by management and considered whether the inventory provision was at an appropriate level.
Fair, balanced and understandable A key governance requirement is for the Board to ensure that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model, and strategy. To assist it in making this determination, the Board has requested the advice of the Committee. To assist the Committee in making its assessment, it received drafts of the Annual Report at key points in the production process in order to provide its feedback and also reviewed papers from leadership highlighting the supporting evidence for the report's key messages. Any disclosures that the Committee believed required additional information or clarification were highlighted and the necessary edits made during the subsequent drafting phase. The Committee also reviewed narrative reporting in the front half of the Annual Report to ensure its consistency with the financial reporting in the back half, and that the overall layout and linkage between each section of the report were clear and understandable. Having completed its assessment, the Committee concluded that the disclosures throughout the Annual Report and Financial Statements were appropriate and that the 2024 Annual Report and Financial Statements was fair, balanced and understandable, allowing the Committee to provide positive assurance to the Board to assist it in making the statement required by the Code.

Internal controls and risk management environment The Board is ultimately responsible for the operation of an effective system of internal control and risk management appropriate to the business. Oxford Nanopore has aligned with provisions of the Code in the period to the date on which these financial statements were approved. Day-to-day operating and financial responsibility rests with senior management and performance is closely monitored on a monthly basis. Set out below is further comment on the areas of internal control and risk management.
Internal control environment The following key elements comprise the internal control environment which has been designed to identify, evaluate and manage, rather than eliminate, the risks faced by the Group in seeking to achieve its business objectives and ensure accurate and timely reporting of financial data for the Group: • An appropriate organisational structure with clear lines of responsibility • Systems of control procedures and delegated authorities which operate within defined guidelines, and approval limits for capital and operating expenditure and other key business transactions and decisions • A robust financial control, budgeting and rolling forecast system, which includes regular monitoring, variance analysis, key performance indicator reviews and risk and opportunity assessments at Board level • Procedures by which the Group's consolidated financial statements are prepared, which are monitored and maintained through the use of internal control frameworks addressing key financial reporting risks arising from changes in the business or accounting standards • Robust IT systems, with significant investment in cyber security and focus on IT security e.g. penetration testing • An experienced and commercially focused legal function that supports the Group's operational and technical functions • Established policies and procedures setting out expected standards of integrity and ethical standards which reinforce the need for all employees to adhere to all legal and regulatory requirements • An experienced, qualified and adequately resourced finance function which regularly assesses the possible financial impact of the risks facing the Group • Internal audit function (outsourced to Grant Thornton) and • An ongoing risk management programme.

Risk management framework Oxford Nanopore has a robust risk management process that follows a sequence of risk identification, assessment of probability and impact, and assigns an owner to manage mitigation activities. A register is kept of all identified corporate risks and is monitored by senior management and regularly discussed at the Operating Committee and reported to the Committee. The risk register and the methodology applied is the subject of continuous review by senior management, which includes the ongoing process of categorising and prioritising risks already identified in addition to reflecting new and developing areas which might impact business strategy. This risk management framework includes risks identified at the time it was implemented as part of the IPO process in 2021, updated to the present and also seeks to capture emerging risks that might impact the business in the coming years. The Committee will continue to review the risk register throughout the year and assess the actions being taken by senior management to monitor and mitigate the risks. Those risks which are considered to be the principal risks of the Group are presented on page 72.
Anti-bribery and corruption The Company has a zero-tolerance approach to bribery and corruption at all levels within the organisation globally and expects high standards of integrity from our people, agents, consultants, interns and subcontractors and any other person associated with the Company in business dealings and relationships worldwide. Whilst the Board is ultimately accountable for the Company's anti-bribery and corruption efforts, responsibility for reviewing the Company's systems and controls for preventing these have been delegated to the Committee. The Company has in place a clear Anti-Bribery and Corruption Policy, which is available for our people to access on our internal policy hub. The Company requires everyone at Oxford Nanopore to attest to this policy on joining the business. The Company also provides mandatory online training to ensure our people understand their responsibilities in preventing bribery and corruption.

Whistleblowing

Whilst the Board is ultimately responsible, it has delegated oversight of the Group's whistleblowing policies and procedures to the Committee. We expect all our people to act professionally, honestly and ethically in their dealings with people, whether they are within the organisation, customers, suppliers or any other external partner they may have contact with. The behaviours and standards expected of our people are set out in our policy, to which everyone who joins Oxford Nanopore must sign up.

The Company also provides mandatory online training to ensure our people understand the whistleblowing policy. A confidential incident reporting facility is available, provided by an independent specialist firm Safecall Limited ("Safecall"), for circumstances where an individual wishes to report an issue anonymously. Monitoring the effectiveness and appropriateness of the whistleblowing policy falls within the remit of the Committee.

Whilst no calls were made to Safecall during the year, two matters escalated internally were investigated under Company's internal whistleblowing procedures. Technical and administrative procedures regarding certain IT policies were changed following the first investigation and the second investigation is ongoing.

Review of effectiveness

The Committee, on behalf of the Board, has reviewed the effectiveness of the internal control systems and risk management processes during FY24. This work has been supported by our internal auditor. The effectiveness review included regular meetings with the Internal Auditor, and review and approval of a plan of work having considered the Group's principal, strategic and operational risks. The evaluation did not identify any significant failings or weaknesses.

The Committee will continue to review the ongoing development of the internal control systems and risk management processes.

Going concern and long-term viability

The Committee reviewed the Group's going concern and long-term viability disclosures in this Annual Report, together with the reports prepared by the leadership team in support of each statement and advised the Board on their appropriateness. As part of its review, the Committee considered amongst other things a number of scenarios modelled by the business (including a "severe but plausible" downside scenario) and reverse stress tests carried out to assess the strength of the Group's finances.

The going concern and long-term viability statements were reviewed by the external auditor, which discussed its findings and the conclusions drawn by leadership in producing each statement with the Committee.

More detailed information about the Group's approach to its going concern and long-term viability assessments can be found on page 88 of the Strategic Report.

Independence and performance of the auditor

The Committee oversees and maintains the relationship with the external Auditor on behalf of the Board. Deloitte was appointed as the auditor of Oxford Nanopore in the year ended 31 December 2010 and became the auditor of the Company on its admission to listing on the London Stock Exchange on 5 October 2021. The current audit partner is Sukhbinder Kooner who was appointed at the time of the IPO. The audit was last tendered in 2010 and Deloitte has been in place as Oxford Nanopore's auditor since that time. Auditors are required to report regularly on and confirm their independence in their role.

The Committee has primary responsibility for conducting any tender process and making recommendations on appointment, reappointment and removal of auditors, and approving the terms of engagement and the remuneration of the external auditor. The Committee keeps under review the requirements on audit tendering and rotation. As noted above, there is a pending re-tender of the Statutory Audit Services Agreement expected to come into effect for the financial year ending 31 December 2026.

A questionnaire in relation to auditor effectiveness in respect of the external audit for the financial year ending 31 December 2024 was circulated to members of the Committee and relevant Company employees involved in the audit. For the financial year ending 31 December 2025, the Committee has recommended to the Board that Deloitte be reappointed as external auditor and the Company will be seeking shareholder approval for the reappointment of Deloitte at its AGM to be held in June.

The Committee has developed and recommended to the Board a formal policy on the provision of non-audit services by the auditor, including prior approval of non-audit services by the Committee and specifying the types of non-audit service to be pre-approved, and assessment of whether non-audit services have a direct or material effect on the audited financial statements.

During 2024, Deloitte received total fees of £0.6 million (2023: £0.7 million), comprising £0.5 million of audit fees (2023: £0.6 million) and £0.1 million (2023: £0.1 million) for assurance related non-audit services. The fees for non-audit services during the year related to work undertaken on the interim financial review.

The fees paid for these other non-audit services during the year represented 13% (2023: 14%) of the fees paid for the statutory audit and audit-related assurance services together. Further details of these amounts are included in note 9 of the financial statements.

On behalf of the Audit and Risk Committee.

Adrian Hennah

Chair of the Audit and Risk Committee
18 March 2025

Directors' remuneration report



John O'Higgins
Interim Chair of the Remuneration Committee

Committee overview

- The Remuneration Committee ("Committee") currently comprises three independent Non-Executive Directors
- All members have relevant commercial and operating experience, as well as experience of serving on the boards of other businesses
- Three Committee meetings were held in 2024
- The Chair of the Board and the Chief Executive Officer may, by invitation, attend Committee meetings except when their own remuneration is discussed. The Group HR Director and the Group Head of Reward are also invited by the Committee to provide their views and advice. The Chief Financial Officer may also attend to provide performance context to the Committee during its discussions about target setting. Information on meetings held and director attendance is disclosed in the corporate governance report
- No individual takes part in any decision related to his or her own remuneration

Committee roles and responsibilities

- Recommendations to the Board on the remuneration policy as applied to the Chair of the Board, Executive Directors, and the Executive Committee
- Setting, reviewing, and approving individual remuneration arrangements for the Chair of the Board, Executive Directors and Executive Committee members including terms and conditions of employment
- Determining arrangements in relation to termination of employment of the Executive Directors and other designated senior executives
- Ensuring that remuneration outcomes are appropriate in the context of underlying business performance and that remuneration practices are implemented in accordance with the approved remuneration policy
- Reviewing the wider workforce remuneration policies and practices

Full terms of reference for the Committee are available on the Company's website at <https://nanoporetech.com/about/investors/corporate-governance>



The Company's remuneration arrangements have been designed to encourage long-term, sustainable growth and to provide market competitive overall remuneration for the achievement of stretching targets aligned to the business strategy."

Main Committee activities during 2024

- Key actions and areas of review by the Committee during the year included:
- Consideration of feedback from investors and proxy agencies following publication of the 2023 Annual Remuneration Report
 - Consideration and approval of the approach to be taken with regards to the renewal of the Directors' Remuneration Policy at the upcoming AGM in 2025, including consultation with stakeholders
 - Review of market and governance updates and impact on the Company
 - Approval of Long-Term Incentive Plan awards granted in April 2024 including a scale back to the number of awards granted
 - Review and approval of the design of the Annual Bonus Plan (ABP) and weighting of the individual performance measures for 2025
 - Review and approval of performance measures for awards to be granted in April 2025 under the Long-Term Incentive Plan
 - Review of budget and approach for all-employee annual pay review and consideration of remuneration issues relating to the wider workforce

Committee focus areas for 2025

- The Committee is planning to undertake a number of key activities during the coming year on a range of matters including:
- Determination of the 2024 ABP outcomes and approval of the 2025 LTIP grant
 - Review and approval of the design of the ABP and performance measures for 2026
 - Oversee the implementation of the renewed Directors' Remuneration Policy to ensure it operates appropriately
 - Monitoring of the external remuneration environment, including developments in best practice and all-employee remuneration

Committee member	Scheduled meetings attended	Percentage of meetings attended
Wendy Becker (Chair of the Committee until 10 June 2024*)	1/1	100%
Dr Guy Harmelin**	1/2	50%
John O’Higgins*	3/3	100%
Heather Preston	2/3	66%
Kate Priestman	3/3	100%

* Wendy Becker stepped down from the Board on 10 June 2024. John O’Higgins was appointed as Interim Chair of the Remuneration Committee from this date.
** Guy Harmelin stepped down from the Board on 1 October 2024.

Advice to the Committee

Since listing on the London Stock Exchange, the Committee has appointed FIT Remuneration Consultants LLP (FIT) as its independent advisor following a competitive tender process. FIT is a member of the Remuneration Consultants’ Group and, as such, voluntarily complies with its Code of Conduct which sets out guidelines to ensure that its advice is independent and free of undue influence. FIT has no other connection with the Company or its directors. The Committee is therefore satisfied that the advice provided by FIT is independent and objective. The fees paid to FIT in relation to advice provided to the Committee were £23,937 (inc. VAT) and were determined on a time and expenses basis.

Statement of shareholding voting

The binding vote on the Remuneration Policy at the 2022 Annual General Meeting (AGM) and the advisory vote on the Directors’ Remuneration Report at the 2024 AGM both received strong shareholder support.

The table below shows the votes cast by shareholders:

Statement of shareholding voting

	Remuneration Policy (2022 AGM)		Remuneration report (2024 AGM)	
	Votes	%	Votes	%
Votes in favour	589,737,541	93.99	465,905,694	99.12
Votes against	1,777,387	0.28	4,143,296	0.88
Votes withheld	35,944,210	5.73	181,062	–

Dear Shareholder,

As Interim Chair of the Remuneration Committee, I am pleased to present the Directors’ remuneration report for the year ended 31 December 2024. The Report comprises three sections:

- this Annual statement, which contains a summary of performance and pay for 2024, the Committee activities during 2024, and an outline of the approach to the renewal of the Directors’ Remuneration Policy in 2025;
- the 2024 Annual Report on Remuneration, which provides details of the remuneration outcomes for each of the Directors in the year ending 31 December 2024 and how the Directors’ Remuneration Policy will be implemented for 2025; and
- the Directors’ Remuneration Policy, which Shareholders will be asked to vote on at the upcoming AGM on 4 June 2025 and sets out the forward-looking Directors’ Remuneration Policy for the Company going forward.

2024 Context

The 2024 financial results have been achieved through continued strategic execution, significant new commercial progress, improved utilisation across existing customer and expansion into new markets.

In summary:

- the Group delivered revenue growth of 11.1% on a constant currency basis (8.0% on a reported basis), in line with market expectations, and underlying revenue growth of 23.3% across all regions, being driven by new product launches, new and expanded contracts, and increasing sales teams’ productivity; and
- Gross margin increased to 57.5% (FY23 53.3%) during the period, driven by underlying margin improvements across both PromethION Flow Cell and devices, which offset product mix and currency headwinds.

During 2024, there were key contract wins and contract expansions, including i) APAC: Precision Health Research Singapore (PRECISE), which selected Oxford Nanopore technology to sequence 10,000 long-read human genomes to gain deeper insights into Asian genetic diversity, ii) EMEAI: announced a groundbreaking collaboration with UK Biobank to create the world’s first comprehensive, large-scale epigenetic dataset to map epigenetic modifications across 50,000 samples to advance understanding of epigenetics in cancer, neurological disease and other common complex diseases and iii) AMR: announced a multi-million, multi-year contract expansion with Plasmidsaurus, a commercial provider of plasmid sequencing services, to deliver high-accuracy whole plasmid sequencing with fast turnaround times.

The high regard for Oxford Nanopore’s technology was demonstrated as new strategic collaborations were formed to develop and access new growth markets in biopharma, clinical and industrial applications, including a collaboration with Lonza to develop a novel test to accelerate analysis of mRNA products. Furthermore, existing collaborations were advanced, including the launch of the AmplideX® Nanopore Carrier Plus Kit with Asuragen in Q4 2024, as well as the development of a test to determine antibiotic resistance in tuberculosis with bioMérieux, which is expected to be released as a research-only product in Q1 2025, prior to seeking IVD approvals.

Empowered by the desire to use the technology to drive advances in medical research, clinical and applied practice and global public health, 2024 brought about significant advancements in both our technology and applications, including i) the Early Access launch

of PromethION 2 Integrated (P2i) and continued rollout of the PromethION 2 Solo (P2S), following its successful launch in 2023. At 31 December 2024, there were more than 1,900 P2 devices in the field, demonstrating continued market traction, the Early Access launch of the MiniION MK1D in Q4 2024 to mark ten years of MiniION, the smallest sequencer on the market, and the launch of new products from our regulated product pipeline to drive adoption in new clinical and applied markets, including GridION Q, from our locked down Q-Line product range, and the Early Access launch of ElysION, our sample-to-answer automated sequencing solution.

In recognition that our employees are key to driving the future success of the Company, throughout 2024, there has been a continued focus on ensuring our commercial and operational teams are aligned across our business, ensuring we can drive value for our customers through lean and high-performing teams.

Performance and reward for FY24

The ABP measures and targets were set at the start of FY24 and no adjustments to the targets were made during the year. These comprise:

Financial measures:

- Group Revenue growth (45% weighting); and
- Gross profit margin (25% weighting).

Strategic Scorecard measures (20% weighting) focused on market expansion.

These measures assessed the level of completion during 2024 against defined targets of the following:

- End2End workflows;
- Q-Line; and
- Product Performance.

An ESG measure (10% weighting) focused on ensuring employees are highly engaged and motivated to ensure delivery.

With regards to the performance against each of the financial measures, noting the challenging macroeconomic backdrop:

- The Company delivered revenue of £183.2 million, an increase of 8% over prior year. Underlying revenue on a constant currency basis was £184.56 million, an increase of 23.3%. This achievement was supported by the expansion of the customer end-markets outside of Research i.e. Applied Industrial, BioPharma and Clinical, offset due to combined headwinds from COVID Sequencing and the Emirates Genome Programme. The revenue outcome equated to a bonus multiple of 80.4%) of the target (40.2% of max), allocated to this measure; and
- Gross Profit margin for FY24 was 57.5%. As noted above, this was driven by underlying margin improvements across Flow Cells and devices, offsetting product mix and currency headwinds. Margin expansion in 2024 also reflects the one-off headwinds in 2023 that did not repeat in 2024 (including the adverse performance of the EGP, the write-off of excess COVID sequencing kits and legacy devices and upgrading the computer on large PromethION devices). This margin achievement delivered a bonus multiple of 116.7% of the target (58.35% of max), allocated to this measure.

Turning to the Strategic Scorecard measures, 2024 saw good strides being made with market expansion plans. The first strategic measure was delivered to the maximum; with the release of eight end-to-end workflows targeting the research market and four end-to-end workflows targeting the Applied market. With regards to the launch of Q-Line, the Q-Line GridION was released and is

CFRpt11 compliant (R9). The Product Performance measure delivered an on-target achievement with Q20+ representing 90% of revenue (excluding EGP and Q-Line), with the average customer accuracy above Q20. The bonus outcome for these measures equated to a bonus multiple of 116.6% of the target level (c. 58.3% of max) allocated to this measure.

The focus of the ESG measure in 2024 was employee engagement, with a 10% weighting, ensuring a highly engaged workforce and inclusive culture is critical to the achievement of Oxford Nanopore’s ambitions. Three employee pulse surveys were run through the year and measured both average participation and positive sentiment with regards to various areas aspects of the working culture at Oxford Nanopore. This was the first time such surveys were conducted at Oxford Nanopore and therefore set a baseline for subsequent years. The participation target was stretching, with threshold set at 60%. Actual participation across the surveys was 55% and therefore no bonus multiple was awarded for this metric. However, the employee sentiment captured across all three surveys was very positive and demonstrated high levels of employee engagement. An on-target achievement was set at 67.5%; the positive sentiment provided in the survey surpassed this with an average positive response rate of 74.6%. As a result, the bonus outcome for the employee sentiment was 156.8% of target (78.4% of max). Looking at the two components together, the ESG measure equated to a bonus multiple of 78.4% of the target level (39.2% of max).

Further detail on the performance against these measures can be found on page 122.

The resulting bonus equated to 96.53% of the target bonus opportunity (48.26% of the maximum bonus opportunity) for the two Executive Directors. The Committee believes that the formulaic outcomes of the bonus calculations are appropriate in light of the Company and individual performance delivered in the year and so has not applied discretion. In line with the Policy, 33% of the bonus awarded to the Executive Directors will be deferred into shares, 50% of which must be held for one year and 50% for two years.

The post-IPO long-term incentive awards granted in April 2022 are due to vest on 11 April 2025 based on relative TSR performance conditions measured over the three-year performance period ending 31 December 2024. Based on the assessment of this performance, 17.74% of the awards granted will vest. Further detail can be found on page 123. Similarly, the Committee considered this to be a fair reflection of the overall performance and confirmed the vesting without the exercise of discretion.

In addition, while the normal policy is to grant LTIP awards each year at a level of 250% of salary for the CEO, in light of the share price at the time of the grant in April 2024, this level was reduced by 30%. This reflects the second consecutive year in which a reduction in the grant level was adopted. The 200% of salary level of grant made to the CFO was consistent with policy.

Remuneration Policy Review

The current Directors’ remuneration Policy was approved by 99.7% of shareholders at the 2022 Annual General Meeting.

The Committee considered alternative approaches to reward but concluded that the Policy has operated well and aligned reward to the shareholder experience and performance of the Company. On that basis, the Committee is proposing the renewal of the Policy at the 2025 AGM (it having reached its third anniversary and, therefore, requiring renewal) with no material amendments.

As part of this process, we engaged with our largest shareholders and the main proxy advisory firms and believe that the majority of our shareholders support this renewal. While not part of the policy as such, a number of the largest shareholders indicated a desire for the Committee to consider increasing the weighting of the financial measures to profit-based targets. Having considered this, the Committee has decided to reweight the revenue and margin components of the 2025 annual bonus to give more emphasis to gross margin (adjusted to a 30% weighting from 25%) whilst still maintaining strong focus on driving revenue growth (a reduction in weighting from 45% to 40%) and to add a new measure to the 2025 LTIP grant linked to the achievement of an EBITDA profit in 2027. These are further explained below.

The other change which requires a separate shareholder resolution, is to remove the 5% in ten years dilution limit from the LTIP. This both reflects the latest position in the leading institutional shareholder guidelines and ensures that the LTIP can continue to operate as intended into the medium term given the prime focus which equity incentives contribute to the wider incentivisation culture at the Company. The Company is acutely mindful of the importance of shareholder dilution to many shareholders and emphasises that the overarching “10% in ten years” limit will be retained, ensuring no increase in the maximum overall potential dilution under the Company’s share plans.

Implementation of the policy for 2025

The importance of the alignment of the remuneration structure throughout the workforce and the tone of communication with regards to the Company’s strategic focus are key considerations of the Committee when making decisions on executive base pay. In order to demonstrate the importance of moving the Company to profitability and, therefore, ensuring good cost stewardship, the Executive Directors asked the Remuneration Committee not to consider them for a salary increase for 2025. This extended to the Executive Committee and Senior Management employees with the wider employee population being allocated a budget of 2.5% for base pay increases, a reduction on the 3.5% provided for the 2024 review.

Bonus arrangements will continue to operate in line with the Policy, with a maximum opportunity of 200% of salary for the CEO and 160% for the CFO, with 33% of any bonus earned subject to deferral into awards over shares in the Company.

The FY25 bonus will be assessed against a similar scorecard to 2024 with a combination of financial and non-financial objectives which are set out on page 119 and which include an increased weighting on margin.

As referred to above, the policy is for LTIP awards to be granted over shares worth 250% of salary in the case of the CEO and 200% of salary in respect of the CFO. In the prior two years, a scale back has been applied to the number of shares granted to recognise the material decline in the Company’s share price since IPO. The Committee has assessed share price performance since the April 2024 grant date and determined that the award to be granted in 2025 should be consistent with policy. These awards will retain the historic stretching TSR performance conditions with 25% vesting at median, rising to full vesting at upper quartile, which will determine 66.66% of the vesting outcome. TSR is measured, as to 33.3%, relative to a bespoke group of 14 international life sciences companies and, as to the other 33.3%, relative to the constituents of the FTSE 350 (excluding investment trusts).

The final 33.3% of the vesting outcome will be determined by the outcome of adjusted EBITDA in 2027, with reference to the range noted on page 119. This additional, new metric will provide alignment of the remuneration with the Group’s key 2027 financial target.

Board changes

A number of changes to the Board were announced in 2024. Nick Keher joined as Chief Financial Officer and Director on 22 January 2024. Clive Brown stepped down from the Board as Executive Director on 29 February 2024 and Spike Willcocks and Tim Cowper on 10 June 2024. Spike and Tim continue to serve on the Company’s Operating Committee and remain in their operational leadership roles: Spike as Chief Strategy Officer, and Tim as Chief Operating Officer.

Wendy Becker stepped down from the Board in her capacity as Chair of the Remuneration Committee and Senior Independent Director following the AGM on 10 June 2024. I was appointed interim Chair of the Remuneration Committee with immediate effect and Kate Priestman was appointed as the Senior Independent Director on 16 December 2024. Guy Harmelin stepped down from the Board on 1 October 2024 and Dr Daniel Mahony joined the Board as an independent Non-Executive Director, on 1 October 2024.

Conclusions

FY24 has been a year in which the Company has made continued progress in market expansion, entering new key contracts, building on existing partnerships and delivering further innovative technology to the market. The Committee therefore regards the reward outcomes for the Executive Directors to be appropriate without the exercise of any discretion.

We are pleased with the support we have received from shareholders, with over 99% approval from the votes cast at the last AGM for the annual remuneration report for 2023.

As a Committee, we continue to be committed to supporting the Company’s ambition to be a high-performing organisation by incentivising and rewarding performance. The Directors’ Remuneration Policy proposed for shareholder approval is considered to underpin the Group’s strategy, reflect the market environment, and provide a strong support for ensuring the focus of the Company’s leadership team is on the continued long-term, sustainable success of the business.

As you read our Directors’ Remuneration Policy and Directors’ Remuneration Report on the following pages, I hope it is clear how Committee decisions support the Company as a high-performing organisation by rewarding sustainable performance which is at the heart of Oxford Nanopore’s corporate strategy and vital to meeting investors’ goals.

We look forward to welcoming you and receiving your support at the AGM.

John O’Higgins
Interim Chair of the Remuneration Committee
18 March 2025

Annual Remuneration report

This section of the Directors’ remuneration report provides details of:

- How we propose to implement our Directors’ Remuneration Policy for 2025 subject to approval of the Policy at the 2025 AGM; and
- How Directors were paid for the year ending 31 December 2024.

Implementation of policy for 2025

Component of Pay	Implementation for FY25	
Base salaries	CEO: £832,000	CFO: £425,000
	There will be no change to salaries as part of the Company’s Annual Pay review in April 2025.	
Benefits and pension	For CEO & CFO a pension contribution or allowance of 6% of base salary. No changes to benefit provision.	
Annual bonus	CEO: Maximum 200% of base salary CFO: Maximum 160% of base salary (target bonus is 50% of maximum).	
	Subject to the following performance conditions:	
	• Group revenue growth – 40% weighting (Reduced from 45% in prior years).	
	• Group gross profit margin – 30% weighting (Increased from 25% in prior years).	
LTIP	• Non-financial – 20% weighting, which will consist of a range of measures linked to key strategic projects in FY25.	
	• ESG – 10% weighting, which will consist of a range of measures linked to the Company’s approach to ESG.	
	• Consistent with market practice, the target ranges are currently commercially sensitive and will be reported next year.	
	CEO: Maximum award of 250% of base salary CFO: Maximum award of 200% of base salary	
	Subject to the following performance conditions:	
	• 33% of the performance measure depending on the Company’s Total Shareholder Return (TSR) position against a group of comparators consisting of 14 global life sciences and other companies; and	
	• 33% depending on the Company’s TSR position against the constituents of the FTSE350, excluding investment trusts. With regards to the TSR measures 25% of the LTIP awards will vest at threshold for median performance, with vesting up to 100% if upper quartile performance is achieved.	
	• 33% aligned to driving the achievement of EBITDA breakeven in 2027 (with a target adjusted EBITDA range of -£20m to £10m for 2027. Threshold vesting of 25% for an achievement of -£20m with maximum vesting at £10m and straight-line vesting from the threshold to the maximum value). This is a new measure for 2025, previously each of the TSR measures noted above determined 50% of the vesting outcome.	
	Details of the TSR peer group are as follows:	
NED fees	Chair fee: £275,000 Non-Executive Director base fee: £72,500 (All of which are expected to remain unchanged for 2025)	Audit and Remuneration Committee Chairs: £20,000 Senior Independent Director Fee: £20,000

Remuneration Outcomes for 2024

Single figure table for Executive and Non-Executive Directors (audited)

The following tables set out the single total figures of remuneration for Executive and Non-Executive Directors for the period from 1 January 2024 to 31 December 2024 with comparative information for the period 1 January 2023 to 31 December 2023.

Executive Directors

	Gordon Sanghera		Nick Keher ²		Tim Cowper ^{3,9}		Clive Brown ^{4,10}		Spike Willcocks ^{5,11}	
£	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23
Salary and fees ¹	832,000	824,000	402,460	n/a	230,160	515,000	108,200	645,000	300,550	677,680
Benefits ⁶	738	747	2,178	n/a	1,076	2,547	421	2,547	7,573	16,566
Pension ⁷	49,920	49,440	24,148	n/a	13,810	30,900	6,492	38,700	7,166	15,927
Total fixed remuneration	882,658	874,187	428,786	n/a	245,046	548,447	115,113	686,247	315,289	710,173
Annual Bonus ⁸	803,130	461,427	309,371	n/a	177,742	230,714	83,554	292,829	227,981	304,352
Long-Term Incentive (Performance Share Plan) ¹²	132,818	–	–	n/a	66,191	–	79,429	–	83,438	–
Total variable remuneration	935,948	461,427	309,371	n/a	243,933	230,714	162,983	292,829	311,419	304,352
Other One-off payment ¹³	–	15,384	–	n/a	–	–	–	11,538	–	–
Total remuneration	1,818,606	1,350,998	738,157	n/a	488,979	779,161	278,096	990,614	626,708	1,041,525

1. Base salaries of the Executive Directors have been rounded to the nearest £10.

2. Remuneration for Nick Keher is shown from 22 January 2024, the date of joining from the Board.

3. Total Fixed Remuneration for Tim Cowper is shown up to 10 June 2024, the date he stepped down from the Broad. The full year remuneration is salary and fees of £520,000, benefits of £2,538 and pension of £31,200 giving Total Fixed Remuneration of £553,738.

4. Total Fixed Remuneration for Clive Brown is shown up to 29 February 2024, the date he stepped down from the Board. The full year remuneration is salary and fees of £660,000, benefits of £2,538 and pension of £39,600 giving Total Fixed Remuneration of £702,138.

5. Total Fixed Remuneration for Spike Willcocks has been converted to Pounds Sterling from US Dollars using an exchange rate of 1.2786 which is the average rate for FY24. Remuneration is shown up to 10 June 2024, the date he stepped down from the Board. The full year remuneration, including a £12,000 annual fee (pro rata) in respect of plc board duties is salary and fees of £672,306, benefits of £17,110 and pension of £16,190 giving Total Fixed Remuneration of £705,605.

6. Benefits comprise private medical insurance for all Executive Directors. In addition, Nick Keher, Tim Cowper and Clive Brown participate in the UK SIP, and the benefits number includes matching shares with a value of up to £1,800 per annum.

7. All UK-based Executive Directors receive cash in lieu of pension contributions or employer pension contributions. The pensions value for Spike Willcocks is the matching employer contribution to the US 401(k) plan.

8. The Annual Bonus Plan is the bonus payable for performance year 2024. One third of the cash bonus amount will be deferred into awards over Oxford Nanopore shares under the Deferred Bonus Plan (DBP) in line with the Policy.

9. 2024 bonus for Tim Cowper is pro-rated for the period in year served as a director (1 January 2024 to 10 June 2024). He also received a bonus of £223,823 for the 2024 period he remained an employee of the Company (11 June 2024 to 31 December 2024) assessed on the same basis as his 2024 bonus received for serving as a director. His aggregate 2024 bonus was therefore £401,565.

10. 2024 bonus for Clive Brown is pro-rated for the period in year served as a director (1 January 2024 to 29 February 2024). He also received a bonus of £426,124 for the 2024 period he remained an employee of the Company (1 March 2024 to 31 December 2024) assessed on the same basis as his 2024 bonus received for serving as a director. His aggregate 2024 bonus was therefore £509,678.

11. 2024 bonus for Spike Willcocks is pro-rated for the period in year served as a director (1 January 2024 to 10 June 2024). He also received a bonus of £287,087 for the 2024 period he remained an employee of the Company (11 June 2024 to 31 December 2024) assessed on the same basis as his 2024 bonus received for serving as a director. His aggregate 2024 bonus was therefore £515,068. The bonus amounts have been converted to Pounds Sterling from US Dollars using an exchange rate of 1.2786 which is the average rate for FY24.

12. The Long-Term Incentive comprises the value of shares vesting within the performance period ending 31 December 2024. 17.74% of the shares granted in April 2022 under the Long-Term Incentive Plan have vested; the value calculated is based on the average share price for 3 months to 31 December 2024 of £1.43. Figures will be restated to reflect the actual share price at vesting in the 2025 Annual report. No element of this relates to share price appreciation. For those stepping down from the Board, the full value of the LTIP vesting has been included for all Executive Directors to reflect that the majority of the performance period was completed whilst they were a member of the Board. The award remained subject to the same performance conditions after they stepped down and will vest at the normal time.

13. The one-off payment received by Gordon Sanghera and Clive Brown in 2023 represents a payment in lieu of holiday that could not be taken.

Non-Executive Directors

	Wendy Becker ¹		Dr Guy Harmelin ²		Adrian Hennah		Dr Sarah Fortune ³		John O'Higgins	
£	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23
Salary and fees	49,932	111,884	54,474	71,884	92,500	91,884	110,000	2,582	83,678	71,884
Benefits	–	–	–	2,088	–	–	7,237	–	2,628	–
Total remuneration	49,932	111,884	54,474	73,972	92,500	91,884	117,237	2,582	86,306	71,884

	Dr Heather Preston ⁴		Kate Priestman		Dan Mahony ⁵		Duncan Tatton-Brown			
£	FY24	FY23	FY24	FY23	FY24	FY23	FY24	FY23		
Salary and fees			117,500	2,582	73,374	34,164	18,224	–	275,000	275,000
Benefits ⁶			14,805	–	852	1,149	–	–	1,640	539
Total remuneration			132,305	2,582	74,226	35,313	18,224	–	276,640	275,539

1. Fees received by Wendy Becker are for the period 1 January 2024 to 10 June 2024, when she stepped down from the Board of Directors.

2. Fees received by Guy Harmelin are for the period 1 January 2024 to 1 October 2024, when he stepped down from the Board of Directors.

3. Fees received by Sarah Fortune include a travel allowance of £7,500 per visit to the UK.

4. Fees received by Heather Preston include a travel allowance of £7,500 per visit to the UK.

5. Fees received by Dan Mahony are for the period commencing on the date of appointment to the Board of Directors 1 October 2024 to 31 December 2024.

6. Benefits comprise taxable travel and subsistence-related expenditure in the UK.

Notes to the single figure table for Executive Directors (audited)

Annual Bonus Plan (ABP) (audited)

The maximum ABP opportunity for 2024 was 200% of salary for the CEO and 160% for the other three Executive Directors (unchanged from FY21 for the period from IPO). The ABP performance measures were based on the achievement of Group financial targets and a scorecard of quantifiable strategic objectives. Performance targets and actual outturn as a percentage of the target bonus are summarised below.

Performance measures	Weighting	Threshold	Target	Maximum	Outcome to target by measure	Actual 2024 Achievement (% of target bonus)	Bonus outcome by measure (% of max. bonus)
Financial measures							
Group revenue growth	45%	£180m	£187.5m	£195m	£184.56m	36.19%	18.09%
Group gross profit margin	25%	53.3%	57%	60%	57.5%	29.17%	14.59%
Strategic Scorecard measures:							
End2End Workflows	20%	Release of six End2End workflows targeting research market	As threshold plus two End2End workflows for applied market	Release of eight End2End workflows targeting research market plus four End2End workflows for applied market	Maximum achieved	13.33%	100%
Q-Line		• Q-Line GridION released & CFRpt11 compliant (R9)	• As threshold plus CFRpt11 compliant (R10)	• As target plus Q-Line P24 released and CFRpt11 compliant (R10)	Threshold achieved	3.33%	25%
Product Performance		• Q20+ representing 90% of revenue (excl. EGP and Q-Line)	• As threshold plus average customer accuracy in field to be at or above Q20 (when running HAC basecaller on LSK114+)	• As per target plus output increased by a preset margin	Target achieved	6.67%	50%
ESG							
Pulse engagement survey – average employee participation	5%	60%	70%	80%	55%		0%
High levels of employee engagement	5%	60%	67.5%	80%	74.6%		78.4%
Total	100%					96.53%	48.26%

The performance measures were set at the start of the year and were based on external market guidance, our strategic priorities, and a desire to align part of our executive pay arrangements to ESG. All targets were set on a stretching basis.

With regards to Revenue Growth, the gross revenue for 2024 was £184.56m on a constant currency basis (£183.2m on a reported basis). This represents an achievement of just below target, providing a bonus multiple of 80.4% of the target opportunity. Target was not met due to headwinds from COVID Sequencing and the Emirates Genome Programme.

The gross profit margin for the year ending 31 December 2024 is 57.5%. This represents an above target outcome and a bonus multiple of 116.7% of the target opportunity. This outcome is driven by margin improvements across the product portfolio, particularly across both PromethION Flow Cells and devices.

Innovation to support market expansion was strong in 2024. We released 11 End2End workflows supporting our research customers and five workflows to support the applied market. This success provided a bonus outcome of 2x (x being 6.66%), of the target opportunity for this Strategic Scorecard measure. With regards to the second measure, Q-Line GridION has been released and is CFRpt11 compliant (R9), delivering a threshold outcome of 0.5x of the target opportunity for this measure. Product Performance was the focus of the third measure within the Strategic Scorecard, with Q20+ representing more than 90% of our revenue (excl. EGP and Q-Line) and the average customer accuracy in field was above Q20 (when running HAC basecaller on LSK114+). These achievements provided an on-target outcome for this measure. In totality the Strategic Scorecard achieved 116.7% of the target opportunity.

Understanding how engaged the employees of the Company are was the focus of the ESG metrics. Three pulse surveys were run through the year; participation across the surveys averaged at 55% and therefore did not meet the baseline of 60% that was set. As a result, no bonus outcome was awarded for this measure. However, the survey responses indicated high levels of engagement, with the average positive responses across the three surveys being 74.6%. As a result, this gave a bonus outcome of 156.8% of the target opportunity (5%) for this measure.

Taking into account these achievements, the Remuneration Committee determined that a bonus of 96.53% of target (48.26% of the maximum) would be payable for 2024. The Committee believes that the formulaic outcomes of the bonus calculations are appropriate in light of the Company and individual performance delivered in the year and so has not applied discretion.

ABP payments are calculated using base salary as at 31 December 2024, in line with the global policy that applies to other employees across the Company. Consistent with the Policy, one third of the entire bonus will be deferred into an award of shares under the DBP, with a holding period of one year for 50% of the award, and two years for the remaining 50% of the award, with vesting generally subject to continued employment.

Long Term Incentives (LTI) – Vesting of Performance Share Awards granted in April 2022

Long-term incentives in the single figure table of remuneration for 2024 comprise the value of shares vesting in April 2025 under the Performance Share Award granted on 11 April 2022. The value shown in the table is based on the average share price for the three months from 1 October 2024 to 31 December 2024. Details by participant are as follows:

Executive Directors	No. of Shares granted ¹	Price at grant	Value at grant	No. of Shares vesting	Vesting Price ²	Vesting Value
Gordon Sanghera	523,560	£3.82	2,000,000	92,880	£1.43	£132,817.75
Tim Cowper	261,780	£3.82	1,000,000	46,440	£1.43	£66,190.61
Spike Willcocks	329,991	£3.82	1,260,566	58,540	£1.43	£83,437.64
Clive Brown	314,136	£3.82	1,200,000	55,728	£1.43	£79,428.73

1. The shares were granted on 11 April 2022.
2. The value at vesting is based on the share price of £1.43 which was the average closing price from 1 October to 31 December 2024. As the awards vest after the publication of the 2024 annual results, figures will be restated to reflect the actual share price at vesting in the 2025 Annual report.
3. The awards are subject to a two-year holding period.

Consideration of performance for the 2022 PSP awards

In April 2022 the Executive Directors received Performance share awards under the Oxford Nanopore Technologies plc Long-Term Incentive Plan (LTIP), with vesting subject to relative TSR performance.

50% of the LTIP awards is based on a relative TSR condition vs. the FTSE 350 (excluding investment trusts) and the remaining 50% is subject to a relative TSR condition vs. a bespoke Life Sciences peer group.

The PSP awards granted in 2022, measuring performance over a three-year period to 31 December 2024, will vest at 17.74% of maximum.

The Company was ranked below the required threshold performance for the FTSE 350 element resulting in nil vesting under this condition.

The Company's performance against a bespoke group of 18 Life Science companies placed Oxford Nanopore Technologies between the median and upper quartile of the peer group resulting in 35.49% vesting under this condition.

The Committee did not deem it necessary to exercise any discretion in relation to the vesting of the awards. Malus and Clawback provisions were not used in the FY24 financial year.

The table below shows the performance against the 2022 PSP award conditions and vesting outcome.

Plan	Date of grant	Peer group	Rank		Oxford Nanopore Technologies	TSR ¹	Vesting (% max 100%)
			Median	Upper Quartile		Oxford Nanopore Technologies	
LTIP	11-Apr-22	FTSE 350	123.50	62.00	239.82	-77.2%	0.00%
		Life Sciences ²	9.00	4.75	8.41		35.49%

1. TSR is calculated as a percentage change in return index from the start to the end of the performance period. The return index is calculated by considering the movements in share price together with the dividends reinvested on the ex-dividend date.
For the 2022 awards the base return index for the Company has been averaged over each weekday in the period immediately from the date of Admission (5 October 2021) to the day before the start of the performance period.
2. The Life Sciences peer group is comprised of Adaptive Biotechnologies, Biotechnne, BICO group B (formerly known as Cellink), Exact Sciences, Guardant, Illumina, Olink, Seer, Singular Genomics, Pacific Biosciences, Quanterix, Qiagen, Twist Biosciences, 908devices, 10X Genomics, Phenomex (formerly known as Berkeley Lights) – delist.03/10/23, Nanostring Technologies – delist.26/06/24.
3. The delisted companies have been excluded from all calculations within the FTSE 350 group and within the Life Sciences group where delisting occurs in the first half of the performance period. Where they delist in the second half of the performance period in the Life Sciences group, they are generally tracked forward by the acquiror or median of the rest of the peer group.

Awards granted in 2024

Long-Term Incentive (LTIP) (audited)

On 11 April 2024, the Executive Directors received awards of shares under the LTIP as a percentage of salary in line with the terms of the Policy. To recognise that there had been no recovery in share price since the April 2023 award, the Committee exercised their discretion to scale back the number of awards granted by 30%. The three-year performance period over which performance will be measured is from 1 January 2024 to 31 December 2026. The performance measures and targets for awards made in April 2024 are outlined below:

2024 LTIP	Relative TSR – depending on the Company’s TSR position against a group of comparators consisting of 14 global life sciences and other companies.	Relative TSR – depending on the Company’s TSR position against the constituents of the FTSE 350, excluding investment trusts.
Weighting target range	50% median to upper quartile	50% median to upper quartile

- 25% of the LTIP awards will vest at threshold, with vesting up to 100% only if upper quartile performance is achieved for both measures;
- A ranking position between median and upper quartile will result in a vesting outcome calculated on a straight-line basis by ranking with interpolation between positions;
- A three-month backward-looking averaging period will be used (starting from three months prior to the start and end of the performance period (i.e. October to December)); and
- The TSR of each company in the 14 life sciences and other companies group will be measured in local currency.

The Committee will reserve discretion as to the treatment of companies which delist.

In accordance with the plan rules, the number of performance shares granted under the LTIP, as shown in the table below, was calculated using the average closing price for the five trading days prior to the date of grant.

Name	Date of grant	Face value of LTIP Performance Share award on grant ²	Price per Share	Number of Shares subject to LTIP award (post scale back) ²
Gordon Sanghera	11-Apr-24	£1,455,999	£1.1378	1,279,662
Nick Keher	11-Apr-24	£849,999	£1.1378	747,055
Tim Cowper	11-Apr-24	£728,000	£1.1378	639,831
Spike Willcocks ¹	11-Apr-24	£949,816	£1.1378	834,783

1. The face value of the share award on grant for Spike Willcocks was converted to Pounds Sterling from US dollars using the exchange rate of US\$1.257:£1 which was the closing exchange rate on the last working day before the grant.
2. The number of shares subject to the LTIP award (excluding Nick Keher) was scaled back by 30% due to the lack of recovery in share price from the previous grant in April 2023. The face value of the awards also reflects the 30% scale back (excluding Nick Keher).

Deferred Bonus Plan (DBP) (audited)

On 11 April 2024, share awards were granted under the DBP to the Executive Directors for the deferred element (one third) of their FY23 annual bonus.

DBP awards granted during the year

Name	Date of grant	Face value of DBP award on grant ¹	Price per Share ²	Number of Shares subject to DBP Award
Gordon Sanghera	11-Apr-24	£153,809	£1.1378	135,181
Tim Cowper	11-Apr-24	£76,905	£1.1378	67,590
Spike Willcocks ³	11-Apr-24	£100,337	£1.1378	88,184

1. Equates to one third deferral of FY23 bonus.
2. Calculated by using the five-day closing average share price prior to the date of grant.
3. The face value of the share award on grant for Spike Willcocks was converted to Pounds Sterling from US dollars using the exchange rate of US\$1.257:£1, which was the closing exchange rate on the last working day before the grant.

Summary of outstanding share awards (audited)

The table below details the share awards and options granted to the Executive Directors under the various pre- and post-IPO arrangements and granted during FY24 under the DBP and LTIP.

Director	Name of Share Plan	Exercise price	Award Grant Date	As at 1.1.24	Granted during year ended 31.12.24	Exercised/ released during 2024 ^{3,4}	As at 31.12.24	Vested but not exercised during 2024	Earliest date shares can be acquired/ released	Date of Lapse of award
Gordon Sanghera	CSOP approved	£1.035	14-Jan-19	28,980	–	–	28,980	–	14-Jan-22	14-Jan-29
	Founder LTIP ¹		22-Jun-21	15,601,160	–	7,968,291	7,632,869	–	22-Jun-24	31-Dec-26
	USOP unapproved	£1.035	14-Jan-19	641,020	–	–	641,020	–	14-Jan-22	14-Jan-29
	USOP unapproved	£3.0625	15-Jun-21	2,400,000	–	–	2,400,000	400,000	15-Jun-24	15-Jun-31
	Deferred Bonus Plan		11-Apr-22	36,113	–	36,113	–	–	11-Apr-23	–
	Deferred Bonus Plan		11-Apr-23	112,772	–	56,386	56,386	–	11-Apr-24	–
	Deferred Bonus Plan		11-Apr-24	–	135,181	–	135,181	–	11-Apr-25	–
	LTIP		11-Apr-22	523,560	–	–	523,560	–	11-Apr-27	–
	LTIP		11-Apr-23	680,373	–	–	680,373	–	11-Apr-28	–
Nick Keher	LTIP		11-Apr-24	–	1,279,662	–	1,279,662	–	11-Apr-29	–
	LTIP		11 Apr 24	–	747,055	–	747,055	–	11-Apr-29	–
Tim Cowper	CSOP approved	£1.035	14-Jan-19	28,980	–	–	28,980	–	14-Jan-22	14-Jan-29
	Founder LTIP ¹		22-Jun-21	3,545,720	–	1,810,976	1,734,744	–	22-Jun-24	31-Dec-26
	Options – UK unapproved	£1.20	10-Nov-16	162,836	–	–	162,836	–	10-Nov-19	10-Nov-26
	USOP unapproved	£1.035	14-Jan-19	771,020	–	–	771,020	–	14-Jan-22	14-Jan-29
	USOP unapproved	£3.0625	15-Jun-21	1,600,000	–	–	1,600,000	266,680	15-Jun-24	15-Jun-31
	Deferred Bonus Plan		11-Apr-22	16,743	–	16,743	–	–	11-Apr-23	–
	Deferred Bonus Plan		11-Apr-23	56,385	28,193	28,192	–	–	11-Apr-24	–
	Deferred Bonus Plan		11-Apr-24	–	67,590	–	67,590	–	11-Apr-25	–
	LTIP		11-Apr-22	261,780	–	–	261,780	–	11-Apr-27	–
Spike Willcocks	LTIP		11-Apr-23	340,186	–	–	340,186	–	11-Apr-28	–
	LTIP		11-Apr-24	–	639,831	–	639,831	–	11-Apr-29	–
	Founder LTIP ¹		22-Jun-21	12,764,600	–	6,519,518	6,245,082	–	22-Jun-24	31-Dec-26
	USOP unapproved	£1.035	02-Jul-19	1,260,000	–	–	1,260,000	–	02-Jul-22	02-Jul-29
	USOP unapproved	£3.0625	15-Jun-21	1,600,000	–	–	1,600,000	266,680	15-Jun-24	15-Jun-31
	Deferred Bonus Plan		11-Apr-22	48,441	–	24,221	24,220	–	11-Apr-23	–
	Deferred Bonus Plan		11-Apr-23	74,335	–	37,168	37,167	–	11-Apr-24	–
	Deferred Bonus Plan		11-Apr-24	–	88,184	–	88,184	–	11-Apr-25	–
	LTIP		11-Apr-22	329,991	–	–	329,991	–	11-Apr-27	–
Clive Brown	LTIP		11-Apr-23	448,477	–	–	448,477	–	11-Apr-28	–
	LTIP		11-Apr-24	–	834,783	–	834,783	–	11-Apr-29	–
	Founder LTIP ¹		22-Jun-21	14,182,800	–	7,243,905	6,938,975	–	22-Jun-24	31-Dec-26
	Options- UK unapproved	£1.20	10-Nov-16	1,300,000	–	–	1,300,000	–	10-Nov-19	10-Nov-26
	USOP unapproved	£1.035	14-Jan-19	871,020	–	–	871,020	–	14-Jan-22	14-Jan-29
	USOP unapproved	£3.06	15-Jun-21	1,800,000	–	–	1,800,000	300,000	15-Jun-24	15-Jun-31
	Deferred Bonus Plan		11-Apr-22	22,397	–	22,397	–	–	11-Apr-23	–
	Deferred Bonus Plan		11-Apr-23	67,663	–	33,832	33,831	–	11-Apr-24	–
	Deferred Bonus Plan		11-Apr-24	–	85,788	–	85,788	–	11-Apr-25	–
	LTIP		11-Apr-22	314,136	–	–	314,136	–	11-Apr-27	–
	LTIP		11-Apr-23	431,775	–	–	431,775	–	11-Apr-28	–
	LTIP		11-Apr-24	–	812,093	–	812,093	–	11-Apr-29	–

1. The award granted under the Founder LTIP can be referenced to page 255 of the prospectus where it is cited as “Conditional Award”. The market value per share at the date of award was £3.50. Vested awards are subject to a holding requirement as defined by the plan rules.
2. All CSOP and unapproved share options met their performance conditions pre-IPO and are now subject only to the employee’s ongoing employment and holding periods.
3. The first tranche of Founder LTIP awards was released on 27 June 2024 (3,737,257 to Gordon Sanghera, 849,377 to Tim Cowper, 3,057,759 to Spike Willcocks, and 3,397,508 to Clive Brown); the closing price on this date was £0.98. The second tranche of Founder LTIP awards was released on 14 October 2024 (4,231,034 to Gordon Sanghera, 961,599 to Tim Cowper, 3,461,759 to Spike Willcocks, and 3,846,397 to Clive Brown); the closing price on this date was £1.42.
4. Deferred Bonus Plan shares were released on 11 April 2024 (the remaining 50% of the 2022 award and the first 50% of the 2023 award); the closing price on this date was £1.089.

UK Share Incentive Plan (SIP) shares awarded (audited)

The UK SIP is a tax-favoured all-employee plan that enables UK employees to save out of pre-tax salary. Monthly contributions are used by the plan trustee to buy Oxford Nanopore shares (partnership shares). The Company funds an award of an equal number of shares (matching shares). The current maximum contribution is £150 per month. Shares held in the plan for five years will be free of income tax and National Insurance, as well as Capital Gains Tax if retained in the plan until sold.

Director	Shares held at 1.1.24	Partnership shares acquired to 31.12.24	Matching shares acquired to 31.12.24	Free Shares awarded to 31.12.24	Total Shares held 31.12.24	Partnership & Matching Shares acquired between 1.1.25 & 18.3.25
Gordon Sanghera	633	0	0	0	633	0
Tim Cowper	3,425	545	545	0	4,515	-
Clive Brown	3,381	182	182	0	3,745	-
Nick Keher	0	1,088	1,088	0	2,176	150

1 For Tim Cowper and Clive Brown this table includes only shares purchased for the period they served on the Board during 2024.

Directors’ interests in the share capital of the Company (audited)

The table below summarises the Directors’ interests in shares, including unvested awards under employee share schemes, as at 31 December 2024 (or as at the date the Executive Director stepped down from the Board). Further details of all outstanding awards are provided on page 125.

The Shareholding Requirement for each of the Executive Directors as set out in the Policy is 300% of base salary.

	Ordinary Shares held at 31.12.24	Retention Awards unvested and subject to performance conditions	Retention Awards vested and subject only to employment condition	Deferred Bonus Plan Share Awards subject only to holding period	CSOP approved Options vested but not exercised	Unapproved Options vested but not exercised	Unapproved Options unvested subject only to employment condition	LTIP Awards unvested and subject to performance condition	SIP (Restricted)	% of salary under Remuneration Policy shareholding guidelines	Shareholding requirement met
Executive Directors											
Gordon Sanghera	15,306,192	7,589,916	42,953	191,567	28,980	3,041,020	–	2,483,595	633	2,400%	yes
Nick Keher	80,151	–	–	–	–	–	–	–	2,176	25%	no
Tim Cowper	253,793	1,724,982	1,820,738	95,782	28,980	2,533,856	–	1,241,797	4,515	338%	yes
Clive Brown	1,523,057	6,899,927	39,048	33,831	–	3,971,020	–	745,911	3,745	332%	yes
Spike Willcocks	4,855,421	6,209,938	6,554,662	125,351	–	2,860,000	–	1,613,251	–	1,669%	yes
Non-Executive Directors											
Dr Guy Harmelin	–	–	–	–	–	–	–	–	–	–	–
Adrian Henna	14,125	–	–	–	–	–	–	–	–	–	–
Wendy Becker	9,008	–	–	–	–	–	–	–	–	–	–
John O’Higgins	–	–	–	–	–	–	–	–	–	–	–
Dan Mahony	–	–	–	–	–	–	–	–	–	–	–
Duncan Tatton-Brown	516,220	–	–	–	–	–	–	–	–	–	–
Kate Priestman	23,564	–	–	–	–	–	–	–	–	–	–
Dr Sarah Fortune	–	–	–	–	–	–	–	–	–	–	–
Dr Heather Preston	–	–	–	–	–	–	–	–	–	–	–

1. Ordinary shares comprise all shares held in Oxford Nanopore Technologies including those held by spouses or in trust, or by any other “person closely associated” as defined in the Market Abuse Regulation.
2. The % of base salary held in share interests has been calculated using a share price of 128.8p as of 31 December 2024. The value of the shareholding for each Executive Director is the summation of the value of any ordinary and SIP shares held at 31 December 2024, the gross gain on any CSOP option and the net gain of any unvested (subject to employment condition only) and vested unapproved options. This is then expressed as a percentage of base salary (base pay for Spike Willcocks has been converted to Pounds Sterling from US Dollars at 1.2786. For Clive Brown the table is prepared as at 29 February 2024, the date he stepped down from the Board. For Tim Copwer and Spike Willcocks, the table is prepared as at 10 June 2024, the date they stepped down from the Board.
3. The Chair and Non-Executive Directors are not awarded incentive schemes and are not subject to a shareholding requirement.
4. Spike Willcocks participated in the US Employee Share Purchase Plan (ESPP) for the offering period 1 January 2024 to 31 December 2024. 9,682 shares were purchased on 9th January 2025 with contributions made throughout the offering period. The purchase price was £1.09.
5. Nick Keher has 5 years to achieve the shareholding requirement.

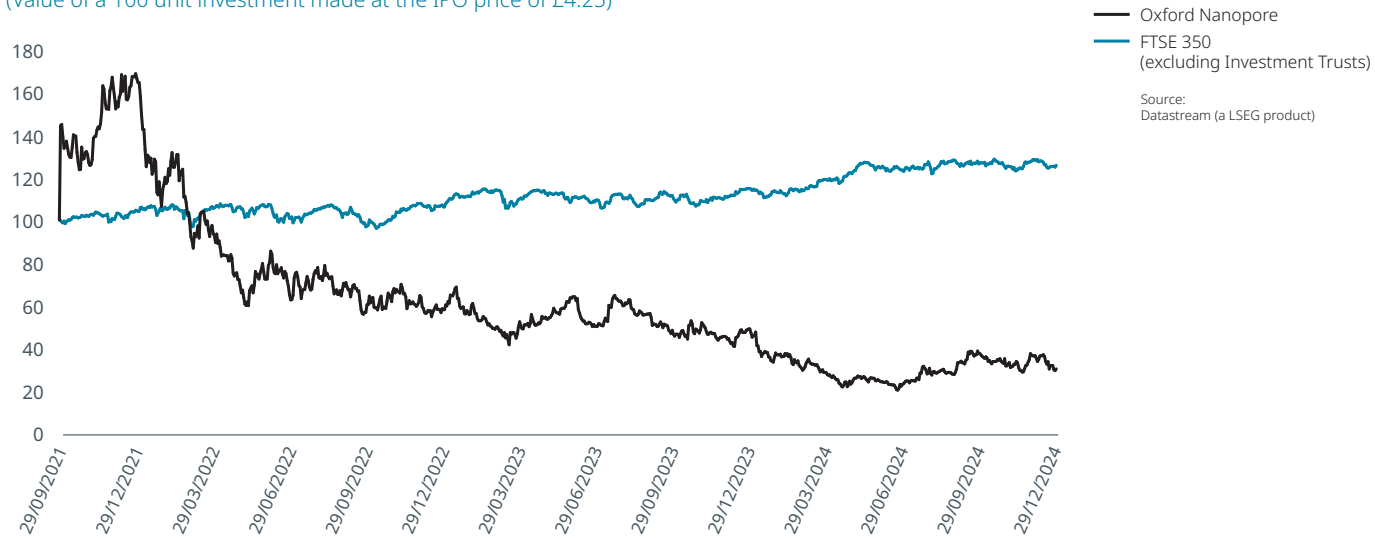
The shareholding as a percentage of salary relates to those awards not subject to ongoing performance conditions. The share price used is 128.8p being the closing price as at 31 December 2024.

Performance graph against FTSE 350

The following chart shows the value of £100 invested in the Company (at the IPO share price of £4.25) compared with the value of £100 invested in the FTSE 350 Index in both cases for 2024 The FTSE 350 Index (excluding Investment Trusts) has been chosen as it provides the most appropriate and widely recognised index for benchmarking the Company’s corporate performance.

Total Shareholder Return

(Value of a 100 unit investment made at the IPO price of £4.25)



CEO remuneration

The table below sets out the CEO’s single figure of total remuneration for the year ended 31 December 2024 together with the percentage of maximum bonus awarded and long-term incentive awards that vested over the same period.

	2021	2022	2023	2024
Total remuneration	£3,696,883	£29,212,417	£1,350,998	£1,818,606
Annual bonus (as a % of maximum opportunity)	100%	45.25%	27.73%	48.26%
Performance Shares vesting (as a % of maximum opportunity)	N/A	51.07%	N/A	17.74%

Percentage change in Directors’ remuneration

The table below shows the annual percentage change in base salary, benefits and bonus for all Directors compared with the average percentage change for UK-based employees. Where a Director does not have comparable data for FY23 they have been excluded from the table. Over time, the percentage change over a five-year rolling period will be disclosed.

Percentage Change in Directors’ remuneration

	% change in salary 23/24	% change in benefits 23/24	% change in annual bonus 23/24	% change in salary 22/23	% change in benefits 22/23	% change in annual bonus 22/23	% change in salary 21/22	% change in benefits 21/22	% change in bonus 21/22
Gordon Sanghera	0.97%	(1.28%)	74.05%	3.00%	(1.56%)	(36.27%)	27.8%	(82.4)%	(12.53)%
Tim Cowper	(55.31%)	(57.74%)	(22.96%)	3.00%	(0.46%)	(36.27%)	37.7%	(42.7)%	(5.67)%
Clive Brown	(83.23%)	(83.47%)	(71.47%)	7.50%	(0.46%)	(32.59%)	22.3%	(40.7)%	(15.38)%
Spike Willcocks	(55.65%)	(54.28%)	(25.09%)	1.48%	(8.66%)	(35.94%)	29.5%	(1.00)%	(9.38)%
Duncan Tatton-Brown	0%	–	–	0%	–	–	–	–	–
Dr Guy Harmelin	(24.22%)	–	–	2.69%	–	–	9.8%	–	–
Adrian Hennah	0.67%	–	–	2.09%	–	–	0%	–	–
Wendy Becker	(55.37%)	–	–	2.75%	–	–	21%	–	–
John O’Higgins	16.41%	–	–	2.69%	–	–	9.8%	–	–
Kate Priestman	114.77%	–	–						
Dr Sarah Fortune	4160.26%	–	–						
Dr Heather Preston	4450.74%	–	–						
Average of UK employees	2.58%	–	–	8.27%	(1.58%)	(18.96%)	7.9%	(82.4)%	40.67%
Average of UK employees	2.58%	(1.20%)	69.67%	8.27%	(1.58%)	(18.96%)	7.9%	(82.4)%	40.67%

1. The percentage change in all salaries reflects any salary and NED fee adjustments which were in the year ended 31 December 2024. Percentage change is high for Kate Priestman, Dr Sarah Fortune and Heather Preston, as the 2024 comparison is to a pro-rated 2023 comparison, reflecting time in role during 2023.
2. Remuneration for 2024 for Tim Cowper, Clive Brown, Spike Willcocks, Wendy Becker, and Guy Harmelin, reflects only the period each served on the Board during 2024. This has meant comparisons are not aligned. On an annualised basis, the percentage change with respect to salary/fees is 0.97% for Tim Cowper, 2.33% for Clive Brown, (0.79%) for Spike Willcocks, 0.56% for Wendy Becker and 0.87% for Guy Harmelin.
3. The percentage decrease in benefits from 2023 to 2024 reflects the reduction in benefit premiums achieved at the 2024 renewals. On an annualised basis, the percentage change with regards to benefits for Tim Cowper is (0.37%), for Clive Brown (0.37%), and for Spike Willcocks 3.28%.
4. Bonuses for the Executive Directors increased in 2024 compared to 2023. The overall performance outcome for 2024 was 48.26% of the maximum bonus opportunity compared to 27.73% for 2023. Details of the achievement against the specific targets can be found on page 122. On an annualised basis, the percentage change with regards to bonus for Tim Cowper is 74.05%, for Clive Brown 74.05% and for Spike Willcocks 69.23%.
5. The average bonus for UK employees for 2024 was £15,072.14. This was an increase of 69.67% on the average for 2023 and reflects increase in the corporate performance outcome for 2024.

CEO pay ratio

Financial year	Calculation Methodology	Element	P25	P50	P75	CEO
2021	A	CEO Pay ratio	97:1	65:1	42:1	
		Total Pay and benefits	£10,752	£16,031	£24,704	£1,037,779
		Salary	£6,873	£10,042	£16,656	£193,650
2022	A	CEO Pay ratio	698:1	509:1	329:1	
		Total Pay and benefits	£41,874	£57,415	£88,773	£29,212,417
		CEO Pay ratio excluding legacy awards	38:1	28:1	18:1	
		Total Pay and Benefits excluding legacy awards	£41,874	£57,415	£88,773	£1,588,143
		Salary	£36,000	£50,000	£70,768	£800,000
2023	A	CEO Pay ratio	31:1	22:1	14:1	
		Total pay and benefits	£43,776	£60,350	£96,247	£1,343,614
		Salary	£36,000	£55,418	£74,000	£832,000
2024	A	CEO Pay ratio	39:1	27:1	17:1	–
		Total pay and benefits	£46,725	£67,029	£103,621	£1,818,606
		Salary	£37,224	£55,000	£77,161	£832,000

The Company has chosen to use Option A as defined by the relevant regulations, as Oxford Nanopore recognises that this is the most statistically accurate method for calculating the ratio. For 2021, the above covers the period from admission on 5 October 2021 to 31 December 2021. For the CEO and each UK employee employed on 31 December 2024 the Single Total Figure of Remuneration comprises the summation of base pay and benefits received for the period 1 January to 31 December 2024, including the value of any SIP-free and matching shares, income derived from LTIPs, employer pension contributions or cash equivalent and includes the full-year bonus for FY24. Base pay has been included on a full-time equivalent basis. For 2024, the value of Performance Shares Awards vesting based on performance conditions met during the period ended 31 December 2024 has been included. The calculation follows the treatment in the Single Figure table i.e. 17.74% of the award granted vesting and valued using the three-month average share price for the period 1 October 2024 to 31 December 2024, which was £1.43. Compared to the previous reporting year 2023, the CEO pay ratio has increased at each quartile: this reflects the larger bonus payment received by the CEO for the financial year ending 31 December 2024. The bonus for the Executive Team is weighted 100% to company performance compared to a weighting of 70:30 corporate/individual performance for the rest of the workforce. The corporate performance for 2024 was 96.53% of the target, an increase of 74% on the achievement for 2023 (55.46% of target). Finally, salaries at the 25th and 75th percentiles have marginally increased reflecting pay adjustments during the annual pay cycle and the ongoing recruitment of experienced talent into the organisation, to support the commercial and strategic delivery. The Committee is satisfied that the median pay ratio for FY24 is consistent with the Group’s wider policies on employee pay, reward and progression. The CEO receives a greater proportion of their remuneration related to company performance, which means that the pay ratio will vary from year to year according to the outcomes for those pay elements.

Relative importance of spend on pay

The table below shows the Group’s expenditure on employee pay (wages and salaries) compared to distributions to shareholders for the year ended 31 December 2024, compared to the year ended 31 December 2023.

Relative importance of spend on pay

£’000	FY24 (£000)	FY23 (£000)	% change
Employee Costs	124,388	99,111	26%
Distribution to Shareholders	–	–	0%

Payments for loss of office and/or payments to former Directors (audited)

No payments for loss of office, nor payments to former Directors were made from 1 January to 31 December 2024.

Dilution limits

It is the Company’s intention to use newly issued shares to satisfy awards made under all executive and employee share plans. The Company’s share plans comply with the IA guidance on dilution limits and the position at 31 December 2024 was:

Limit of 5% in any ten years under all executive share plan	Actual 3.2%
Limit of 10% in any ten years under all share plans	Actual 3.29%

Remuneration Policy

The Directors’ Remuneration Policy (the Policy) which was approved at the 2022 AGM has been applied since then. The Committee considers the Policy to have been effective in incentivising and attracting and retaining key talent and is seeking renewal of the policy with no material changes at the 2025 Annual General Meeting. Subject to shareholder approval, the renewed policy will be effective from that date. Reflecting recent changes to institutional shareholder guidelines, it is also proposed to remove the 5% in 10-year dilution limit from the LTIP while retaining the standard 10% limit. This will ensure that the Company has sufficient flexibility to continue to operate the Policy over the next three-year cycle.

The Policy has been designed to encourage long-term, sustainable growth and to provide market-competitive overall remuneration for the achievement of stretching targets aligned to the business strategy.

Oxford Nanopore is a global business which aims to recruit the best talent wherever located and the Policy seeks to have due regard to UK investor expectations while balancing the need to recruit across different markets. Ensuring it attracts and retains the best global talent to maintain its pre-eminence in innovation is critical to ongoing success.

Objectives of the Policy

The design of the proposed Policy is intended to meet the following objectives:

Clarity	Simplicity	Risk
• The Policy is designed to be as clear as possible and is described in concise terms in this Report to ensure it is well understood by both participants and shareholders. • The Policy clearly sets out the limits in terms of quantum, the performance measures which may be used and discretions which could be applied if appropriate.	• The purpose, structure, and strategic alignment of each element of pay has been clearly laid out in the Policy. • The Group’s arrangements include an annual bonus plan and a single long-term incentive plan in line with market expectations.	• There is an appropriate mix of fixed and variable pay, and of financial and non-financial objectives applicable to variable pay. • There are robust measures in place to ensure alignment with long-term shareholder interests, including the post-vesting retention period applicable to long-term incentive awards, the expected shareholding requirements and bonus deferral into shares. • The Committee retains discretion to override formulaic outcomes of performance metrics applicable to variable pay. • Clawback and malus provisions are in place across all incentive plans operated by the Company. • To avoid conflicts of interest, Committee members are required to disclose any conflicts or potential conflicts ahead of Committee meetings. No Executive Director or other member of management is present when their own remuneration is under discussion.
Predictability	Proportionality	Alignment to culture
• The Policy contains appropriate caps for each element of pay. • Examples of how remuneration varies depending on performance is set out in the scenario charts provided in the Policy. • The Committee may exercise its discretion to reduce Directors’ remuneration if a formula-driven incentive payout is inappropriate in the circumstances.	• Incentive outcomes are contingent on the achievement of stretching targets over annual and three-year performance periods, and the Committee will assess performance holistically at the end of each period, taking into account underlying business performance and the internal and external context. • The Committee may exercise discretion to ensure that outcomes are appropriate.	• The Policy encourages performance delivery which is aligned to the Company culture. • The measures used in the variable incentive plans are strongly aligned to the KPIs of the business.

Policy for Executive Directors

The table below summaries each element of the Policy for the Executive Directors and explains how each element operates and how it links to the corporate strategy.

Base Salary	
Purpose and link to strategy	• To support the attraction and retention of the best global talent with the capability to deliver Oxford Nanopore’s strategy.
Operation	• Base salaries will normally be reviewed annually or following a change in responsibilities with changes usually taking effect from 1 April. • The Remuneration Committee will consider a number of factors when setting base salaries including (but not limited to): – Pay increases for other employees across the Group. Where increases are awarded in excess of the wider employee population, rationale for this will be provided in the relevant year’s Directors’ Remuneration Report. – The individual’s performance, skills, and responsibilities. – Base salaries at companies of a similar size, international scope, in similar sectors and geographical locations as Oxford Nanopore, with roles typically benchmarked against these.
Maximum potential value	• There is no monetary maximum salary level but salary increases will normally be in line with increases awarded to other employees across the Group. • The Committee retains the discretion to increase salaries above this rate where appropriate, for example where there is a change in role or responsibility, or the need to align an Executive Director’s salary to market level over time. • The current base salaries for the Executive Directors are set out on page 119.
Performance metrics	• Not applicable. Individual performance, in addition to the overall performance of the Group, is however considered as part of the annual review process.
Benefits	
Purpose and link to strategy	• To provide market competitive and cost-effective benefits to enable the attraction and retention of the best global talent.
Operation	• The benefits package may include insurance coverage, such as life, medical, dental, income protection, accidental death and disability insurance, and other benefits provided more widely across the Group from time to time. A full annual health check may also be included. • The Committee has the discretion to offer additional allowances, or benefits, to Executive Directors, if considered appropriate and reasonable. These may include travel allowances, the provision of a company car or car allowance, relocation expenses, housing allowances and school fees where a Director has to relocate from his/her home location as part of their appointment.
Maximum potential value	• As the cost of benefits will depend on an individual’s personal circumstances, there is no specific monetary maximum, although it is not expected to exceed what the Committee considers a normal market level.
Performance metrics	• Not applicable

Post-retirement provision	
Purpose and link to strategy	To provide cost-effective retirement plans to support the attraction and retention of the best global talent.
Operation	- Provision of market competitive pension arrangements, or a cash alternative based on a percentage of base salary. - The approach to pension arrangements for the Executive Directors is in line with the wider workforce.
Maximum potential value	- In the UK, Executive Directors are eligible to participate in the Group's defined contribution pension scheme, with a maximum Company contribution aligned with that of the wider workforce, currently 6% of base salary (but subject to periodic review), which they may opt to receive as a cash allowance in lieu of employer pension contributions. - Executive Directors based in the US will be offered participation in the US Section 401(k) defined contribution plan, with the Company matching contributions up to, currently, a maximum of 6% of salary (subject to periodic review).
Performance Metrics	Not applicable.
Annual Bonus Plan	
Purpose and link to strategy	- To incentivise and reward the achievement of annual financial and non-financial corporate targets in line with the Company's short-term financial and strategic objectives. - To align with shareholders’ and wider stakeholders’ interests.
Operation	- Executive Directors are eligible to participate in the Annual Bonus Plan (“ABP”) at the discretion of the Committee. - Measures and stretching targets are determined in respect of each financial year of the Company by the Committee and may vary to ensure alignment with the Company's business plan and strategy. - The level of award is determined with reference to the Company's overall financial and strategic performance and is paid out after the end of the relevant financial year. At least 1/3 of any bonus earned will be deferred into an award of shares under the Deferred Bonus Plan (DBP) with a holding period of at least one year for 50% of the award, and at least two years for the remaining 50% of the award. - Awards granted under the DBP may incorporate the right to receive an amount of cash or shares equal in value to the dividends that are paid on the shares that vest during the holding period. This amount may assume re-investment of dividends. - The Committee has discretion to adjust the level of payment if it is not deemed to reflect appropriately the individual's contribution, the Company's overall business performance and such other factors as the Committee considers appropriate. Any discretionary adjustments will be detailed in the relevant year's Directors' Remuneration Report. - Malus and/or clawback provisions apply as set out on page 135. - Bonus awards are non-pensionable and are payable at the Committee's discretion.
Maximum potential value	- The maximum opportunity is 200% of base salary in respect of any financial year for outstanding performance. - For threshold performance, up to 50% of base salary may be earned, with up to 100% of base salary earned for on-target performance.
Performance metrics	- The Committee will determine the performance measures and targets each year taking into account the Company's key strategic objectives at that time. - Performance measures may include financial, strategic, operational, ESG and/or personal objectives. - At least 60% will be linked to financial measures. - The performance measures for FY25 are set out on page 119.

Long-Term Incentives	
Purpose	- To incentivise and reward the delivery of long-term shareholder value through the achievement of long-term financial and strategic objectives. - To align with shareholders’ interests and to create a long-term mindset.
Operation	- Executive Directors are eligible to participate in the Oxford Nanopore Technologies plc Long-Term Incentive Plan 2021 (the “PLC LTIP”). - Awards will normally vest after a period of at least three years, subject to the achievement of the relevant performance conditions and continued employment. The Committee will then also normally impose a further post-vesting holding period of two years. - The level of vesting is determined by the Committee after the performance period, taking into account the degree to which the performance conditions have been met. In determining the final vesting outcome, the Committee may also consider the underlying performance of the business, as well as the value created for shareholders and any other factors it considers relevant. - The Committee has discretion to adjust the formulaic outcomes of awards (within the Policy limits) to ensure alignment of pay with the underlying performance of the business over the performance period. Any adjustments would be explained to shareholders. - Awards granted under the PLC LTIP may incorporate the right to receive an amount of cash or shares equal in value to the dividends that are paid on the shares that vest during the vesting period and the holding period. This amount may assume re-investment of dividends. - Malus and/or clawback provisions apply as set out on page 135.
Maximum potential value	- The maximum annual award is 300% of base salary in respect of any financial year. - There is a threshold vesting level of no more than 25% of maximum, with pro rata vesting up to 100% at maximum.
Performance metrics	- Performance measures and stretching targets will be determined annually by the Committee for each new award to align with the Company's longer-term strategic priorities at that time. - The measures that may be considered include financial and shareholder value metrics, in addition to strategic non-financial measures. - At least 50% will be linked to financial (including TSR) measures. - Details of the measures, weightings, and targets applicable for FY25 are provided on page 119.
Employee Share Plans	
Purpose and link to strategy	- To encourage wider share ownership through locally “tax-approved” plans (such as an Employee Stock Purchase Plan in the United States). - To align with shareholders’ interests.
Operation	- Executive Directors are eligible to participate in all-employee share plans offered by the Group on the same basis as is offered to the Group's other eligible employees. - The Company operates tax-efficient all-employee share plans in various jurisdictions.
Maximum potential value	Limits for all employee share plans are set by the relevant local tax authorities. The Company may choose to set its own lower limits.
Performance metrics	Not applicable.

Shareholding Requirements	
Purpose	- To ensure alignment between the interests of Executive Directors and shareholders, - To create a long-term mindset.
Operation	- Shareholding guidelines are in place whereby Executive Directors are expected to build and maintain over time a shareholding in the Company. - Executive Directors have five years from the date of their appointment to the Board in which to build up their shareholding. Unvested shares not subject to performance conditions (e.g. deferred share-based awards and vested LTIP awards subject to a holding period) will count towards the shareholding requirement (assuming shares have been sold to settle tax). - Executive Directors will normally be required to continue to hold 100% of the in-employment shareholding requirement (or, if lower, their actual shareholding on cessation) for two years after leaving the Company unless the Committee determines, by exception, that it is not appropriate to so require. Details of the Executive Directors’ current shareholding are provided in the Directors’ Remuneration Report.
Maximum potential value	The shareholding requirement is 300% of base salary.
Performance metrics	Not applicable.

Policy for Chair and Non-Executive Directors (“NEDs”)
The following table summarises the fee policy for the Chair and NEDs.

Fees	
Purpose	To provide a competitive fee to support the attraction and retention of high-quality NEDs with skills and experience relevant to the Company.
Operation	- Fees are determined annually based on the responsibility and time commitment required, and with reference to appropriate market comparisons carried out by non-conflicted members of the Board. - Fees for the Chair are set by the Committee. - NEDs are paid a base fee for membership of the Board, with additional fees being paid for the role of Chair or membership of a Board Committee, to reflect their additional responsibilities and the workload required. - The Company has the discretion to pay an additional fee to NEDs, should the Company require significant additional time commitment in exceptional or unforeseen circumstances. Any such fees will be time-limited in nature. - Fees are normally paid in cash. - NEDs are not eligible to participate in the Company’s pension or incentive arrangements. - NEDs do not currently receive any benefits but may do if considered appropriate and consistent with roles at other listed companies. - Travel and other reasonable expenses incurred in the course of performing their duties are reimbursed. Any tax due on travel and accommodation benefits may be paid by the Company. - The Chair of the Board and the NEDs have the benefit of the Company’s directors’ and officers’ liability insurance policy.
Maximum potential value	The aggregate annual limit for fees payable to the NEDs is as set out in the Company’s Articles of Association (£3 million).
Performance metrics	Not eligible to participate in any performance-related elements of remuneration.
Shareholding Requirements	There is no formal shareholding requirement but Non-Executive Directors are strongly encouraged to demonstrate alignment with the interests of shareholders by building and maintaining a shareholding in the Company.

Notes to the Policy table

Malus and Clawback provisions

The LTIP and the Annual Bonus Plan as the ongoing plans include a broad discretion to reduce (including to zero) payouts at the time of determination (malus) should the Committee consider that to be appropriate.

In addition, all of the various rules permit the non-release of deferred awards and/or the recoupment of amounts once determined (clawback) where this is considered appropriate. The relevant periods are any time prior to the fifth anniversary of the date of grant of a Founder Award and a PLC LTIP award or the second anniversary of the determination of the annual bonus payout and the related date of grant of a DBP award (or, if an investigation into the conduct or actions of any participant or any member of the Group has started, such later date as the Committee may determine in order to allow the investigation to be completed).

Malus and Clawback periods are deemed reasonable and enforceable as circumstances necessitating clawback are likely to be discovered within these periods, whilst the time horizons align with market practice. The Committee may invoke these malus and clawback provisions where it considers there to be exceptional circumstances justifying the operation of clawback. This may include:

- A material misstatement in the published results of the Group or a member of the Group.
- An error in determining applicable performance conditions or the amount of the award.
- The determination being based on inaccurate or misleading information.
- The participant’s breach of any relevant restrictive or confidentiality covenants.
- Where the Committee determines that the participant has caused wholly or in part a material loss for the Group as a result of reckless, negligent or wilful acts or omissions, or inappropriate values or behaviour.
- Where the Committee determines that the participant is responsible for or had management oversight over a member of the Group receiving censure by a regulatory body or suffering a significant detrimental impact to its reputation.
- Where the Company becomes insolvent or suffers a similar corporate failure.

Selection of performance measures and targets

The Committee determines the performance measures for the ABP and PLC LTIP taking into account the Company’s strategic priorities at the time. The measures and their weightings may change from year to year to reflect the needs of the business. Performance targets are set to be stretching yet achievable. Further details of the performance measures under the ABP for the year ending 31 December 2025 as well as performance measures and targets under the PLC LTIP for awards to be made in April 2025, and how they are aligned with the Company’s strategy and the creation of shareholder value, are set out in the Directors’ Remuneration Report on page 119. Annual incentive targets are commercially sensitive and will be disclosed retrospectively in the following year’s Directors’ Remuneration Report.

Statement of consideration of shareholder views

The Committee will consider shareholder feedback received in relation to the AGM each year and guidance from shareholder representative bodies more generally.

If the Committee was to consider changes to the Policy, it would be subject to prior consultation with major shareholders and their representative bodies as appropriate.

Discretions retained by the Committee in operating the incentive plans
The Remuneration Committee may make minor amendments to the Policy (e.g. for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

The Committee will operate the Group’s incentive plans within the Policy at all times and in accordance with the relevant plan rules and the UK Listing Rules where relevant. To ensure the efficient operation and administration of these plans, the Committee may operate certain discretions.

There are a number of specific areas in which the Committee may exercise discretion, including (but not limited to) the following:

- Determining the participants in each plan.
- Determining the timing of an award and/or payment.
- Determining the size of an award and/or payment (within the limits set out in the Policy table above).
- Varying the annual bonus and PLC LTIP measures and weightings each year to reflect strategic priorities.
- Adjusting the annual bonus, Founder Award and PLC LTIP formulaic outcomes, based on a holistic assessment and to ensure that the final outcome is a fair and true reflection of the Company’s underlying business performance and the shareholder experience.
- Determining “good leaver” status and the treatment of any vesting and/or payment under the incentive plans, including disapplying the default time pro-rating of awards.
- To adjust the Founder Awards and in-flight PLC LTIP awards in the event of a variation of the Company’s share capital or a demerger, delisting, special dividend, rights issue, or other event which may, in the Committee’s opinion, affect the current or future value of awards.
- Determining the treatment of awards under the incentive plans in the event of a change of control, restructuring, demerger or other corporate event, including disapplying the default time pro-rating of awards.
- The settlement of awards in cash (where this is administratively convenient for the Company).
- Making any appropriate adjustments to the bonus measures, outstanding Founder Awards and PLC LTIP awards performance conditions in exceptional circumstances if an event occurs which causes the Committee to consider that the original condition would no longer operate as intended. If they are varied, they must, in the opinion of the Committee be fair, reasonable and materially no less or more challenging than the original conditions.
- In the case of Executive Directors, any use of discretion by the Committee will be fully disclosed in the relevant Annual Report on Remuneration.

Legacy arrangements

Any remuneration payments and payments for loss of office not in line with the Policy detailed above may nevertheless be made where the terms of the payment were agreed (i) before the Policy approved at the 2022 AGM came into effect or (ii) before this Policy came into effect provided that the terms of the payment were in line with the Policy in force at the time; or (iii) when the individual was not a Director at the time and the payment, in the Committee’s opinion, was not in consideration for becoming a Director of the Company. This includes, but is not limited to, the Founder Awards described on page 125 of the Directors’ Remuneration Report and page 255 of the Company’s prospectus in relation to its listing on the London Stock Exchange.

Executive Directors’ external appointments

With the specific approval of the Board in each case, Executive Directors may accept external appointments as non-executive directors of other companies and retain any related fees paid to them.

Recruitment of Directors – approach to remuneration Executive Directors

Consistent with best practice, any new Executive Director (including those promoted internally) will be offered packages in line with the Policy in force at the time. The Committee will ensure that the package on recruitment is sufficient to attract the appropriate individual, having regard to the calibre, skills and experience required, whilst keeping in mind the principle of paying no more than is necessary to attract an Executive Director of the calibre needed to shape and deliver ONT’s business strategy and recognising that ONT competes for talent in a global marketplace. When determining remuneration on recruitment, the principles that will be applied by the Committee are as follows:

Element	Policy and operation
Base Salary	Base salary will be determined with reference to the individual’s role and responsibilities, experience and skills, relevant market data and internal relativities. Salaries may be set at a level lower than the prevailing market rate on appointment to reflect experience, with increases made at a higher level than usual as the individual develops in the role.
Pension	Will be in line with that offered to the wider workforce, as described in the policy table.
Benefits	These will be in line with the Policy. On appointment of an Executive Director, the Committee will have the discretion to cover their reasonable legal costs and certain relocation expenses.
Annual Bonus	The structure described in the Policy table will normally apply for new appointees with the relevant maximum typically pro-rated to reflect service during the year.
LTIP	LTIP awards will be operated in line with other executives, as described in the Policy table.

Element	Policy and operation
Buy-out awards	The Committee recognises that it may be necessary in some circumstances to provide compensation for amounts foregone from a previous employer (“Buyout Awards”). Any Buyout Awards would be limited to what is considered by the Committee to be a fair estimate of the value of remuneration foregone when leaving the former employer and would be structured so as to be, to the extent possible, no more generous in terms of the fair value and other key terms (e.g. vesting and performance conditions) than the entitlements they are replacing. The Committee has the discretion to determine the type of award (i.e. cash, shares or options and whether or not performance conditions would apply). Any such award would be fully disclosed and explained in the following year’s Directors’ Remuneration Report. When exercising its discretion in establishing the reward package for a new Executive Director, the Committee will carefully consider the balance between the need to secure an individual in the best interests of the Company against the concerns of investors about the quantum of remuneration.

Where a new Executive Director is promoted internally, any variable pay element or benefit awarded in respect of the previous role may be allowed to continue on its original terms, adjusted where relevant to take into account the new appointment.

Non-Executive Directors

On appointment of a new Chair of the Board or Non-Executive Director, the fees will be set taking into account the experience and calibre of the individual, relevant market data and internal relativities.

Executive Directors’ service contracts

The UK-based Executive Directors are employed under rolling contracts of employment with Oxford Nanopore Technologies plc. Each Executive Director’s service agreement is effective from the date of admission to trading on the Main Market of the London Stock Exchange or date of joining the Company if subsequent to this date with a notice period of 12 months from the Company and the Executive Director.

The Executive Directors’ Service Agreements are available for inspection at the Company’s registered office.

Non-Executive Directors’ letters of appointment

All Non-Executive Directors, including the Chair, are on three-year terms which are expected to be extended up to a total of nine years. The dates of initial appointment to the Board are shown in the table below. The appointments continue on a rolling basis until terminated by either party on three months’ written notice.

	Date of appointment	Date of Expiry of Initial Term
Duncan Tatton-Brown	01 August 2022	01 August 2025
Adrian Hennah	24 June 2021	24 June 2024 - extended for 3 years
Dr Dan Mahony	01 October 2024	01 October 2027
John O’Higgins	19 September 2019	19 September 2022 - extended for 3 years
Kate Priestman	13 July 2023	13 July 2026
Dr Heather Preston	19 December 2023	19 December 2026
Dr Sarah Fortune	19 December 2023	19 December 2026

The Chair of the Board and the NEDs are subject to confidentiality undertakings without limitation in time, and a non-compete restrictive covenant for the duration of their appointments and for nine months after the termination of their appointments.

Policy on payment when leaving office

The Company may require the Executive Director to work their notice period or may choose to place the individual on ‘garden leave’ if this is the most commercially sensible approach. In the event of termination, certain restrictions may apply for a period of 12 months to protect the business interests of the Company.

Component of pay	Voluntary resignation or termination for cause	“Good leaver” (e.g. death, disability, ill health)	Departure on agreed terms
Base salary	Paid for the proportion of the notice period worked and any untaken holidays pro-rated to the leaving date (including the balance of any notice period). Payment in lieu of notice may be made for the unexpired portion of the notice period and is subject to mitigation.	Paid for the proportion of the notice period worked and any untaken holidays pro-rated to the leaving date. Payment in lieu of notice may be made for the unexpired portion of the notice period and is subject to mitigation.	Treatment will normally fall between the two treatments described in the previous columns, subject to the discretion of the Committee and terms of any termination agreement.
Benefits and pension	Paid for the proportion of the notice period worked (including the balance of any notice period).	Paid for the proportion of the notice period worked (including the balance of any notice period).	The Committee will have the authority to settle any legal claims against the Company, that might arise on termination (e.g., for unfair dismissal).
Annual bonus cash	There is no entitlement to a bonus payment, but the Committee may exercise its discretion to pay a bonus depending on the circumstances of the departure.	Cessation of employment during a bonus year or after the year but prior to the normal bonus payment date will result in cash and deferred bonus being paid with pro-ration for the period worked during the financial year and performance achieved. The Committee has the discretion to decide whether the bonus deferral continues to apply after leaving.	
Annual bonus deferred shares	Unvested deferred shares will lapse.	Awards will normally be released at the usual time, although the Committee can apply discretion to allow earlier release. On death, awards will typically vest immediately.	

Component of pay	Voluntary resignation or termination for cause	“Good leaver” (e.g. death, disability, ill health)	Departure on agreed terms
LTIP awards	Unvested performance shares will lapse.	Awards will usually vest following the end of the original performance period taking into account the satisfaction of the relevant performance criteria, and ordinarily subject to time pro ration over the performance period subject to the Committee’s discretion to treat awards otherwise. The post-vesting holding period will usually apply. On death, awards will typically vest taking into account the satisfaction of performance conditions as determined by the Committee and, unless the Committee determines otherwise, time pro-rating over the performance period and no holding period will apply.	
SIP awards	Awards will lapse.	Awards will vest when the Executive Director leaves.	
ESPP options	Unvested options will lapse.	Options will normally vest and be exercised on the original vesting date.	
Other	Disbursements such as legal costs may be payable as appropriate.	Disbursements such as legal costs may be payable as appropriate.	

Differences in remuneration policy for the Executive Directors and employees in general

All Group employees participate in the ABP, which is operated on similar terms to Executive Directors albeit with an element based on personal performance with an increasing weighting on company performance based on seniority. The PLC LTIP operates for members of the full Executive team on similar terms to those for Executive Directors (although more junior colleagues may be invited to participate without being subject to pre vest performance conditions). In the UK, all eligible employees are eligible to participate in the SIP with monthly savings of between £10 and £150 and a company match of one share for each share purchased.

In the US, all eligible employees are able to participate annually in the ESPP with a 12-month offering period to 31 December each year, with maximum savings of \$18,000 over the period. At the end of the offering period, they will have the opportunity to purchase shares at a discount of 15%, the share price applied being the lower of the share price at the beginning and end of the offering period.

Statement of Consideration of employment conditions elsewhere in the Group

When reviewing and determining the Policy for the Executive Directors, the Committee takes into account the remuneration and related policies for the wider workforce including the level and structure of remuneration as well as salary budgets for other employees in the group. More specifically, the Committee reviews annual salary increase budgets for the general employee population in the UK and North America as well as the remuneration structure and policy for the global Senior Management population.

Although we have not formally consulted our employees while drawing up the Policy, given the Company’s all-employee share plans and the historic culture of employee share ownership, many employees are shareholders in the Company and can, therefore, express their views on the Policy in the same manner as any other shareholders can express their views on executive remuneration. In addition, at various points throughout the performance year employees are provided information to demonstrate the alignment of their performance to remuneration and understand that Remuneration arrangements throughout the Group are based on the same high-level principles as for the Executive Directors. Annual salary reviews take into account personal performance, Group performance, local pay and market conditions and salary levels for similar roles in comparable companies.

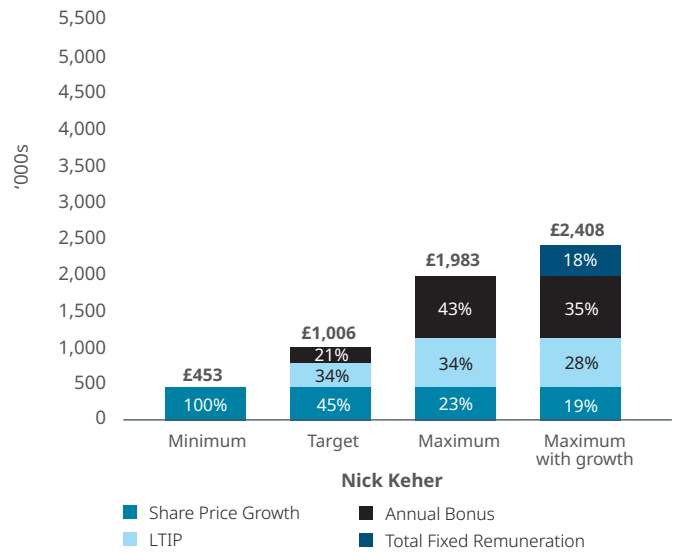
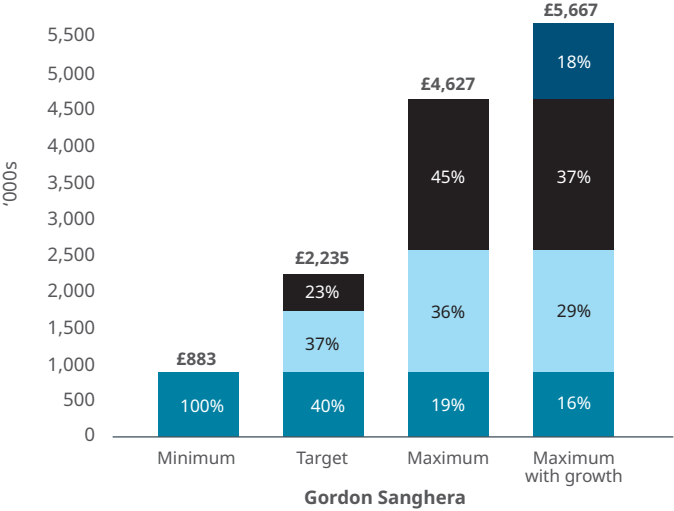
All employees are eligible to participate in annual bonus schemes; opportunities vary by organisational level and an individual’s role. Bonus awards take into account personal and Group performance.

All UK employees are eligible to participate in the Share Incentive Plan (“SIP”) on identical terms and similar all-employee share plans are offered in other jurisdictions, including the US Employee Stock Purchase Plan (“ESPP”) for eligible US employees.

Projected total remuneration scenarios

The graphs below illustrate scenarios for the projected total remuneration of each of the Executive Directors at four different levels of performance: minimum, target, maximum, and maximum including assumed share price appreciation of 50% on the LTIP. The impact of potential share price movements is excluded from the other three scenarios. These charts reflect projected remuneration for the financial year ending 31 December 2025, subject to approval of the Policy.

Illustrations of application of Policy



Basis of calculations and assumptions

- 1) Salary represents annual base salary at the date of listing on the London Stock Exchange. Benefits such as private medical insurance are included based on the full calendar year.
- 2) Pension represents the value of the annual pension allowance for the Executive Directors as 6% of base salary.
- 3) Minimum performance comprises salary, benefits and pension only with no bonus awarded and no LTIP awards vesting.
- 4) Target performance comprises annual bonus and LTIP payouts at “target” level (50% of maximum for the bonus and 25% for the LTIP – with no share price appreciation).
- 5) Maximum performance comprises annual bonus and LTIP pay-outs at maximum level (100% of maximum – with no share price appreciation).
- 6) Maximum with share price growth comprises 5) above plus an assumed increase of 50% in the value of the LTIP award to take account of potential share price appreciation.

This Directors’ remuneration report was approved by the Board and signed on its behalf by

John O’Higgins
Interim Chair of the Remuneration Committee
18 March 2025

The Directors present their report, together with the audited financial statements for Oxford Nanopore Technologies plc and its subsidiary companies, for the year ended 31 December 2024.

The Directors’ report, together with the Strategic Report on pages 10 to 89, represent the management report. The Strategic Report contains matters required to be disclosed in the Directors’ report, in accordance with the Companies Act 2006 (“CA 2006”), the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and the UK Corporate Governance Code 2018. The Corporate Governance report on pages 90 to 139 is incorporated into the Directors’ report by reference. The location of information required to be disclosed by UK Listing Rule 6.6.1R is also set out in this table.

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Directors

The following Directors currently hold office or did so during 2024:

Duncan Tatton-Brown (Chair)

Wendy Becker (resigned on 10 June 2024)

Clive Brown (resigned on 29 February 2024)

Tim Cowper (did not run for re-election at the 2024 AGM)

Dr Sarah Fortune

Dr Guy Harmelin (resigned on 1 October 2024)

Adrian Hennah

Nick Keher (appointed on 22 January 2024)

Dr Daniel Mahony (appointed on 1 October 2024)

John O’Higgins

Dr Heather Preston

Kate Priestman

Dr Gordon Sanghera

Dr Spike Willcocks (did not run for re-election at the 2024 AGM)

Biographical details of each Director are set out on pages 96 to 98 and details of the Directors’ interests in the shares of the Company are detailed on page 126. Details of share awards granted to Executive Directors under the Company’s share schemes during the reporting period are in the Directors’ remuneration report on page 124.

The powers of the Directors are determined by the Company’s Articles of Association and the legislation and regulations in force in the UK, together with any specific authorities that may be given to the Directors by the Company’s shareholders, such as in relation to the allotment of shares. The rules governing the appointment and retirement of Directors are set out in the Company’s Articles of Association, the Companies Act and other related legislation.

Dividends

The Directors do not recommend the payment of a dividend for the year ended 31 December 2024. The Company does not currently have a formal dividend policy.

Branches outside of the UK

The Group’s subsidiaries, including subsidiaries located outside of the UK, are set out on page 202 of the financial statements.

Share capital and related matters

The Company’s ordinary shares are listed on the equity shares (commercial companies) (“ESCC”) category on the London Stock Exchange.

The Company formerly had a Standard Listing on the London Stock Exchange, which was automatically ‘mapped’ to the equity shares (transition) category on the Official List upon the implementation of the new UK Listing Rules on 29 July 2024.

Following the expiry of the special rights attaching to the Company’s limited anti-takeover shares on 5 October 2024, the Company applied to transfer its listing to the ESCC, which transfer took effect on 6 November 2024.

As at 31 December 2024, the Company’s share capital consisted of 955,039,240 Ordinary Shares.

Ordinary Shares

The ordinary shares of £0.0001 each (“Ordinary Shares”) rank equally for voting purposes. On a show of hands each holder of Ordinary Shares has one vote and, on a poll, each Ordinary Shareholder has one vote per Ordinary Share held.

Each Ordinary Share ranks equally for any dividend declared. Each Ordinary Share ranks equally for any distributions made on a winding up of the Company. Each Ordinary Share ranks equally in the right to receive a relative proportion of shares in the case of a capitalisation of reserves.

There are no restrictions on the free transferability of the Ordinary Shares.

At the 2024 AGM, shareholders granted the Company the authority to repurchase up to 86,184,662 Ordinary Shares, such authority to expire on the earlier of the Company’s 2025 AGM and 10 September 2025. During the year ended 31 December 2024, the Company did not repurchase any Ordinary Shares. Consequently, as at 31 December 2024, 86,184,662 Ordinary Shares could still be repurchased by the Company pursuant to the existing authority.

LAT Shares

Prior to 26 November 2024, there were also three “limited anti-takeover” shares of £1.00 each in the capital of the Company: the A LAT Share, the B LAT Share and the C LAT Share being, collectively, the LAT Shares. There were certain weighted voting rights attaching to the LAT Shares, exercisable in certain situations involving a change of control of the Company.

In accordance with the Articles, such special rights expired on 5 October 2024, being the third anniversary of the issue date of the LAT Shares. Consequently, the holders of each LAT Share (being Dr Gordon Sanghera, Dr James Willcocks and Clive Brown respectively) agreed to gift, and the Company agreed to acquire pursuant to section 659 of the CA 2006, their LAT Shares to the Company for nil consideration. Following such acquisition, the Company immediately cancelled the LAT Shares pursuant to section 662 of the CA 2006. The gift of the LAT Shares and their cancellation occurred on 26 November 2024. Immediately prior to cancellation, the LAT Shares represented approximately 0.003% of the Company’s issued share capital.

Substantial shareholdings

The Company received notice under the Disclosure and Transparency Rules (DTR 5) of the following interests of 3% or more in its Ordinary Shares as at 31 December 2024 and 28 February 2025:

	No. Ordinary Shares 28 February 2025	% total voting rights 28 February 2025	% total voting rights 31 December 2024
Shareholder			
EIT Oxford Holdings	91,090,778	9.53%	7.09%
IP Group ¹	81,925,255	8.58%	8.70%
Baillie Gifford ²	64,323,814	6.73%	6.87%
Tencent Holdings	63,117,700	6.61%	6.61%
bioMérieux	59,062,832	6.18%	6.18%
Novo Holdings	49,800,000	5.21%	5.21%
G42	44,328,120	4.64%	4.64%
Vanguard Group	36,969,388	3.87%	3.79%
Oracle	35,294,117	3.69%	3.70%
M&G Investments	33,104,867	3.47%	3.62%
BlackRock	28,858,610	3.02%	Below 3%

- 1. IP Group holds an additional 1.24% of total voting rights through its managed funds.
- 2. Not all underlying clients delegate authority to Baillie Gifford to vote the shares it manages on their behalf.

The Company received further DTR 5 notifications from EIT Oxford Holdings as a result of acquisitions of Ordinary Shares, with the percentage of voting rights in the Company exceeding: a) 10% on 4 March 2025; and b) 11% on 5 March 2025.

There have been no other changes notified to the Company in accordance with DTR 5 to the holdings disclosed above from 28 February 2025 to 18 March 2025.

Equity issue and significant agreements

On 31 July 2024, the Company announced the launch of a non-pre-emptive equity issue of new Ordinary Shares (the “Equity Issue”) to raise aggregate gross proceeds of approximately £75 million, involving:

- (1) a strategic investment from Novo Holdings of up to £60 million, pursuant to a subscription agreement dated 31 July 2024 between the Company and Novo Holdings, and
- (2) a placing to institutional investors by the issue of new Ordinary Shares, pursuant to a placing agreement dated 31 July 2024 between the Company and Citigroup Global Markets Limited, J.P. Morgan Securities plc and Berenberg (the “Joint Bookrunners”),

each at the Placing Price of 120 pence per Ordinary Share.

Due to strong demand from investors, with the placing multiple times oversubscribed, the Company announced on 1 August 2024 that the Board had decided to increase the size of the Equity Issue from approximately £75 million to £80 million, with Novo Holdings’ subscription amount reduced to approximately £50 million, and the placing raising gross proceeds of approximately £30 million. 66,666,667 new Ordinary Shares were issued pursuant to the Equity Issue.

As the Equity Issue related to a non-pre-emptive issue of equity securities for cash pursuant to a general disapplication of pre-emption rights, in accordance with the Pre-Emption Group Statement of Principles 2022 (the “Principles”), a post-transaction report in the format specified was issued to the market through a regulatory information service on 1 August 2024. As this report is our first following the non-pre-emptive issue, in line with the requirements of the Principles, the contents of the post-transaction report, dated 1 August 2024, are set out below:

Name of Issuer	Oxford Nanopore Technologies plc
Transaction details	In aggregate, the Equity Issue of 66,666,667 New Ordinary Shares (comprising 25,000,000 Placing Shares and 41,666,667 Subscription Shares) represents approximately 8% of the Company’s issued ordinary share capital. Settlement for the New Ordinary Shares and Admission are expected to take place on or before 8.00a.m. on 5 August 2024.
Use of proceeds	The net proceeds from the Transaction will be used for general corporate purposes. There is no change to the already stated 2024 and medium-term financial guidance with the incremental funds adding to Oxford Nanopore’s already strong financial position, and the net proceeds from the Transaction provides further headroom to implement our business plan and through adjusted EBITDA breakeven in 2027.
Quantum of proceeds	In aggregate, the Equity Issue raised gross proceeds of approximately £80 million.
Discount	The Placing Price of 120 pence represents a discount of approximately 0.8 percent to the closing share price of 121 pence on 31 July 2024.
Allocations	Soft pre-emption has been adhered to in the allocations process for the Placing. Management was involved in the allocations process, which has been carried out in compliance with the MiFID II Allocation requirements. Allocations made outside of soft pre-emption were preferentially directed towards existing shareholders in excess of their pro rata interests, and wall-crossed accounts. The committed allocation to Novo Holdings pursuant to the Subscription recognises Novo Holdings as a leading, long-term global healthcare investor and significant experience in developing growth companies like Oxford Nanopore to drive long-term value creation.

Name of Issuer	Oxford Nanopore Technologies plc
Consultation	The Joint Bookrunners undertook a pre-launch wall-crossing process, including consultation with major shareholders, to the extent reasonably practicable and permitted by law.
Retail Investors	Following discussions between the Joint Bookrunners and the Company, it was decided that a retail offer would not be included in the Placing. The Placing structure was chosen to minimise cost, time to completion and complexity.

The Company does not have any significant agreements that take effect, alter or terminate upon a change of control.

There are no agreements between holders of securities that may restrict transfer of securities or voting rights in respect of the Company. The Company itself is party to a subscription agreement with bioMérieux dated 19 October 2023 which contains, among other things, certain restrictions in respect of the acquisition and disposal of the Company’s Ordinary Shares by bioMérieux.

There are no agreements between the Group and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid, except that the provisions of the Group’s share plans may allow options and awards granted to Directors and employees to vest on completion of a takeover offer.

Employees with disabilities

The Company is an equal opportunities employer and is committed to recruiting people from diverse backgrounds including people with disabilities. Any person who identifies as having a disability is given fair consideration for a vacancy against the requirements of the role and, where possible, the Company makes reasonable accommodations for employees who identify as having a disability. All employees are given the same training, development, and job opportunities.

Should any employee experience any situation where they become disabled during their employment, the Company would ensure all efforts are made to retrain and adjust employees’ environments and/or working patterns where possible to allow them to continue to maximise their potential.

Articles of Association

The Company’s Articles may be amended by special resolution at a general meeting of the shareholders.

Insurance and indemnities

During the past year, the Company has maintained liability insurance in respect of its Directors. The Company renewed its liability insurance during 2024. The Company has provided a qualifying third-party indemnity to each Director as permitted by section 234 of the CA 2006 and by the Articles, which remain in force at the date of this report.

Profit forecast

In its half-year results announcement on 3 September 2024, the Company made the following statements in respect of the year ending 31 December 2024, which are regarded as a profit forecast for the purposes of the UK Listing Rules:

“Underlying revenue growth of 20-30% at constant currency (CC) unchanged and driven by improving sales force effectiveness, increasing customer utilisation rates, growing opportunity funnel and recent product launches.

COVID sequencing and EGP headwinds now expected to be approximately £17.5 million (previously £20.0 million).

Collectively this equates to 7-16% CC revenue growth (previously 6-15%). As reiterated in the Half Year Trading Update, the Group continues to expect FY24 revenue to be second half weighted, with an approximate 45:55 split.

Gross margin is expected to be approximately 57%. As stated at FY23 results, the gross margin for 2024 could weaken in H2 dependent on product mix and customer mix.”

For the year ended 31 December 2024, underlying revenue growth at CC was 23.3%, excluding the EGP and COVID sequencing (representing a combined revenue headwind of £16 million), with revenue on a CC basis increasing by 11.1%. Gross margin for the period was 57.5%.

Political expenditure and donations

Although it is the Company’s policy not to incur political expenditure, as a result of the broad definitions in the CA 2006, normal business activities of the Group such as funding conferences, which may not be considered political donations or expenditure in the normal sense, may possibly fall within the restrictions of the CA 2006. The Company obtained shareholder approval in June 2024 at the Company’s AGM, in line with best practice, to authorise the Company to make political payments up to a maximum aggregate of £100,000. The Company intends to propose the same resolution for approval at the 2025 AGM.

The Group did not make any political donations during 2024. (2023: nil).

Disclosure of information to auditors

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company’s auditors are unaware. Each Director has taken all reasonable steps that they ought to have taken as a Director of the Company to make themselves aware of any relevant audit information and to establish that the Company’s auditors are aware of that information.

Going concern

The Directors confirm that they have a reasonable expectation that the Group will have adequate resources to continue in operational existence for at least the next 12 months from the date of the accounts and accordingly they continue to adopt the going concern basis in preparing the financial statements. The Company’s viability statement is on pages 88 to 89.

The Directors’ report, which has been prepared in accordance with the requirements of the CA 2006, has been approved by the Board and signed on its behalf by:

Nick Keher
Director

18 March 2025

Directors’ responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards (“IFRSs”) as issued by the IASB and adopted by the UK. 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 these financial statements, International Accounting Standard 1 requires that directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity’s financial position and financial performance; and
- Make an assessment of the Company’s ability to continue as a going concern.

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors confirms that, to the best of their knowledge:

- The Group financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings including in the consolidation as a whole;
- The Directors’ report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- The Annual Report, taken as a whole, is fair, balanced and understandable, and provides the necessary information for shareholders to assess the Group’s position, performance, business model and strategy.

By order of the Board.

Dr Gordon Sanghera, CBE
Director

18 March 2025

Nick Keher
Director

18 March 2025

Independent Auditor’s Report to the Members of Oxford Nanopore Technologies plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Oxford Nanopore Technologies plc (“Parent Company” or “Company”) and its subsidiaries (together the “Group”) give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 December 2024 and of the Group’s loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”);
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- Group
- the consolidated statement of comprehensive income;
 - the consolidated statement of financial position;
 - the consolidated statement of changes in equity;
 - the consolidated statement of cash flows; and
 - the related notes to the consolidated financial statements 1 to 34.

Company

- the company statement of financial position;
- the company statement of changes in equity;
- the company statement of cash flows; and
- the related notes to the company financial statements 1 to 18.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB. The financial reporting framework that has been applied in the preparation of the company financial statements is applicable law and United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (“FRC’s”) Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that we have not provided any non-audit services prohibited by the FRC’s Ethical Standard to the Group or the Parent Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: - Revenue recognition – accuracy and cut-off. - IFRS 2: Share-based payments and employer social security taxes provision valuation; and - Inventory provisioning.
Materiality	The materiality that we used for the Group financial statements was £3.5 million, which was determined on the basis of approximately 2% of revenue.
Scoping	We performed an audit of the entire financial information of the Parent Company and we audited specific classes of transactions, account balances and disclosures with respect to one other component. Additionally we performed specific audit procedures in relation to a revenue contract in one further component. Our audit procedures provided coverage of 93% of revenue, 95% of operating expenses and 99% of net assets. All work to respond to the assessed risks of material misstatement was performed by the Group engagement team.
Significant changes in our approach	We have made no significant changes in our audit approach in the year.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors’ assessment of the Group’s and Parent Company’s ability to continue to adopt the going concern basis of accounting included:

- evaluation of management’s assessment of the Group’s ability to continue as a going concern, including challenging the underlying data and key forecasting assumptions used to make the assessment, and evaluation of the Directors’ plans for future actions in relation to going concern;
- performance of testing over the integrity and mechanical accuracy of the going concern model by recalculating the cash headroom available in each of the scenarios prepared by management and approved by the Directors;
- performance of our own sensitivity analysis based upon evidence, including consideration of market data, and latest third-party economic forecasts, along with the FY25 results to date; and
- assessment of the appropriateness of the going concern disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group’s and Parent Company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors’ statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

5.1 Revenue Recognition – Accuracy and Cut-off

Key audit matter description	The Group generates revenue primarily through the manufacture and sale of DNA and RNA sequencing products. Products are either sold on a stand-alone basis or as part of a larger bundle of goods and services. In cases where revenue relates to the sale of bundled goods and services including multiple performance obligations, management is required to allocate the total bundle price between the different performance obligations, such that the appropriate revenue is recognised either at a point in time or over time depending on the goods or service provided to the customer. This considers the requirements of IFRS 15, “Revenue from Contracts with Customers”. During 2024, the Group recognised £183.2 million of revenue (2023: £169.7 million). The Group has significant bespoke contracts where the combinations of goods and services included differ to the standard offerings of the Group. We have identified the allocation of the transaction price to performance obligations within the specific significant contracts that are signed in the year, along with any contract amendments in the year as a key audit matter and fraud risk. Determining the revenue recognition profile for such contracts is complex and requires management judgement, and as such increases the risk of error. Revenue could be misstated if the various performance obligations are not properly identified, and if the transaction price is inappropriately allocated between these obligations because of management estimates. Further to this, the process for recording revenue on such contracts involves manual calculations and postings, which also increases the risk of revenue being recorded inaccurately. In addition, where goods are shipped to customers around the year-end date, this can create the need for judgement in determining whether the Group had completed the relevant performance obligation within the year. As a result, there is a cut-off risk that revenue is not recognised in the correct year and is also considered to form part of the key audit matter with respect to revenue recognition. Further details on the Group’s accounting policy for revenue recognition can be found in note 3.4 on page 159, and it is discussed within the Audit and Risk Committee report on page 109. Non-standard customer contracts is disclosed as a source of estimation uncertainty within note 4 on page 167.
How the scope of our audit responded to the key audit matter	- We obtained an understanding of management’s process and tested relevant controls over the timing of revenue recognition at year-end. - We also obtained an understanding of the relevant controls over the recognition of revenue from the significant individual contract. - We obtained management’s assessment of accounting for significant sales contracts signed during the year along with any amendments to the existing contracts. We assessed the bespoke terms in order to gain an understanding of the performance obligations and revenue recognition criteria. - We evaluated management’s judgements, considering both corroborative and contradictory evidence to challenge their estimates and assumptions and performed sensitivity analysis on key assumptions, such as the identification of performance obligations and allocation of the transaction price to them, used in revenue recognition calculations to assess their potential impact on the financial statements. - For a sample of transactions recorded in revenue, we assessed whether revenue recorded was in line with an appropriate allocation of revenue to the identified performance obligations for the relevant contract. - We selected samples from a population of transactions before and after the year end to assess whether revenue has been recognised in the correct period and at the appropriate transaction price.
Key observations	We concluded that revenue is being recognised appropriately and in line with the requirements of IFRS 15.

5.2 IFRS 2: Share based payments and employer social security tax provision valuation

Key audit matter description	In June 2021, the Group issued a number of share options to the Executive Directors of the Group. This includes conditional retention equity awards of up to 6.5% of the Company’s equity, which are subject to achievement of a number of performance conditions linked to the Group’s revenue and share price. These share options have a vesting period of 3-5 years, and accordingly the IFRS 2, “Share Based Payments” charge is recorded over the vesting period, including a charge in 2024. The Group has recognised a charge of £15.3 million (2023: £35.1 million) in relation to these, and other, share based payments in the year. Additionally, management have recorded a provision as at 31 December 2024 of £5.1 million (2023: £9.9 million) for employer social security taxes which will be due at the point of exercise of the share options. This provision is recorded in line with the requirements of IAS 37, “Provisions, Contingent Liabilities and Contingent Assets” (“IAS 37”) and requires estimates to be made about the likelihood of vesting and the social security taxes payable at the point of exercise. The key audit matter relates to management’s estimate of the valuation and the application of judgements in the calculation of the fair value of the share options issued in June 2021 and the related provision for employer social security taxes. The valuations are estimated through models which require management to make a number of assumptions, including the likelihood of vesting. Further details are included in note 26 to the financial statements in relation to share based payments. Additionally, details on the Group’s accounting policy for share based payments can be found in note 3.20 on page 165 and it is discussed within the Audit and Risk Committee report on page 109. Share-based payments is disclosed as a source of estimation uncertainty within note 4 on page 166.
How the scope of our audit responded to the key audit matter	• We obtained an understanding of the relevant controls over the recognition of the share-based payment charge and the social security tax provision including the controls over the review of underlying calculations and valuations. • We inspected the share plan rules and evidence of plan approval, including signed and approved Remuneration Committee minutes and evidence of shareholder approval. • We obtained the forecasts used in estimating the vesting of the revenue linked options, which we agreed to the board approved forecasts. We challenged the appropriateness of the forecasts with reference to current and historical performance, sales contracts signed to date and external communications made by the Group to investors. We also evaluated the historical accuracy of management’s forecasts to assess their reliability. • We recalculated the amounts recorded in the year based on the inputs and assumptions. • We assessed the appropriateness of the related disclosures in the financial statements.
Key observations	We concluded that the amounts recorded and accounting treatment in relation to the share-based payments and the related provision for employer social security taxes in the year are appropriate. The assumptions used in the valuation are within an acceptable range and the charge recorded in the income statement is in line with the requirements of IFRS 2. We also concluded that the valuation of the employer social security tax provision is appropriate and consistent with the requirements of IAS 37.

5.3 Inventory Provisioning

Key audit matter description	The Group holds inventory across a number of locations for the purposes of fulfilling sales orders and contractual obligations. Additionally, certain components of inventory are held for use within research and development. Net inventory as at the year-end is £99.4 million (2023: £101.5 million). In line with the requirements of IAS 2, “Inventories”, inventory is stated at the lower of cost and net realisable value. Management is required to make a number of estimates around the net realisable value of inventory, which represents the estimated selling price less all estimated costs of completion. In cases where the net realisable value is below cost, management records a provision such that inventory is held at the lower of cost and net realisable value. To estimate the inventory provision, management uses inputs based on the location and status of inventory held by the Group. This includes the intended use of the inventory, including whether it is expected to be sold or used for research and development purposes. Management makes assumptions around the net realisable value of each category of inventory. These estimates are then applied to the inventory balance, to record a provision in cases where the net realisable value is below cost. Given the uncertainty and judgement required by management with respect to the future use and condition of inventory, we have identified inventory provisioning as a key audit matter. Further details are included in note 18 to the financial statements in relation to inventory. Additionally, details on the Group’s accounting policy for inventory can be found in note 3.12 on page 164 and it is discussed within the Audit and Risk Committee report on page 109. Inventory is disclosed as a source of estimation uncertainty within note 4 on page 166.
How the scope of our audit responded to the key audit matter	• We obtained an understanding around management’s process for estimating the inventory provision balance and the relevant controls over management’s determination of the inventory provisioning estimates. • We challenged the key estimates, made by management in the calculation of the inventory provision, including with reference to forecast sales and considering any potentially contradictory evidence which would indicate the net realisable value of inventory was below the cost. • For a sample of items that management have provided for, we challenged both the finance and supply chain teams on the intended use of those items with reference to supply chain and commercial plans. • For a sample of items, we assessed the historical accuracy of the management’s categorisation of stock for determination of provision by evaluating this against the outcome in the current year. • Although not directly part of the key audit matter, to audit the gross stock balance, we attended stocktakes at key locations which held significant levels of inventory, and performed confirmation procedures where stock was held at third party locations. This included observing the condition of inventory and assessing the expected use of the stock. Additionally, we evaluated the cost of gross stock before any provisions were recorded.
Key observations	We concluded that the inventory provision recorded by management is appropriate such that inventory is stated at the lower of cost and net realisable value in line with the requirements of IAS 2.

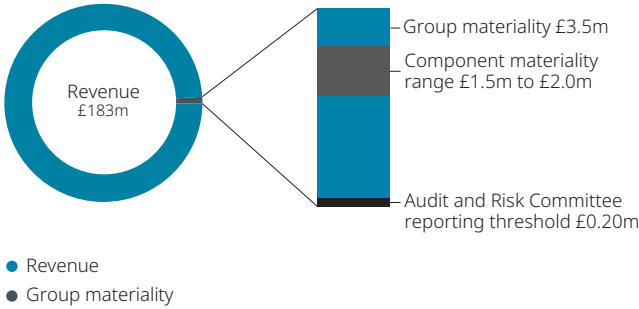
6. Our application of materiality

6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Materiality	£3.5 million (2023: £3.3 million)	£2.8 million (2023: £2.64 million)
Basis for determining materiality	2% of Revenue (2023: 2% of Revenue) Using our professional judgement we have determined for the year ended 31 December 2024 that revenue is the key benchmark and determined Group materiality to be £3.5 million.	We determined materiality in a manner consistent with the approach to the Group financial statements, however capped this at 80% (2023: 80%) of Group materiality. This was such that the performance materiality for the Company audit aligns with the component performance materiality of the Company for the purposes of the Group audit.
Rationale for the benchmark applied	Revenue reflects the manner in which business performance is reported and assessed by external users of the financial statements, particularly for a loss-making company. Recurring revenues of the Group continue to grow and are a key metric for users. We also considered other secondary benchmarks as part of determining materiality, which further supported the materiality used.	



6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent Company financial statements
Performance materiality	70% (2023: 70%) of Group materiality	70% (2023: 70%) of Parent Company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we primarily considered our risk assessment together with the Group's overall control environment, the history of aggregated uncorrected prior period adjustments and our assessment of the competence of key management and accounting personnel.	

6.3 Error reporting threshold

We agreed with the Audit and Risk Committee that we would report to the Committee all audit differences in excess of £175,000 (2023: £165,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level. Components are identified at the legal entity level. The nature of the Group's structure means that the Company acts as the main trading company for the Group's operations.

We performed an audit of the entire financial information of the Parent Company and we audited specific classes of transactions, account balances and disclosures with respect to one other component. Additionally we performed specific audit procedures in relation to a revenue contract in one other component. Our audit procedures, which were carried out to component performance materialities between £1.5 million and £2.0 million, provided coverage of 93% of revenue, 95% of operating expenses and 99% of net assets.

All work to respond to the assessed risks of material misstatement was performed by the Group engagement team.

At the Group level we also tested the consolidation process and carried out analysis on the residual populations to assess whether there were any significant risks of material misstatement within the aggregated financial information not subject to audit.

7.2 Our consideration of the control environment

We obtained an understanding of relevant controls including over the key audit matters and the financial close and reporting process. We have engaged with our IT specialists to obtain an understanding over management's IT systems, and we have tested and relied on controls in addressing the key audit matter in relation to revenue cut-off.

7.3 Our consideration of climate-related risks

In planning our audit, we considered the potential impacts of climate change on the Group's business and its financial statements. The Group has set out in the Strategic Report its reporting with respect to its greenhouse gas emissions ("GHGs"), in addition to future plans to reduce the GHG emissions resulting from the Group's business.

As a part of our audit, we have performed a risk assessment, including enquiries of management, to understand how the impacts of climate change, including the physical or transition risks of climate change, may affect the financial statements and our audit. There was no impact of this work on our key audit matters.

We have engaged with our environmental, social and corporate governance ("ESG") specialists to assess the climate related disclosures within the financial statements, and considered whether they are materially consistent with the wider financial statements and our knowledge obtained in the audit.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

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

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

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group’s remuneration policies, key drivers for directors’ remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal audit, the legal function including the Group’s General Counsel, the Directors and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group’s sector;
- any matters we identified having obtained and reviewed the Group’s documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, IT and ESG specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the accuracy and cut-off of revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group’s ability to operate or to avoid a material penalty.

11.2 Audit response to risks identified

As a result of performing the above, we identified “Revenue Recognition – Accuracy and Cut-off” as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit and Risk Committee and Group’s General counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors’ remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the strategic report and the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors’ report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors’ report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors’ statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group’s compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the Directors’ statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 142;
- the Directors’ explanation as to its assessment of the Group’s prospects, the period this assessment covers and why the period is appropriate set out on page 114;
- the Directors’ statement on fair, balanced and understandable set out on page 112;
- the board’s confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 113;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 113; and
- the section describing the work of the Audit and Risk Committee set out on page 109.

14. Matters on which we are required to report by exception

14.1 Adequacy of explanations received and accounting records

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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2 Directors’ remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors’ remuneration have not been made or the part of the directors’ remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1 Auditor tenure

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board of Directors in 2010 to audit the financial statements for the year ending 31 December 2010 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 14 years, covering the years ending 31 December 2010 to 31 December 2024. The year ending 31 December 2024 is our fourth year as Auditors of the Company since it completed its Initial Public Offering during 2021.

15.2 Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the Audit and Risk Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an 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.

As required by the Financial Conduct Authority (“FCA”) Disclosure Guidance and Transparency Rule (“DTR”) 4.1.15R – DTR 4.1.18R, these financial statements form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor’s report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Sukhbinder Kooner (Senior statutory auditor)

For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
18 March 2025

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Financial Statements

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Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

	Note	2024 £000	2023 £000
Revenue	5	183,191	169,668
Cost of sales		(77,796)	(79,187)
Gross profit		105,395	90,481
Research and development expenses		(98,921)	(103,842)
Selling, general and administrative expenses		(158,807)	(155,248)
Loss from operations		(152,333)	(168,609)
Finance income	11	14,841	18,853
Finance expense	11	(3,565)	(2,206)
Other gains and losses	12	1,838	2,278
Share of loss in associate	17	(18)	(228)
(Impairment)/write-back of investment in associate	17	(724)	144
Loss before tax	7	(139,961)	(149,768)
Taxation	13	(6,227)	(4,739)
Loss for the year		(146,188)	(154,507)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Unrealised fair-value gains on investment bonds	12	4,577	4,177
Reclassification to profit or loss on disposal of investment bonds	12	(1,989)	(153)
Fair value movements on investment bonds	12	2,588	4,024
Exchange losses arising on translation of foreign operations		(469)	(3,880)
Tax on items that may be reclassified subsequently to profit or loss	13	(647)	(1,240)
Other comprehensive income/(expense) for the year, net of tax		1,472	(1,096)
Total comprehensive loss		(144,716)	(155,603)
	Note	2024 Pence	2023 Pence
Loss per share	8	(16)	(19)

The notes on pages 158 to 194 form part of these financial statements.

Consolidated Statement of Financial Position

as at 31 December 2024

	Note	2024 £000	2023 £000
Assets			
Non-current assets			
Property, plant and equipment	15	66,331	49,890
Intangible assets	14	43,815	32,910
Investment in associate	17	–	742
Right-of-use assets	16	34,859	32,526
Other financial assets	20	74,314	208,325
Deferred tax assets	13	2,636	5,486
		221,955	329,879
Current assets			
Inventory	18	99,453	101,548
Trade and other receivables	19	62,708	61,475
Current tax assets	13	1,199	1,030
R&D tax credit recoverable	13	18,365	12,819
Other financial assets	20	138,853	49,514
Derivative financial assets	21	–	261
Cash and cash equivalents	27	199,517	220,536
		520,095	447,183
Total assets		742,050	777,062
Liabilities			
Non-current liabilities			
Lease liabilities	24	40,606	37,333
Share-based payment liabilities		177	141
Provisions	23	3,439	6,538
		44,222	44,012
Current liabilities			
Trade and other payables	22	102,316	78,447
Lease liabilities	24	5,358	4,322
Derivative financial liabilities	21	10	–
Provisions	23	3,806	6,430
		111,490	89,199
Total liabilities		155,712	133,211
Net assets		586,338	643,851
Issued capital and reserves attributable to owners of the parent			
Share capital	25	96	86
Share premium reserve	25	779,697	698,553
Share-based payment reserve	26	209,149	203,099
Translation reserve		(642)	(173)
Accumulated deficit		(401,962)	(257,714)
Total equity		586,338	643,851

The notes on pages 158 to 194 form part of these financial statements.

The financial statements on pages 154 to 194 were approved and authorised for issue by the Board of Directors on 18 March 2025 and were signed on its behalf by:

G. Sanghera
Director

Consolidated Statement of Changes in Equity

as at 31 December 2024

	Share capital £000	Share premium £000	Share-based payment reserve £000	Translation reserve £000	Accumulated deficit £000	Total equity £000
At 1 January 2023	83	627,557	168,200	3,707	(105,991)	693,556
Loss for the year	–	–	–	–	(154,507)	(154,507)
Other comprehensive (expense)/income	–	–	–	(3,880)	2,784	(1,096)
Total comprehensive loss for the year	–	–	–	(3,880)	(151,723)	(155,603)
Issue of share capital	3	71,562	–	–	–	71,565
Cost of share issue	–	(566)	–	–	–	(566)
Employee share-based payments	–	–	34,995	–	–	34,995
Tax in relation to share-based payments	–	–	(96)	–	–	(96)
Total contributions by and distributions to owners	3	70,996	34,899	–	–	105,898
At 31 December 2023	86	698,553	203,099	(173)	(257,714)	643,851
Loss for the year	–	–	–	–	(146,188)	(146,188)
Other comprehensive (expense)/income	–	–	–	(469)	1,940	1,471
Total comprehensive loss for the year	–	–	–	(469)	(144,248)	(144,717)
Issue of share capital	10	83,466	–	–	–	83,476
Cost of share issue	–	(2,322)	–	–	–	(2,322)
Employee share-based payments	–	–	6,029	–	–	6,029
Tax in relation to share-based payments	–	–	21	–	–	21
Total contributions by and distributions to owners	10	81,144	6,050	–	–	87,204
At 31 December 2024	96	779,697	209,149	(642)	(401,962)	586,338
Note	25	25	26			

The notes on pages 154 to 194 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2024

	Note	2024 £000	2023 £000
Net cash outflow from operating activities	27	(109,885)	(137,302)
Investing activities			
Purchase of property, plant and equipment		(13,943)	(5,906)
Development costs capitalised	14	(34,693)	(19,522)
Purchases of IP licences		–	(1,862)
Investment in associate		–	(3,000)
Interest received		9,507	13,898
Purchase of other financial assets		–	(150,000)
Proceeds from sale of other financial assets		54,156	104,598
Net cash inflow/(outflow) from investing activities		15,027	(61,794)
Financing activities			
Proceeds from issue of shares		83,233	71,597
Costs of share issue		(2,322)	(366)
Principal elements of lease payments		(4,685)	(4,291)
Interest paid		(3)	(1)
Interest paid on leases		(2,642)	(2,205)
Net cash inflow from financing activities		73,581	64,734
Net decrease in cash and cash equivalents before foreign exchange movements		(21,277)	(134,362)
Effect of foreign exchange rate movements		258	(1,880)
Cash and cash equivalents at beginning of year		220,536	356,778
Cash and cash equivalents at end of year	27	199,517	220,536

Notes to the Consolidated Financial Statements

for the year ended 31 December 2024

1. General information

Oxford Nanopore Technologies plc (“the Company”) is a public limited company incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The Company’s registered office is at Gosling Building, Edmund Halley Road, Oxford Science Park, Oxford, Oxfordshire, OX4 4DQ. These consolidated financial statements comprise the Company and its subsidiaries (collectively “the Group” and individually “Group companies”). The Group is primarily involved in researching, developing, manufacturing and commercialising a novel generation of deoxyribonucleic acid (“DNA”) or ribonucleic acid (“RNA”) sequencing technology that provides rich data, is fast, accessible and easy to use, and which allows the real-time analysis of DNA or RNA. This enables our customers to perform scientific/biomedical research in a range of areas, including human genetics, cancer research, outbreak surveillance, environmental analysis, pathogens/antimicrobial resistance, microbiome analysis and crop science. These emerging uses may include applications in healthcare, agriculture, biopharma production, food/water supply chain surveillance, and education or consumer markets, anywhere where DNA information can tell a user about a sample: for example its identity, whether it is changing, healthy or diseased.

The Company is the ultimate parent company of the Group.

The financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the Group operates, and are rounded to the nearest thousand pounds. Foreign operations are included in accordance with the policies set out in the accounting policies.

2. Adoption of new and revised standards

New and amended IFRS Accounting Standards that are effective for the current year

In 2024, the Group has applied a number of amendments to International Financial Reporting Standards (“IFRS”) and International Accounting Standards (“IAS”) issued by the International Accounting Standards Board (“IASB”) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 7 and IFRS 7	Supplier finance arrangements
Amendments to IAS 1	Classification of liabilities as current or non-current; non-current liabilities with covenants
Amendments to IFRS 16	Lease liabilities in a sale and leaseback

New and revised IFRS standards in issue but not yet effective

At the date of authorisation of the consolidated financial statements, the Group has not applied the following new and revised IFRS standards that have been issued but are not yet effective:

Amendments to IAS 21	Lack of Exchangeability
IFRS 18	Presentation and Disclosures in Financial Statements Amendments to IAS 1

The Directors do not expect that the adoption of the amendments to IAS 21 will have a material impact on the consolidated financial statements of the Group in future periods.

IFRS 18, “Presentation and Disclosure in Financial Statements”, was issued by the IASB on 9 April 2024 and introduces new presentation and disclosure requirements, particularly for the income statement. Furthermore, the new accounting standard provides enhanced principles on aggregation and disaggregation of information and introduces new disclosures for Management Performance Measures. The requirements are effective for periods beginning on or after 1 January 2027 and are not yet endorsed by the UK Endorsement Board. The Group is assessing the impact of adopting the new requirements introduced by IFRS 18, and will adopt the standard for the reporting period ending 31 December 2027, subject to endorsement in the UK.

3. Significant accounting policies

3.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB and adopted by the UK.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

The principal accounting policies adopted are set out below.

3. Significant accounting policies continued

3.2 Going concern

As at 31 December 2024, the Group held £403.8 million in cash, cash equivalents and other liquid investments (note 34).

In order to satisfy the going concern assumption, the Directors review the budget periodically. It is revisited and revised as appropriate in response to evolving market conditions. Specifically for these financial statements, the Directors have considered the budget and forecast prepared through to the end of March 2026, the going concern assessment period, and the impact of a range of severe, but plausible, scenarios on revenue, profit and cash flow. The principal issues and risks considered were:

- supply chain issues driven by demand, logistics interruptions and heightened global geopolitical tension;
- the impact on revenue due to customer, regulatory and research and development (R&D) delays; and
- increased costs due to supply chain restrictions, rising utilities costs, rising wages & salary costs, additional R&D requirements and rising costs of component parts.

Under all scenarios, the Group had sufficient funds to maintain trading before taking into account any mitigating actions that the Directors could take. Accordingly, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future and at least one year from the date of approval of the financial statements. On the basis of these reviews, the Directors consider it remains appropriate for the going concern basis to be adopted in preparing these financial statements.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at this time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies.

3.4 Revenue recognition

The Group manufactures and sells a range of DNA and RNA sequencing products and also provides a range of technical training and consultancy services to customers. Products are either sold on a stand-alone basis or as part of a larger bundle of goods and services.

Revenue is recognised when control of the products has transferred, typically being when the products are delivered to the customer at the location specified during the sales ordering process. Revenue from providing services is recognised in the period in which the services are rendered because the customer receives and uses the benefits simultaneously.

Revenue from the sale of bundled goods and services includes multiple performance obligations which are separately recognised when distinct. For example, a bundled contract might include the lease of a sequencing device, software licences required to operate the device, sequencing consumables and technical training services. Each deliverable is accounted for as a separate performance obligation and the transaction price for the bundle is allocated to each performance obligation based on the stand-alone selling prices of each deliverable observed on the Group’s online store. In instances where there is no directly observable stand-alone selling price, management estimates this based on an expected cost-plus margin approach or by using the closest market comparable as a basis. As each performance obligation in the bundle is satisfied, revenue is recognised either at the point in time when the consumables are delivered or, in the case of the lease of the sequencing device or provision of software licence, recognised over the period to which they relate.

3. Significant accounting policies continued

3.4 Revenue recognition continued

In the case of bundled goods and services contracts, customers generally either pay for the whole contract in advance of delivery of all the goods and services on the contract or are invoiced as the goods and services are delivered. If the transaction price allocated to the goods delivered or services rendered by the Group exceeds the payment received from a customer, a contract asset is recognised. If the payment exceeds the transaction price allocated to the goods delivered or services rendered by the Group, a contract liability is recognised. In the case of non-bundled goods and services contracts, payment of the transaction price is typically due when the customer receives the goods or services.

For bill-and-hold arrangements in respect of the supply and delivery of goods, revenue is recognised when the customer has obtained control of the goods. Control is deemed to have transferred when the goods have been delivered to the specified delivery location. Under bill-and-hold arrangements it is deemed appropriate to recognise revenue provided the customer has requested the bill-and-hold arrangement for substantive purposes, for example, because it lacks the physical space/facilities to store the goods. In addition, the goods must be able to be identified as belonging to the customer and cannot be used to satisfy orders for other customers, meaning that the customer can redirect or determine how the goods are used or where the goods are delivered to.

Consistent with the terms of agreement with distributors, revenue from distributors is recognised upon transfer of control over the goods to a third party. Typically this occurs when title passes to the customer, either on shipment or on receipt of goods by the customer, depending on local trading terms. The terms of these agreements are such that the Group’s customer is deemed to be the distributor, and therefore the Group recognises revenue as principal in the transaction with the distributor. The distributor subsequently controls the products before making sales to end users, and bears inventory risk and has discretion for specific commercial arrangements with the end users of the products. On this basis revenue is recorded by the Group at the point control of the products is passed to the distributors. The agreements do not contain a clause for the Group to repurchase the goods from the distributors. For the year ended 31 December 2024, the Group’s revenue from distributor sales amounted to £46.7 million (2023: £38.3 million), representing 25.5% (2023: 22.6%) of the total Group’s total revenue for the year.

Revenue includes royalty income from collaboration agreements, where the Group has licensed certain rights associated with products. These agreements cover the development, manufacturing and/or commercialisation of products with third parties. The income generated from these agreements is defined as revenue, as licensing and collaboration agreements are considered to form part of the Group’s ordinary activities. Income from the agreements may take the form of upfront fees, milestone payments and/or royalties. For the year ended December 2024, the Group earned £0.6 million (2023: £0.6 million) of its revenue from collaboration and royalty agreements, representing 0.3% (2023: 0.4%) of the Group’s total revenue for the year.

3.5 Alternative performance measures

Alternative performance measures are used by the Directors and management to monitor business performance internally and exclude certain items which they believe are not reflective of the normal day-to-day operating activities of the Group. The Directors believe that disclosing such non-IFRS measures enables a reader to isolate and evaluate the impact of such items on results and provides additional information to assist stakeholders’ understanding of the performance from year to year. Alternative performance measures may not be directly comparable with other similarly titled measures used by other companies. A detailed reconciliation between reported and adjusted measures is presented in note 34.

3.6 Leased assets

The Group as a lessee

The Group leases various offices and buildings. Rental contracts are typically made for fixed periods of up to 30 years and may include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group’s operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and low-value leases. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

3. Significant accounting policies continued

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); and/or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37, “Provisions, Contingent Liabilities and Contingent Assets”. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventory.

Right-of-use assets are depreciated over the shorter period of lease term and Useful Economic Life (“UEL”) of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36, “Impairment of Assets”, to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, plant and equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included within “operating expenses” in the statement of comprehensive income.

The Group as a lessor

The Group leases some of its devices to customers. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. See note 5 for income from leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15, “Revenue from contracts with customers”, to allocate the consideration under the contract to each component.

3.7 Foreign currencies

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 28); and
- exchange differences on monetary items receivable from or payable to foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3. Significant accounting policies continued

3.7 Foreign currencies continued

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group’s foreign operations are translated into Pounds Sterling using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

3.8 Employee benefits

i) Retirement costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

ii) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

3.9 Taxation

The tax expense represents the sum of current and deferred taxes.

i) Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting period date.

A current tax provision is recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation. Tax liabilities are recognised when it is considered probable that there will be a future outflow of funds to a taxing authority. Provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

The Group is entitled to claim tax credits primarily in the United Kingdom for certain research and development expenditure. The credit is paid in arrears once tax returns have been filed. An estimate of the tax credit expected to be received is recognised in the consolidated income statement above the line of profit before tax. A notional tax charge on the credit is recognised within the taxation line in the consolidated income statement, and the corresponding net asset is included within current assets in the consolidated statement of financial position until such time as it is received.

ii) Deferred tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax assets are reviewed at each reporting date and recognised to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In considering the recoverability of deferred tax assets, the Group assesses the likelihood of their being recovered within a reasonably foreseeable timeframe, being typically a period of between three to five years, taking into account the future expected profit profile and business model of each relevant company or country, and any potential legislative restrictions on use.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax laws and rates that have been enacted, or substantively enacted, at the reporting date.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

iii) Current and deferred tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. Significant accounting policies continued

3.10 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected UEL. It is provided at the following rates:

Leasehold improvements	over the shorter of the UEL and the term of the lease
Plant and machinery	3–10 years straight line
Office equipment	3 years straight line
Assets subject to operating leases	2–5 years straight line

Assets under construction are not depreciated.

The UELs, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.11 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

i) Patents and licences

Patents and licences are measured initially at purchase cost and are amortised on a straight-line basis over the expected duration of the patent or licence.

ii) Capitalised development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Group regularly assesses the development expenditures against the criteria for development costs to be recognised as an asset, as set out in IAS 38, “Intangible Assets”. The amortisation periods for internally generated assets incurred by the Group are:

Development of Core Technology Platform	3 years
Development of Sequencing Kits	2 years

iii) Impairment of intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

3. Significant accounting policies continued

3.11 Intangible assets continued

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows (including E-commerce sales, based on the related device sales) are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.12 Inventory

Inventory is stated at the lower of cost, calculated as standard cost based on average cost, and net realisable value. Consideration is made of the technical properties of the inventory and its effect on net realisable value.

Cost comprises direct materials and, when applicable, direct labour cost and those overheads that have been incurred in bringing the inventory to its present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion. Management judgement is primarily used to assess future revenues of product lines and where there is a doubt over its future net realisable value a provision is made.

3.13 Financial instruments

Financial assets, other than those at fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income (“FVOCI”), are generally valued at amortised cost using the effective interest method, less any impairment, based on expected credit losses. They are assessed for indicators of impairment at each balance sheet date. In accordance with IFRS 9, “Financial Instruments”, impairment of financial assets is based on the expected credit loss (“ECL”) model. The ECL model requires the Group to account for the ECLs and changes in those ECLs at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected; IFRS 9 also requires current and future events to be considered when making an impairment assessment.

The Group applies the IFRS 9 simplified approach to the measurement of the ECLs which uses a lifetime ECL for all trade receivables. The ECL on these trade receivables is estimated using a provision matrix for collective assessment based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, to the extent that these are expected to have an effect on recovery of trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics where relevant, and the days past due. The ECL percentage rates of default applied to trade receivables grouped by days past due are based on the payment profiles of sales over a selected period and the corresponding historical default (non-payment which resulted in the debt being written off) experienced in relation to these sales. The percentage rates of default are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of customers to settle the receivables where applicable. Similarly, other financial assets are assessed to determine whether an ECL provision is required.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate. Financial assets that are held at FVOCI are debt investments; the accounting policy is based on the business model of both collecting contractual cash flows, and selling the financial assets. Financial assets that are held at FVTPL are generally foreign exchange derivatives; they are valued based on the rate applying at the balance sheet date.

Assets that are held at fair value through other comprehensive income are those that are held to collect contractual cash flows on the repayment of principal and interest and which are held to recognise a capital gain through the sale of the asset. Movements in the carrying amount are recognised in other comprehensive income except for the recognition of impairment, interest income and foreign exchange gains or losses which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity to profit or loss. Interest income is included in finance income using the effective interest rate method.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the income statement.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income. Financial liabilities mainly comprise trade and other payables and are stated at amortised cost which equates to their fair value.

3. Significant accounting policies continued

3.14 Investment in associate

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired. In accordance with this policy, the carrying amount of this investment was fully impaired and provided for in the statement of comprehensive income in 2024.

3.15 Trade and other receivables

Trade receivables are recognised at amortised cost, in line with IFRS 9, less allowances for expected credit losses. They arise principally through the provision of goods and services to customers.

3.16 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits held at call with banks and other short-term highly liquid investments with a maturity of three months or less at the date of acquisition.

Cash is not held for the purpose of investment in its own right and the primary goal of investment strategies is capital preservation. Cash not required for short-term working capital requirements is invested in investment bonds (other financial assets). To the extent that it is reasonable, deposits are spread between banks that have been approved by the Directors. Cash required to meet short-term working capital requirements as they arise is maintained in instant access accounts at one or more approved banks.

3.17 Trade and other payables

Trade payables are non-interest bearing and are held at amortised cost, in line with IFRS 9; their carrying value approximates to fair value.

3.18 Other financial assets

Other financial assets comprise unlisted investments, short-term deposits, and investment bonds held with banks that do not meet the IAS 7, “Statement of Cash Flows”, definition of a cash equivalent.

3.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.20 Share-based payments

Where share options and other equity instruments are awarded to employees, the fair value of the instrument 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 balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of instruments that eventually vest.

Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition. 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 the income statement over the remaining vesting period.

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

4. Critical accounting judgements and sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements and estimates that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Judgements

i) Internally generated intangible assets research and development expenditure ("R&D")

Critical judgements are required in determining whether development expenditure meets the criteria for capitalisation of such costs as laid out in IAS 38, "Intangible Assets," in particular whether any future economic benefit will be derived from the costs and flow to the Group. The Directors believe that the criteria for capitalisation as set out in IAS 38, paragraph 57, for specific projects were met during the year and accordingly all amounts in relation to the development phase of those projects have been capitalised as an intangible asset. All other expenditure on R&D projects has been recognised within R&D expenses in the income statement during the year.

Estimates

Key sources of estimation uncertainty

i) Inventory

The Group holds inventory across a number of locations for the purposes of fulfilling sales orders and contractual obligations. Additionally, certain components of inventory are held for use within research and development. Net inventory at 31 December 2024 was £99.5 million (2023: £101.5 million). In line with the requirements of IAS 2, "Inventories", inventory is stated at the lower of cost and net realisable value.

Management is required to make a number of estimates around the net realisable value of inventory, which represents the estimated selling price less all estimated costs of completion. In cases where the net realisable value is below cost, management records a provision such that inventory is held at the lower of cost and net realisable value. Consideration is made of the technical properties of the inventory and its effect on net realisable value.

To estimate the inventory provision, management uses inputs based on the location and status of inventory held by the Group. This includes the intended use of the inventory, including whether it is expected to be sold or used for research and development purposes.

Management makes assumptions around the net realisable value of each category of inventory. These estimates are then applied to the inventory balance, based on its cost, location and intended use, to record a provision in cases where the net realisable value is below cost.

If the provisioning estimate had decreased by 6%, then the net realisable value of inventory would have increased by £3.0 million and the revised inventory value would have been £102.4 million (31 December 2023: £2.7 million and £104.3 million respectively). If the provisioning against inventory had increased by a further 3%, then the net realisable value of inventory would have decreased by £3.2 million and the revised inventory value would have been £96.3 million (31 December 2023: £3.4 million and £98.1 million respectively).

ii) Share-based payments

Details of the share-based payment schemes operated by the Group are disclosed in note 26. In June 2021, awards were granted to the Executive Directors of the Company under the Oxford Nanopore Technologies Limited Long-Term Incentive Plan 2021 ("Founder LTIP"). Half of the awards are subject to a non-market revenue performance condition which drives number of awards expected to vest depending on when certain revenue targets are met. At each reporting date, management makes an estimate as to the extent to which the revenue condition is expected to be achieved by the end of each future reporting period. This is driven by revenue forecasts. Whilst management may make an appropriate estimate of the annual revenue target on grant date, this estimate might change in future periods. If actual sales were 10% less than forecast by the end of the vesting period, the Group recognised total expenses of £6.0 million relating to equity settled share-based payment transactions would decrease by £6.4 million and become a credit of £0.4 million. If actual sales were 10% more than forecast by the end of the vesting period, the Group recognised total expenses of £6.0 million relating to equity settled share-based payment transactions would increase by £2.6 million.

In addition, the Founder LTIP awards in issue give rise to an associated employer's social security liability. Management updates the estimate for this liability at each reporting period with reference to both the expected number of awards vesting and their expected value, using the share price at the period end date.

Half of the Founder LTIP awards are linked to a share price condition, which is a market-based performance condition incorporated into the fair value calculation and to which no subsequent adjustments can be made from a share-based payment charge perspective. However, management has estimated the proportion likely to vest for the purposes of assessing the employer's social security contributions to accrue at each period end using a Monte Carlo simulation model which calculates the average expected vesting based on a large number of randomly generated projections of the Company's future share price. At 31 December 2024, the proportion expected to vest was estimated at 48.1% (2023: 50.8%).

Other sources of estimation uncertainty

iii) Internally generated intangible assets research and development expenditure

Management does not have a formal timesheet process for monitoring time spent by employees on projects in their development stage. Instead, management consults with the relevant project leaders on a regular basis to understand and estimate the time spent on projects in their development stage. When a percentage allocation has been agreed, in line with the estimation process described below, this is then applied to other, non-employee related development costs to ensure that costs are consistently and appropriately capitalised. The net book value of internally generated capitalised assets at 31 December 2024 was £41.8 million (2023: £30.8 million).

Development costs capitalised in 2024 amounted to £34.7 million (2023: £19.5 million). If the estimated time spent on these projects had varied by up to 5% then the development costs capitalised in 2024 would have been in the range of £33.0 million to £36.4 million (2023: £18.5 million to £20.5 million).

iv) Non-standard customer contracts

As stated in the revenue recognition accounting policy in note 3, revenue contracts for the sale of bundled goods and services require the allocation of the total contract price to individual performance obligations based on their stand-alone selling prices. The Group occasionally enters into larger bespoke contracts which might include a clause linked to the performance of the products and options on the total units of certain consumables to be purchased under the contract. This requires management to estimate the number of items likely to be delivered under the contract.

5. Revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following geographical regions and categories:

	2024 £000	2023 £000
Geographical region		
AMR	63,143	61,542
EMEA1	79,608	74,037
APAC	40,440	34,089
Total revenue	183,191	169,668

	2024 £000	2023 £000
Category		
Sale of goods	154,095	141,907
Rendering of services	18,981	17,445
Lease income	10,115	10,316
Total revenue	183,191	169,668

	2024 £000	2023 £000
Timing of revenue recognition		
At a point in time	155,687	141,907
Over time	27,504	27,761
Total revenue	183,191	169,668

Notes 19 and 22 disclose assets and liabilities the Group has recognised in relation to contracts with customers.

Revenue recognised in relation to contract liabilities:

	2024 £000	2023 £000
Revenue recognised that was included in the contract liability balance at the beginning of the year	12,849	15,848

6. Segment information

The Group’s senior management team is considered to be the chief operating decision maker (“CODM”) for the purposes of resource allocation and assessment of segment performance, as defined under IFRS 8, “Operating Segments”. The CODM considers that the only Group reportable segment is revenue generation from providing products and services for research use, including research and development expenditure and corporate expenditure. The previously-reported “COVID Testing” segment was insignificant in both the current and prior year.

There were no individual customers representing more than 10% of the Group’s total revenue in either the current or prior year.

Geographical regions

Revenue by geographical region is shown in note 5. The Group’s non-current assets by geographical location, excluding other financial assets and deferred tax assets, are detailed below:

	2024 £000	2023 £000
AMR	15,733	13,130
EMEI	126,963	101,883
APAC	2,309	1,055
	145,005	116,068

Some countries are individually significant to the Group. These are detailed below. Revenue and non-current assets in all other countries were below 5% of the total in both of the two years.

	Revenue		Non-current assets	
	2024 £000	2023 £000	2024 £000	2023 £000
UK	21,126	18,340	125,771	101,411
USA	56,162	54,009	15,733	13,130
China	16,042	15,334		
Germany	11,010	8,424		
UAE	3,152	13,256		
Rest of World	75,699	60,305	3,501	1,527
	183,191	169,668	145,005	116,068

7. Loss before tax

	2024 £000	2023 £000
This is after charging/(crediting):		
Amortisation of intangible assets	23,955	18,491
Depreciation of property, plant and equipment	13,449	18,105
Depreciation of right-of-use assets	5,880	5,031
Loss on disposal of property, plant and equipment	7,513	3,663
Cost of inventory	61,286	49,162
Write-down of inventory	805	9,839
Short-term lease costs	971	928
Impairment/(write-back) of investment in associate	724	(144)
Net foreign exchange gain	(504)	(1,385)

All amounts relate to continuing operations.

8. Loss per share

	2024 Pence	2023 Pence
Basic and diluted loss per share		
Total basic and diluted loss per share attributable to the ordinary equity holders of the Group from continuing operations	(16)	(19)

	2024 £000	2023 £000
Reconciliation of earnings used in calculating earnings per share		
Loss attributable to the ordinary equity holders of the Group used in calculating basic and diluted loss per share from continuing operations	(146,188)	(154,507)

	2024 Number	2023 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating basic and diluted earnings per share	897,796,423	833,960,358

Options

Options granted to employees under the Oxford Nanopore Technologies Share Option Scheme and the Oxford Nanopore Technologies Limited Share Option Plan 2018 are considered to be potential ordinary shares. These options have not been included in the determination of the basic and diluted loss per share as shown above, because they are anti-dilutive for the years ended 31 December 2024 and 31 December 2023. These options could potentially dilute basic earnings per share in the future. Details relating to share options are set out in note 26.

9. Auditor’s remuneration

During the year, the Group obtained the following services from its auditors:

	2024 £000	2023 £000
Audit of parent company and consolidated financial statements	485	500
Audit of the Company’s subsidiaries	79	70
Assurance-related non-audit services	83	90
	647	660

10. Staff costs

Employee benefit expenses (including directors) comprise:

	2024 £000	2023 £000
Wages and salaries	124,388	99,111
Social security costs	12,981	10,361
Pension costs	4,911	4,113
Share-based payment expenses	5,893	35,076
Social security credits (share awards)	(1,972)	(168)
Other staff costs	4,643	3,032
	150,844	151,525

Directors and key management personnel

Directors and key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Directors of the Company listed in the section of the annual report labelled Board of Directors.

Director and key management personnel compensation was as follows:

	2024 £000	2023 £000
Salaries, bonuses and benefits in kind	8,416	6,367
Amounts paid as directors' fees	792	735
Share-based payment expenses	555	–
	9,763	7,102

The share-based payment charge generally comprises the value of awards that have vested relating to the Share Price Performance Condition and the Revenue Condition awards. The value for 2024 actually relates to awards due to vest in 2025, included because the performance conditions were already met by the end of 2024.

Further information on the remuneration of the Directors is given in the sections of the annual report on remuneration labelled as audited in the Directors' Remuneration Report.

Employee numbers

The monthly average number of employees was as follows:

	2024 Number	2023 Number
Research and development	512	464
Production	158	156
Sales, general and administration	645	513
	1,315	1,133

11. Finance income and expense

	2024 £000	2023 £000
Finance income		
Bank interest	9,360	11,533
Interest on treasury deposits	–	2,047
Interest on investment bonds	5,481	5,273
Total finance income	14,841	18,853
Finance expense		
Bank interest	(3)	(1)
Interest on leases	(3,562)	(2,205)
Total finance expense	(3,565)	(2,206)
Net finance income recognised in profit or loss	11,276	16,647

12. Other gains and losses

	2024 £000	2023 £000
Gain on investment bonds	1,989	153
(Loss)/gain on derivative financial instruments	(151)	2,125
	1,838	2,278

	2024 £000	2023 £000
Unrealised fair-value gains on investment bonds	4,577	4,177
Reclassification to profit or loss on disposal of investment bonds	(1,989)	(153)
Fair value movements on investment bonds (included in other comprehensive income)	2,588	4,024

Further information on derivative financial instruments is disclosed in note 21.

13. Taxation

i) Income tax recognised in statement of comprehensive income

Income tax recognised in profit and loss		
	2024 £000	2023 £000
Current tax		
Notional tax on R&D expenditure credit	3,343	2,446
Prior year adjustment in respect of notional tax on R&D expenditure credit	117	(48)
Prior year adjustment in respect of current tax	196	(822)
Tax payable on foreign subsidiaries	331	2,949
Total current tax	3,987	4,525
Deferred tax		
Origination and reversal of temporary differences	2,240	214
Total deferred tax	2,240	214
Total tax	6,227	4,739

Income tax recognised in other comprehensive income ("OCI")		
	2024 £000	2023 £000
Deferred tax on investment bonds	647	1,240
Total tax	647	1,240

Current tax balances have been calculated at the rates enacted for the period. The effective rate of Corporation Tax is -4.45% (2023: -3.16%) of the loss before tax for the Group.

The reasons for the difference between the actual tax charge for the year and the standard rate of Corporation Tax in the United Kingdom applied to losses for the year are as follows:

	2024 £000	2023 £000
Loss for the year	(146,188)	(154,507)
Income tax expense	6,227	4,739
Loss before income taxes	(139,961)	(149,768)
Tax rate in the UK for period as a percentage of losses at 25.0% (2023: 23.5%)	(34,990)	(35,196)
R&D incentives	3,147	2,067
Adjustment in respect of overseas tax rates	124	410
Adjustments to tax charge in respect of prior years	295	133
Impact of share options	(2,789)	6,634
Movement on unrecognised deferred tax	39,380	29,775
Other timing differences	(366)	(1,160)
Expenses not deductible for tax purposes	1,426	2,076
Total tax expense	6,227	4,739

13. Taxation continued

ii) Current tax asset

	2024 £000	2023 £000
Corporation tax asset	1,199	1,030
	1,199	1,030

iii) Deferred tax balances

Deferred tax balances have been recognised at the rate expected to apply when the deferred tax attribute is forecast to be utilised based on substantively enacted rates at the balance sheet date. The rate of UK Corporation Tax increased to 25% from 1 April 2023. Taxation for other jurisdictions is calculated at the rates prevailing in the respective territories.

In respect of share-based payments, to the extent that the tax deduction (or future estimated tax deduction) exceeds the amount of the related cumulative IFRS 2 expense, the excess of the associated current or deferred tax has been recognised in equity and not in the consolidated statement of comprehensive income. For current tax there is no impact on the charge to the consolidated statement of comprehensive (2023: increased of £0.2 million). For deferred tax this increases the credit to the consolidated statement of comprehensive income by less than £0.1 million (2023: increased expense of £0.3 million).

A deferred tax asset ("DTA") of £5.5 million (2023: £7.7 million) has been recognised in relation to future share option exercises and other timing differences in Oxford Nanopore Technologies, Inc. and other overseas subsidiaries, because it is probable that the asset will be utilised in the foreseeable future as a result of taxable profits forecast in future years.

A deferred tax asset has been recognised in relation to the Company of £12.1 million (2023: £8.1 million), being the amount equal to the deferred tax liability in the same entity.

Total recognised deferred tax balances for the Group are made up as follows:

Recognised deferred tax assets and liabilities		
	2024 £000	2023 £000
Deferred tax assets		
Provisions	1,677	1,498
Losses	12,834	8,127
Share awards (P&L)	2,413	6,052
Share awards (equity)	203	180
Other	376	-
Total recognised deferred tax assets	17,503	15,857

Deferred tax liabilities		
Accelerated capital allowances	(2,816)	(2,276)
Share awards (P&L)	(258)	-
Investment bonds - unrealised gain	(1,887)	(1,240)
Intangibles	(9,906)	(6,855)
Total recognised deferred tax liabilities	(14,867)	(10,371)

Net recognised deferred tax asset	2,636	5,486
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£2.4 million (2023: £5.2 million) of the net recognised deferred tax asset relates to Oxford Nanopore Technologies, Inc., the US subsidiary.

13. Taxation continued

Reconciliation of deferred tax

	2024 £000	2023 £000
Balance at 1 January	5,486	7,681
Prior year adjustments	18	(1,002)
Charge to the statement of comprehensive income	(2,905)	(449)
(Charge)/credit to equity	20	(341)
Foreign exchange movements	17	(403)
At 31 December	2,636	5,486

Deferred tax assets and liabilities have been offset where the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity.

	Provisions £000	Losses £000	Share awards (P&L) £000	Share awards (equity) £000	Accelerated capital allowances £000	Investment bonds - unrealised gain £000	Intangibles £000	Other £000	Total £000
Balance at 1 January 2023	2,487	5,912	6,360	543	(1,741)	-	(5,880)	-	7,681
Credit/(charge) to income statement	(916)	2,211	5	-	(640)	-	(975)	-	(315)
Credit/(charge) to statement of comprehensive income	-	-	-	-	-	(1,240)	-	-	(1,240)
Credit/(charge) to statement of equity	-	-	-	(344)	-	-	-	-	(344)
Change in tax rate	17	6	91	3	(10)	-	-	-	107
Foreign exchange adjustments	(90)	(2)	(404)	(22)	115	-	-	-	(403)
Balance at 31 December 2023	1,498	8,127	6,052	180	(2,276)	(1,240)	(6,855)	-	5,486
Credit/(charge) to income statement	189	4,691	(3,779)	-	(542)	-	(3,051)	371	(2,121)
Credit/(charge) to statement of comprehensive income	-	-	-	-	-	(647)	-	-	(647)
Credit/(charge) to statement of equity	-	-	-	24	-	-	-	-	24
Change in tax rate	(33)	-	(139)	(4)	55	-	-	(2)	(123)
Foreign exchange adjustments	23	16	21	3	(53)	-	-	7	17
Balance at 31 December 2024	1,677	12,834	2,155	203	(2,816)	(1,887)	(9,906)	376	2,636

A DTA of £220.0 million (2023: £189.7 million) has not been recognised due to uncertainty that the asset will be utilised in the foreseeable future due to the absence of sufficient taxable profits. This DTA relates to the UK in both years, and includes a deferred tax asset of £191.0 million (2023: £155.0 million) in relation to UK tax losses. The losses and deductible temporary differences are expected to be available indefinitely.

Unrecognised deferred tax assets

	2024	2024	2023	2023
	Gross amount £000	Tax effected £000	Gross amount £000	Tax effected £000
Losses	765,151	191,288	619,990	154,998
Provisions	12,500	3,125	17,451	4,363
Share awards	22,490	5,622	71,338	17,834
Share awards (equity)	2,252	563	4,327	1,082
Accelerated capital allowances	45,367	11,342	27,476	6,869
RDEC	32,019	8,005	18,177	4,544
Total unrecognised deferred tax assets	879,779	219,945	758,759	189,690

13. Taxation continued

iv) R&D tax credit recoverable

In the statement of comprehensive income the R&D expenditure credit (“RDEC”) is recognised in the loss before tax and a notional tax charge is recognised in the tax expense. The net asset is recognised within current assets in the statement of financial position. The current asset is made up as follows:

	2024 £000	2023 £000
At 1 January	12,819	9,148
Adjustment to R&D tax credit in respect of previous years	372	(203)
Cash receipt	(4,857)	(4,088)
R&D tax credit for the year	13,374	10,408
Notional tax charge on R&D tax credit for the year	(3,343)	(2,446)
At 31 December	18,365	12,819

14. Intangible assets

	Capitalised development costs £000	Patents and licences £000	Total £000
Cost			
At 1 January 2023	57,663	446	58,109
Additions	19,522	1,862	21,384
Foreign exchange movements	(22)	-	(22)
At 31 December 2023	77,163	2,308	79,471
Additions	34,693	239	34,932
Foreign exchange movements	-	(77)	(77)
At 31 December 2024	111,856	2,470	114,326

Accumulated amortisation and impairment

At 1 January 2023	27,970	100	28,070
Charge for the year	18,419	72	18,491
At 31 December 2023	46,389	172	46,561
Charge for the year	23,699	256	23,955
Foreign exchange movements	-	(5)	(5)
At 31 December 2024	70,088	423	70,511

Net book value

At 31 December 2023	30,774	2,136	32,910
At 31 December 2024	41,768	2,047	43,815

Development costs have been capitalised in accordance with IAS 38, “Intangible Assets” and are therefore not treated as a realised loss until recognised as an amortisation or impairment charge in the statement of comprehensive income.

In line with IAS 36, “Impairment of Assets”, the Directors have considered whether there are indicators, either internal or external, of impairment. No such indicators were identified in the current or prior year; whilst the Group is loss-making overall, the contribution of these assets is positive.

15. Property, plant and equipment

	Leasehold improvements £000	Plant and machinery £000	Assets under construction £000	Assets subject to operating leases £000	Equipment £000	Total £000
Cost or valuation						
At 1 January 2023	10,493	22,597	2,832	39,845	16,265	92,032
Additions	161	679	4,828	25,600	3,583	34,851
Disposals	–	(63)	–	(9,785)	(4)	(9,852)
Transfers between classes	1,106	4,982	(6,162)	–	74	–
Foreign exchange movements	(27)	(26)	–	(902)	(88)	(1,043)
At 31 December 2023	11,733	28,169	1,498	54,758	19,830	115,988
Additions	–	104	13,738	20,566	2,801	37,209
Disposals	–	–	–	(13,615)	–	(13,615)
Transfers between classes	430	3,641	(4,715)	–	644	–
Foreign exchange movements	4	1	2	353	31	391
At 31 December 2024	12,167	31,915	10,523	62,062	23,306	139,973
Accumulated depreciation and impairment						
At 1 January 2023	4,608	14,314	–	23,504	12,312	54,738
Charge for the year	1,609	3,477	–	10,213	2,806	18,105
Disposals	–	(63)	–	(6,122)	(4)	(6,189)
Foreign exchange movements	(8)	(22)	–	(462)	(64)	(556)
At 31 December 2023	6,209	17,706	–	27,133	15,050	66,098
Charge for the year	1,381	3,002	–	6,210	2,856	13,449
Disposals	–	–	–	(6,103)	–	(6,103)
Foreign exchange movements	5	4	–	165	24	198
At 31 December 2024	7,595	20,712	–	27,405	17,930	73,642
Net book value						
At 31 December 2023	5,524	10,463	1,498	27,625	4,780	49,890
At 31 December 2024	4,572	11,203	10,523	34,657	5,376	66,331

The Group leases some of its devices to customers. Lease payments in relation to these devices are received in full either in advance or on shipping of the device, meaning that there are no undiscounted future lease payments expected to be received on these devices. On return of these items, in certain cases management makes the decision to dispose of these items for nil consideration. This represents a non-cash transaction.

16. Right-of-use assets

	Total £000
Cost	
At 1 January 2023	35,419
Additions	12,024
Disposals	(1,336)
Foreign exchange movements	(332)
At 31 December 2023	45,775
Additions	8,596
Disposals	(2,456)
Foreign exchange movements	84
At 31 December 2024	51,999
Accumulated depreciation	
At 1 January 2023	9,513
Charge for the year	5,031
Disposals	(1,142)
Foreign exchange movements	(153)
At 31 December 2023	13,249
Charge for the year	5,880
Disposals	(2,060)
Foreign exchange movements	71
At 31 December 2024	17,140
Net book value	
At 31 December 2023	32,526
At 31 December 2024	34,859

17. Investment in associate

The following entity has been included in the consolidated financial statements using the equity method:

Name of associate	Principal activities	Country of incorporation	Proportion of ownership held on 31 December	
			2024	2023
Veiovia Limited	Technology development	UK	26%	26%

The carrying value is calculated as follows:

	2024 £000	2023 £000
Investment cost	4,548	4,548
Share of loss	(548)	(530)
Impairment	(4,000)	(3,276)
Carrying value of the interest in the associate	-	742

Reconciliation of investment in associate

	2024 £000	2023 £000
At 1 January	742	826
Share of loss	(18)	(228)
(Increase)/decrease in impairment of investment	(724)	144
At 31 December	-	742

The associate is accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 3. It is held directly by the Company.

- i) Pursuant to a shareholder agreement, the Company has the right to cast 24.9% of the votes of Veiovia Limited.
- ii) The Company holds more than 20% of the equity shares of Veiovia Limited, and exercises significant influence by virtue of its voting rights and contractual right to appoint one director to the board of directors of that entity.

For the purposes of applying the equity method of accounting, the financial statements of Veiovia Limited for September 2024 have been used. The Company's share of the net asset value of the investment is significantly below the investment amount. Management has therefore recorded a full impairment of the investment in the year.

Veiovia Limited's registered office is The University of York, Biology B/A/039, Wentworth Way, York, YO10 5DD, UK.

18. Inventory

	2024 £000	2023 £000
Raw materials	37,631	50,888
Work in progress	45,637	39,154
Finished goods	16,185	11,506
	99,453	101,548

The carrying amount of inventory was not materially different from its replacement cost.

The cost of inventory recognised as an expense includes £0.8 million (2023: £9.8 million) in respect of write-downs of inventory to net realisable value. There were no reversals of write-downs in either year.

19. Trade and other receivables

	2024 £000	2023 £000
Trade receivables	37,255	33,626
Contract assets	282	204
Accrued income and other debtors	6,429	7,750
Accrued interest	597	746
Other taxes	5,223	6,351
Prepayments	12,922	12,798
	62,708	61,475

Contract assets relate to the Group's rights to consideration for goods and services provided but not billed at the reporting date for goods and services provided. They are transferred to receivables when the rights become unconditional. This usually occurs when an invoice is issued to the customer. Certain items within accrued income could also be considered as contract assets.

The ageing of trade receivables and the loss allowance calculated using the Group's provision matrix was as follows:

	Not past due £000	30–60 days £000	61–90 days £000	91+ days £000	Total £000
Gross receivable	30,237	2,772	1,848	4,478	39,335
Loss allowance	(397)	(141)	(125)	(1,417)	(2,080)
Trade receivables at 31 December 2024	29,840	2,631	1,723	3,061	37,255

Gross receivable	28,495	2,238	1,036	2,804	34,573
Loss allowance	(227)	(87)	(55)	(578)	(947)
Trade receivables at 31 December 2023	28,268	2,151	981	2,226	33,626

19. Trade and other receivables continued

The following table shows the movement in lifetime Expected Credit Loss that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9:

	£000
At 1 January 2023	2,614
Net charges and releases to statement of comprehensive income	(1,425)
Foreign exchange movement	(242)
At 31 December 2023	947
Net charges and releases to statement of comprehensive income	1,132
Foreign exchange movement	1
At 31 December 2024	2,080

20. Other financial assets

	2024 £000	2023 £000
Investment bonds	211,838	256,534
Other financial assets	1,329	1,305
	213,167	257,839

These items were analysed as follows:

	2024 £000	2023 £000
Current	138,853	49,514
Non-current	74,314	208,325
	213,167	257,839

Investment bonds are classified as financial assets at fair value through other comprehensive income (“FVOCI”).

21. Derivative financial assets and liabilities

	2024 £000	2023 £000
Derivative financial assets		
Foreign currency forward contracts	–	261
Derivative financial liabilities		
Foreign currency forward contracts	(10)	–

22. Trade and other payables

	2024 £000	2023 £000
Trade payables	31,300	25,184
Share-based payments	169	504
Payroll taxation and social security	4,474	4,507
Accruals	45,707	33,096
Contract liabilities	20,666	15,156
	102,316	78,447

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases by the Group is 54 days (2023: 50 days).

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates their fair value.

Contract liabilities primarily relate to performance obligations on customer contracts which were not satisfied at 31 December. In 2024 they increased by £5.5 million (2023: decrease of £5.1 million). Management expects that most of the transaction price allocated to unsatisfied performance obligations as at 31 December 2024 will be recognised as revenue during the following year.

23. Provisions

	Dilapidation provisions £000	Employer taxes £000	Other £000	Total provisions £000
At 31 December 2023	2,384	9,913	671	12,968
Movement in provision	56	(1,973)	854	(1,063)
Payments	–	(3,275)	(1,381)	(4,656)
Foreign exchange movements	4	1	(9)	(4)
At 31 December 2024	2,444	4,666	135	7,245
Current	–	3,671	135	3,806
Non-current	2,444	995	–	3,439
At 31 December 2024	2,444	4,666	135	7,245
Current	–	5,759	671	6,430
Non-current	2,384	4,154	–	6,538
At 31 December 2023	2,384	9,913	671	12,968

The dilapidation provisions relate to leased properties, representing an obligation to restore the premises to their original condition at the time the Group vacates them. The provision is non-current and expected to be utilised in less than 30 years.

Employer taxes relate to the expected employer social security taxes on share-based payments. This is expected to be utilised in between one and ten years. The provision is based on the best estimate of the liability, which is reviewed and updated at each reporting period. The provision is accrued over the vesting period to build up to the required liability at the point it is ultimately due.

24. Lease liabilities

	2024 £000	2023 £000
Current	5,358	4,322
Non-current	40,606	37,333
Lease liabilities included in the statement of financial position	45,964	41,655
	2024 £000	2023 £000
Maturity analysis - contractual undiscounted cash flows		
Up to one year	8,314	6,865
Two to five years	33,065	28,057
Greater than five years	20,536	21,358
Total undiscounted lease liabilities at 31 December	61,915	56,280

Information on the associated right-of-use assets is included in note 16.

25. Share capital and share premium

Share capital comprised the following:

	Nominal value	Number of shares issued	Aggregate nominal value £
At 31 December 2024			
Share class			
Ordinary Shares (issued and fully paid)	£0.0001	955,039,240	95,504
	Nominal value	Number of shares issued	Aggregate nominal value £
At 31 December 2023			
Share class			
Ordinary Shares (issued and fully paid)	£0.0001	859,224,047	85,922
Issued Class A Limited Anti-takeover share of £1	£1	1	1
Issued Class B Limited Anti-takeover share of £1	£1	1	1
Issued Class C Limited Anti-takeover share of £1	£1	1	1
			85,925

In October 2024, the specific rights accruing to the three £1 anti-takeover shares expired, and they were subsequently cancelled.

All issued shares are fully paid and there are no shares authorised but not in issue.

In the course of the year, 29,148,526 ordinary shares (2023: 4,628,212) were issued in respect of employee share schemes. This resulted in an increase in the share premium reserve of £3.2 million (2023: £2.5 million).

In July 2024, the Company issued 66,666,667 ordinary shares in a share placing. 41,666,667 of these were subscribed to by Novo Holdings A/S, while 25,000,000 were placed with a number of institutions. The transaction resulted in a net increase in the share premium reserve of £77.7 million.

During the year, other movements resulted in an increase in share premium of £0.2 million.

26. Share-based payment reserve

	2024 £000	2023 £000
At 1 January	203,099	168,200
Equity settled share-based payment transactions	6,029	34,995
Tax in relation to share-based payment transactions	21	(96)
At 31 December	209,149	203,099
Share-based payment transactions	2024 £000	2023 £000
Expense arising from share-based payment transactions:		
Included in research & development expenses	4,633	5,897
Included in selling, general & administrative expenses	1,259	29,179
	5,892	35,076
Equity settled share-based payment transactions	6,029	34,995
Cash settled share-based payment transactions	(137)	81
	5,892	35,076

The Group operates a number of share schemes. Awards are normally granted to employees to acquire shares but in some circumstances may be settled in cash. The schemes are listed here; the first four are the most significant and further details on those are given below.

- Oxford Nanopore Technologies Limited Share Option Plan
- Oxford Nanopore Technologies Limited Share Option Plan 2018
- Oxford Nanopore Technologies Limited Long-Term Incentive Plan 2021 (“Founder LTIP”)
- Oxford Nanopore Technologies plc Long-Term Incentive Plan 2021 (“plc LTIP”)
- Oxford Nanopore Technologies Deferred Bonus Plan 2021
- Oxford Nanopore Technologies Share Incentive Plan 2021
- Oxford Nanopore Technologies 2021 Employee Stock Purchase Plan

Share option plans

Share options were awarded under two equity-settled share-based remuneration schemes, both of which were closed to new members following the Company’s admission to the London Stock Exchange in 2021. All unexercised awards will have expired by 2031.

All employees were eligible to be awarded approved share options, with the exception of employees in some foreign subsidiaries. These employees were instead eligible to be remunerated under a local phantom bonus scheme. Awards granted to participants were subject to either service conditions or both service and market performance conditions. Options were not normally able to be exercised before the third anniversary of the date of grant.

26. Share-based payment reserve continued

The movement in share options outstanding is summarised in the following table:

	2024		2023	
	Number of share options	Weighted average exercise price (pence)	Number of share options	Weighted average exercise price (pence)
At 1 January	47,029,817	190	50,839,486	181
Forfeited	(4,522,332)	241	(283,700)	176
Exercised	(3,361,043)	85	(3,525,969)	60
Outstanding at 31 December	39,146,442	193	47,029,817	190
Exercisable at 31 December	39,146,442	193	43,794,843	182

Share options outstanding at the end of the year have the following expiry and exercise prices:

	Grant year	Expiry year	Exercise price (pence)	2024 Number	2023 Number
Oxford Nanopore Technologies Limited Share Option Plan	2008–2018	2024–2028	73–140	10,224,650	13,700,109
Oxford Nanopore Technologies Limited Share Option Plan 2018	2019–2021	2029–2031	104–350	28,921,792	33,329,708
				39,146,442	47,029,817

The weighted average share price at the date of exercise for share options exercised during the year was £1.21 (2023: £2.28). The options outstanding at 31 December 2024 had a weighted average exercise price of £1.93 (2023: £1.90), and a weighted average remaining contractual life of 4.5 years (2023: 5.3 years).

Valuation models

There were no options granted during the current or prior years. The fair value of share options granted during the prior year was determined using the Monte Carlo Simulation model and Black Scholes model dependent on the performance vesting conditions.

Black Scholes: The following assumptions were used in the Black Scholes model in calculating the fair values of the options granted:

Range of share prices	£2.65–£3.50
Range of exercise prices	£2.12–£3.50
Expected volatility range	47%–50%
Expected life	6.5 years
Risk-free rate range	0% - 0.4%
Expected dividend yields	Nil

The volatility assumption has been derived as the median volatility over a five-year period of a bespoke comparator group. For options granted during 2021, the expected life of six and a half years assumes exercise will occur halfway through the total exercisable period, being the midpoint of years three and ten. The risk-free interest rate used reflects the UK Government five-year Gilt rate as reported by the Bank of England.

The weighted average fair value of options granted during the year determined using the Black Scholes model at the grant date was £nil (2023: £nil) per option.

26. Share-based payment reserve continued

Monte Carlo Simulations The inputs into the Monte Carlo Simulation model for options issued were as follows:

Weighted average share price	£2.65
Weighted average exercise price	£2.12
Expected volatility	48%
Expected life	2.5 years
Risk-free rate	0%
Expected dividend yields	Nil

The Monte Carlo Simulation model has been used to value the portion of the awards which have a market performance vesting condition (achievement of a target company valuation). The model incorporates a discount factor reflecting this performance condition into the fair value of this portion of the award. The weighted average fair value of options granted during the year determined using the Monte Carlo Simulation model at the grant date was £nil (2023: £nil) per option.

The volatility assumption has been derived as the median volatility over a five-year period of a bespoke comparator group. For options granted during 2021, the expected life represents the term until expected vesting and exercise. The risk-free interest rate used reflects the UK Government five-year Gilt rate as reported by the Bank of England.

Long term incentive plans
Founder LTIP

This was a one-off discretionary share plan, under which the Company granted awards over 6.5% of the Company's ordinary share capital (at the date of grant) to the Executive Directors. The Founder LTIP awards were free to the recipient. The plan was approved by the Board on 22 June 2021. Awards were granted as conditional awards of Ordinary Shares (Conditional Awards) subject to achievement of performance obligations tied to revenue and share price and is subject to holding periods.

There were no awards granted during the current or prior years and 15.6 million awards remained outstanding as at 31 December 2024 with a weighted average remaining contractual life of two years.

Valuation models

The inputs into the valuation models for Founder LTIP awards were as follows:

	Monte Carlo	Black Scholes
Share price at grant	£3.50	£3.50
Share price	£4.50	n/a
Expected volatility	50.14%	50.14%
Expected term	2.16 years	5 years
Risk-free rate	0.4%	0.4%
Expected dividend yields	Nil	Nil

The volatility assumption has been derived as the median volatility over a five-year period of a bespoke comparator group. The risk-free interest rate used reflects the UK Government five-year Gilt rate as reported by the Bank of England.

The weighted average fair value of Founder LTIP awards granted, determined using the Black Scholes model at the grant date, was £3.22 per award. The weighted average fair value of Founder LTIP awards granted, determined using the Monte Carlo simulation model at the grant date, was £2.18 per award.

plc LTIP

The plc LTIP is a share scheme designed to reward and incentivise employees by granting equity awards subject to service and, in some cases, performance conditions. The scheme is open to all permanent employees, with awards typically granted annually and vesting over a three-year period, with one-third of each award vesting on the first, second, and third anniversaries of the grant date.

Certain plc LTIP awards are subject to performance conditions, determined by the Remuneration Committee at the time of grant. These performance conditions are based on Relative Total Shareholder Return ("TSR"), which compares the Company's TSR against a sector-specific peer group and the FTSE 350 (excluding investment trusts). The Monte Carlo simulation model has been used to incorporate the likelihood of achieving TSR conditions. For Executive Directors, a two-year post-vesting holding period applies, which has been incorporated into the fair value calculation using the Ghaidarov model. For plc LTIP awards subject to continued employment only, the fair value of these awards is determined as the share price at the grant date.

26. Share-based payment reserve continued

The following table presents the key assumptions used in the valuation for plc LTIP grants:

	2024		2023	
	Relative TSR vs. FTSE 350 excluding investment trusts	Relative TSR vs. sector comparator group	Relative TSR vs. FTSE 350 excluding investment trusts	Relative TSR vs. sector comparator group
Grant date	11 April		11 April	
Expected life (years)	3		3	
Share price at grant date	£1.09		£2.19	
Exercise price	£nil		£nil	
Dividend yield	£nil		£nil	
Risk-free rate	4.29%		3.58%	
Projection period	2.72 years		2.72 years	
Volatility – Company	55.7%		73.0%	
Volatility – median comparator	31%	78%	33%	73%
Average correlation between Company and comparators TSR	27%	38%	26%	42%
Ranking of Company's TSR during averaging period within comparator group	265th of 265 companies	15th of 17 companies	247th of 268 companies	11th of 18 companies
Fair value per award	£0.35	£0.63	£1.36	£1.65

For Executive Director awards subject to an additional two-year holding period post-vesting, the Ghaidarov model has been used to determine the discount applied to these awards with the following assumptions:

	2024	2023
Share price volatility	55.7%	73.0%
Holding period term	2 years	2 years
Dividend yield	0%	0%
Discount applied to fair value	18.4%	24.6%

The movement in share awards outstanding is summarised in the following table:

Disclosure	2024		2023	
	Number of share awards	Weighted Average Exercise Price	Number of share awards	Weighted Average Exercise Price
Outstanding, beginning of year	11,245,325	£0.00	4,934,159	£0.00
Granted	17,626,601	£0.00	6,871,659	£0.00
Forfeited	(1,983,840)	£0.00	(105,047)	£0.00
Vested	(1,293,403)	£0.00	(455,446)	£0.00
Outstanding, end of year	25,594,683	£0.00	11,245,325	£0.00

The weighted average share price at the date of vest for awards vesting during the year was £1.12 (2023: £2.22)

27. Notes to the cash flow statements

	2024 £000	2023 £000
Cash and cash equivalents	199,517	220,536

Cash and cash equivalents comprised cash held at banks. The carrying amount of this asset was approximately equal to its fair value.

	2024 £000	2023 £000
Loss before tax	(139,961)	(149,768)
Depreciation on property, plant and equipment	13,449	18,105
Depreciation on right-of-use assets	5,880	5,031
Amortisation on intangible assets	23,955	18,491
Loss on disposal of property, plant and equipment and right-of-use assets	7,513	3,854
Research and development expenditure credit	(13,863)	(10,157)
Foreign exchange movements	(1,405)	(519)
Interest on leases	3,562	2,205
Interest income	(14,838)	(18,852)
Movements on investment bonds	(1,491)	337
Movements on derivatives	271	836
Impairment/(write-back) of investment in associate	724	(144)
Share of losses in associate	18	228
Employee share benefit costs including employer's social security taxes	3,919	34,908
Operating cash flows before movements in working capital	(112,267)	(95,445)
(Increase)/decrease in receivables	(1,825)	118
Increase in inventory and assets subject to operating leases	(21,176)	(43,060)
Increase in payables	21,171	1,502
Cash used in operations	(114,097)	(136,885)
Research and development expenditure credit received	4,857	4,088
Foreign tax paid	(645)	(4,505)
Net cash outflow from operating activities	(109,885)	(137,302)

The cash expense of purchases of property, plant and equipment is different from the additions figure disclosed in note 15. This is because additions to assets subject to operating leases and assets used internally (within Equipment) arise out of transfers from inventory.

Non cash transactions

Additions to right-of-use assets during the year of £8.6 million (2023: £12.0 million) were financed by new leases.

27. Notes to the cash flow statements continued

Changes in liabilities arising from financing activities

The table below details change in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Lease liabilities £000
At 1 January 2023	34,098
Non-cash changes	
New leases	12,024
Interest	2,205
Foreign exchange movements	(176)
Cash changes	
Principal repaid	(4,291)
Interest paid	(2,205)
At 31 December 2023	41,655
Non-cash changes	
New leases	8,596
Lease surrendered	(395)
Interest and rent accrued	3,475
Foreign exchange movements	(40)
Cash changes	
Principal repaid	(4,685)
Interest paid	(2,642)
At 31 December 2024	45,964

28. Financial instruments – risk management

i) Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amount of financial instruments; and
- the fair value of financial instruments (except financial instruments when carrying amount approximates their fair value).

	Amortised cost £000	FVTPL £000	FVTOCI £000	Total carrying value £000	Fair value £000
31 December 2024					
Financial assets					
Investment bonds	-	-	211,838	211,838	211,838
Other financial assets	-	1,329	-	1,329	1,329
Cash and cash equivalents	199,517	-	-	199,517	199,517
Trade and other receivables	44,563	-	-	44,563	44,563
Financial liabilities					
Trade and other payables	(97,673)	-	-	(97,673)	(97,673)
Derivative financial liabilities	-	(10)	-	(10)	(10)

28. Financial instruments – risk management continued

	Amortised cost £000	FVTPL £000	FVTOCI £000	Total carrying value £000	Fair value £000
31 December 2023					
Financial assets					
Investment bonds	-	-	256,534	256,534	256,534
Derivative financial assets	-	261	-	261	261
Other financial assets	-	1,305	-	1,305	1,305
Cash and cash equivalents	220,536	-	-	220,536	220,536
Trade and other receivables	42,326	-	-	42,326	42,326
Financial liabilities					
Trade and other payables	(73,436)	-	-	(73,436)	(73,436)

The methods and assumptions used in estimating the fair value of financial instruments reflected in the above table were as follows:

- investment bonds, derivative financial assets and other financial assets have been classified based on three categories depending on the inputs used in the valuation technique — see below;
- cash and cash equivalents have a fair value equal to their carrying value; and
- trade and other receivables and payables generally have a remaining life of less than one year, so their value as recorded in the balance sheet is considered to be a reasonable approximation of fair value.

The categories used in the valuation inputs were as follows:

- Level 1: quoted prices for identical instruments;
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

Hierarchy table

	Level 1	Level 2	Level 3	Total
Investment bonds	211,838	-	-	211,838
Other financial assets	-	-	1,329	1,329
At 31 December 2024	211,838	-	1,329	213,167

	Level 1	Level 2	Level 3	Total
Investment bonds	256,534	-	-	256,534
Derivative financial instruments	261	-	-	261
Other financial assets	-	-	1,305	1,305
At 31 December 2023	256,795	-	1,305	258,100

28. Financial instruments – risk management continued

Fixed forward contracts

Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates.

One forward contract was entered into in 2024 and remained unsettled at 31 December 2024, with a settlement date of 31 March 2025.

Fixed forward contracts are included in the balance sheet as follows:

	2024 £000	2023 £000
Derivative financial assets		
Foreign currency forward contracts	–	261
Derivative financial liabilities		
Foreign currency forward contracts	(10)	–

ii) Financial risk management objectives and policies

Overview

The Group has exposure to liquidity, credit and market risks from its use of financial instruments. This note sets out the Group's key policies and processes for managing these risks.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group has sufficient cash to fund its operations.

At 31 December, the Group had the following maturity analysis:

	2024 £000	2023 £000
Expiring within one year	12,120	13,295
Expiring after more than one year	57,040	55,953
	69,160	69,248

The amounts disclosed in this table are for lease liabilities and provisions, based on contractual undiscounted cash flows.

The Directors consider that except for these items, all of the Group's financial liabilities at the year end and prior year end have maturity dates of less than 12 months from the balance sheet date.

Management monitors rolling forecasts of the Group's financing arrangements (comprising the liabilities above) and cash and cash equivalents (note 27) on the basis of expected cash flows.

28. Financial instruments – risk management continued

ii) Financial risk management objectives and policies continued

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty should fail. Maturities are staggered whenever possible to spread exposure to interest rate movement. Although the Board accepts that this policy neither protects the Group from the risk of receiving rates below the current market rates nor eliminates the cash flow risk associated with interest receipts, it considers that it achieves an appropriate balance of exposure to these risks. Total credit risk, as analysed below, was £441 million (2023: £506 million), which is approximately equal to the carrying value of the financial assets.

As at year end, the Group had placed £404 million (2023: £468 million) with several reputable financial institutions to minimise its credit risk. £391 million (2023: £441 million) of this was placed at institutions with a grade of AAA, with the remainder all being placed at Grade A or higher institutions in line with the Group's treasury policy.

Additional credit risk exists on trade receivables, which is managed by a centralised accounts receivable process including credit checks on initial order acceptance.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt and debt investment on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced and will remain at the same level for the foreseeable future. Trade receivables consist of a large number of customers, spread across diverse geographical areas.

At 31 December 2024, an amount of £2.1 million (2023: £0.9 million) measured at an amount equal to lifetime expected credit losses was estimated as a loss allowance in accordance with IFRS 9 (see note 19).

The credit risk on liquid funds and investment bonds is measured at an amount equal to lifetime expected credit losses. The credit risk is considered as limited because the counterparties have high credit ratings assigned by international credit rating agencies. The Group monitors the fair value of the assets and credit rating of the counterparties in determining whether a significant increase in credit risk since recognition has occurred.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's costs or the value of its holdings in financial instruments.

Investment bonds offer fixed coupon interest rates and are subject to variations in market value arising due to movements in the prevailing base interest rate. The Group mitigates this by holding a wide range of bonds in various jurisdictions.

Interest rate risk also arises on returns on short-term fixed interest deposits which will vary with movements in underlying bank interest rates.

The Group's principal market risk exposure is to movements in foreign exchange rates.

Foreign currency risk

Foreign exchange risk arises because the Group from time to time enters into transactions denominated in a currency other than Pounds Sterling. Where it is considered that the risk to the Group is significant, it will enter into a matching forward contract with a reputable bank or hold deposits of the currency in cash.

Derivatives are only used for economic hedging purposes and not as speculative investments.

In addition, significant amounts of currency were held during the year. In the year ended 31 December 2024 approximately 26% (2023: 25%) of the Group's annual expenditures was denominated in US Dollars and approximately 11% (2023: 11%) of the Group's expenditure was denominated in Euros. A significant portion of the Group's revenue is denominated in US Dollars.

For the first half of 2024, the Group's Euro requirements were not covered by its currency receipts and, as a result, spot Euro purchases were required on an ad hoc basis. These occasional Euro shortfalls were identified as part of the weekly cash forecasting. Appropriate currency cover was obtained from a variety of FX brokers driven by pricing, selling Pounds Sterling.

Exchange rate exposures are managed within approved policy parameters. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2024 £000	2023 £000	2024 £000	2023 £000
Financial assets and liabilities	83,024	57,841	(36,538)	(32,367)

Sensitivity analysis

A 5% strengthening/weakening of the US Dollar relative to Pounds Sterling at 31 December 2024 would have impacted profit or loss and Group equity by £1.9 million (2023: £1.2 million).

The interest yield on investments in Money Markets is variable between funds. During the year ended 31 December 2024, investment was split between ten different funds. GBP funds returned an average yield of 4.7% (2023: 4.6%). USD funds achieved 4.3%.

28. Financial instruments – risk management continued

The Group has considered its sensitivity to interest rate fluctuations and does not believe that a change in interest rates would have a material risk impact on the Group financial statements.

Capital management

The Group defines the capital that it manages as the Group's total equity. The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it can continue to strive to provide returns to investors;
- to provide an adequate return to investors based on the level of risk undertaken;
- to have available the necessary financial resources to allow the Group to invest in areas that may deliver future benefits; and
- to maintain sufficient financial resources to mitigate against risks and unforeseen events.

The Debt to Equity ratio of the Group was 7.8% (2023: 6.5%).

Debt is defined as long and short-term borrowings (excluding derivatives and financial guarantee contracts), and in this instance comprised lease liabilities in both years. Equity includes all capital and reserves of the Group that are managed as capital.

29. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed here. See note 17 for details concerning the Company's associate. There were no transactions between the Group and other related parties which require disclosure.

30. Retirement benefit plan

The Group operates a defined contribution pension scheme for the benefit of its employees. Most of the employees who contribute to the Group's pension scheme do so via salary sacrifice.

The total expense of £5.0 million recognised in the consolidated statement of comprehensive income (2023: £3.8 million) represents contributions payable to the scheme by the Group at rates specified in the rules of the scheme. As at 31 December 2024, contributions of £0.8 million (2023: £0.7 million) due in respect of the current reporting period had not been paid over to the plans.

31. Commitments

	2024 £000	2023 £000
Within one year	4,026	4,530
In the second to fifth years inclusive	1,395	2,295
	5,421	6,825

Commitments relate to collaboration agreements and other arrangements with third parties, universities and research institutions. The amounts are not risk-adjusted or discounted.

32. Events after the reporting date

In Q1 2025, the Group announced and concluded a targeted restructuring programme aimed at resource optimisation and improving operational effectiveness, leading to a reduction in the overall workforce of approximately 5%, alongside other cost control measures. Management expects to take a total cash charge of approximately £6 million in 2025 in relation to redundancy payments which will be treated as an adjusting item.

33. Controlling party

There is no ultimate controlling party of the Group. The most significant shareholders at 31 December 2024 were as follows: IP Group plc (9%), Lawrence Investments Limited (7%), Baillie Gifford & Co. (7%), Tencent Holdings Limited (7%), bioMérieux SA (6%) and Novo Holdings A/S (5%).

34. Alternative performance measures

The Group's performance is assessed using a number of financial measures which are not defined under IFRS and which therefore comprise alternative (non-GAAP) performance measures. These are as follows:

- **Underlying revenue growth:** revenue growth excluding EGP and COVID sequencing revenue – in order to understand ongoing performance of the core business, management considers it appropriate to exclude revenues from contracts that are not expected to recur. We also report underlying revenue performance within each of our customer groups and product range;
- **Underlying revenue growth on a constant currency basis:** revenue growth excluding EGP and COVID sequencing revenue, on a constant currency basis;
- **Underlying gross margin:** gross margin excluding EGP, write-off of COVID sequencing kits and legacy devices, and impact of the compute upgrade on large PromethION devices;
- **Adjusted research and development expenses:** research and development expenses after adjusting for employer's social security taxes on pre-IPO share awards;
- **Adjusted R&D expenses and capitalised development costs:** adjusted research and development expenses, excluding amortisation and adding capitalised development costs;
- **Adjusted selling, general and administrative expenses:** selling, general and administrative expenses after adjusting for share-based payments expense (Founder LTIP) and employer's social security taxes on Founder LTIP and pre-IPO share awards;
- **EBITDA:** loss for the year before income tax, finance income, loan interest, interest on leases, depreciation and amortisation;
- **Adjusted EBITDA:** EBITDA adjusted for events which are non-recurring or intermittent, which do not relate to the ongoing operational performance that underpins long-term value generation;
- **Cash, cash equivalents and other liquid investments:** cash and cash equivalents comprise cash in hand and deposits held at call, plus other short-term highly liquid investments with a maturity of three months or less at the date of acquisition; other liquid investments comprise investment bonds in which a fixed sum is invested in an asset-backed fund.

The following table presents the adjusted underlying revenue growth:

	H1 2024 £000	H2 2024 £000	2024 £000	H1 2023 £000	H2 2023 £000	2023 £000
Revenue	84,082	99,109	183,191	86,002	83,666	169,668
Adjusting items:						
EGP revenue	(304)	(1,474)	(1,778)	(4,911)	(7,045)	(11,956)
COVID sequencing revenue	(1,163)	(1,016)	(2,179)	(5,454)	(2,512)	(7,966)
Underlying revenue	82,615	96,619	179,234	75,637	74,109	149,746
Underlying growth	9.2%	30.4%	19.7%	53.1%	27.5%	39.3%
Impact of foreign exchange	2,416	2,913	5,329	(3,371)	3,231	(140)
Underlying revenue on a constant currency basis	85,031	99,532	184,563	72,265	77,341	149,606
Underlying growth on a constant currency basis	12.4%	34.3%	23.3%	46.3%	33.0%	39.1%

The following table presents the adjusted underlying gross margin:

	2024	2023
Gross margin	57.5%	53.3%
Adjusting Items:		
EGP contract	–	2.3%
Write-off of COVID sequencing kits and legacy devices	–	2.3%
Impact of compute upgrade on large PromethION devices	–	0.9%
Underlying gross margin	57.5%	58.8%

34. Alternative performance measures continued

The following table presents the adjusted research and development expenses:

	2024 £000	2023 £000
Research and development expenses	98,921	103,842
Adjusting Items:		
Employer's social security taxes on Founder LTIP and pre-IPO share awards	455	604
Adjusted research and development expenses	99,376	104,446
Amortisation of capitalised development costs	(23,699)	(18,419)
Capitalised development costs	34,693	19,522
Adjusted R&D expenses and capitalised development costs	110,370	105,549

The following table presents the adjusted selling, general and administrative expenses:

	2024 £000	2023 £000
Selling, general and administrative expenses	158,807	155,248
Adjusting Items:		
Share-based payment expense on Founder LTIP	6,146	(20,886)
Employer's social security taxes on Founder LTIP and pre-IPO share awards	2,275	285
Adjusted selling, general and administrative expenses	167,228	134,647

The following table presents the Group's EBITDA and Adjusted EBITDA, together with a reconciliation to loss for the year:

	H1 2024 £000	H2 2024 £000	2024 £000	H1 2023 £000	H2 2023 £000	2023 £000
Loss for the period	(74,652)	(71,536)	(146,188)	(70,099)	(84,408)	(154,507)
Taxation	3,296	2,931	6,227	3,540	1,199	4,739
Finance income	(7,666)	(7,175)	(14,841)	(7,239)	(11,614)	(18,853)
Interest expense	-	3	3	-	1	1
Interest on lease	1,948	1,614	3,562	1,069	1,136	2,205
Depreciation and amortisation	19,782	23,502	43,284	19,869	21,758	41,627
EBITDA	(57,292)	(50,661)	(107,953)	(52,860)	(71,928)	(124,788)
Share-based payments (Founder LTIP)	1,037	(7,183)	(6,146)	14,908	5,978	20,886
Employer's social security credit on Founder LTIP and pre-IPO share-based awards	(5,507)	2,777	(2,730)	(1,277)	389	(888)
Impairment in/(write-back of) investment in associate	145	579	724	(144)	-	(144)
Adjusted EBITDA	(61,617)	(54,488)	(116,105)	(39,373)	(65,561)	(104,934)

The following table presents cash, cash equivalents and other liquid investments:

	2024 £000	2023 £000
Cash and cash equivalents	199,517	220,536
Investment bonds	211,838	256,534
Less: fair value movements on investment bonds	(7,548)	(4,960)
Cash, cash equivalents and other liquid investments	403,807	472,110

Company Statement of Financial Position
as at 31 December 2024

	Note	2024 £000	2023 £000
Assets			
Non-current assets			
Property, plant and equipment	4	50,102	39,056
Intangible assets	3	42,739	31,878
Right-of-use assets	5	32,679	29,571
Investments in subsidiaries	6	5,045	4,904
Investment in associate	7	-	742
Other financial assets	10	72,985	208,325
		203,550	314,476
Current assets			
Inventory	8	97,924	98,743
Trade and other receivables	9	68,627	68,145
R&D tax credit recoverable	11	18,365	12,819
Other financial assets	10	138,853	48,209
Derivative financial assets	12	-	261
Cash and cash equivalents	18	191,712	215,587
		515,481	443,764
Total assets		719,031	758,240
Liabilities			
Non-current liabilities			
Lease liabilities	15	39,676	35,838
Share-based payment liabilities	17	177	141
Provisions	14	3,099	6,102
		42,952	42,081
Current liabilities			
Trade and other payables	13	86,061	68,428
Lease liabilities	15	4,012	2,763
Derivative financial liabilities	12	10	-
Provisions	14	3,582	5,767
		93,665	76,958
Total liabilities		136,617	119,039
Net assets		582,414	639,201
Issued capital and reserves attributable to owners of the Company			
Share capital	16	96	86
Share premium reserve	16	779,697	698,553
Share-based payment reserve	17	209,149	203,099
Accumulated deficit		(406,528)	(262,537)
Total equity		582,414	639,201

As permitted by section 408 of the Companies Act 2006, the Company's statement of comprehensive income has not been included in these financial statements. The Company's loss for the year was £145.9 million (2023: £156.1 million).

The financial statements on pages 195 to 207 were approved and authorised for issue by the Board of Directors on 18 March 2025 and were signed on its behalf by:

G. Sanghera
Director

The notes on pages 198 to 207 form part of these financial statements.

Company Statement of Changes in Equity

as at 31 December 2024

	Share capital £000	Share premium £000	Share-based payment reserve £000	Accumulated deficit £000	Total equity £000
At 1 January 2023	83	627,557	168,200	(109,257)	686,583
Loss for the year	-	-	-	(156,064)	(156,064)
Other comprehensive income	-	-	-	2,784	2,784
Total comprehensive loss for the year	-	-	-	(153,280)	(153,280)
Issue of share capital	3	71,562	-	-	71,565
Cost of share issue	-	(566)	-	-	(566)
Employee share-based payments	-	-	34,995	-	34,995
Tax in relation to share-based payments	-	-	(96)	-	(96)
Total contributions by and distributions to owners	3	70,996	34,899	-	105,898
At 31 December 2023	86	698,553	203,099	(262,537)	639,201
Loss for the year	-	-	-	(145,931)	(145,931)
Other comprehensive income	-	-	-	1,940	1,940
Total comprehensive loss for the year	-	-	-	(143,991)	(143,991)
Issue of share capital	10	83,466	-	-	83,476
Cost of share issue	-	(2,322)	-	-	(2,322)
Employee share-based payments	-	-	6,029	-	6,029
Tax in relation to share-based payments	-	-	21	-	21
Total contributions by and distributions to owners	10	81,144	6,050	-	87,204
At 31 December 2024	96	779,697	209,149	(406,528)	582,414
Note	16	16	17		

Company Statement of Cash flows

for the year ended 31 December 2024

	Note	2024 £000	2023 £000
Net cash outflow from operating activities	18	(114,842)	(136,398)
Investing activities			
Purchase of property, plant and equipment		(13,779)	(5,591)
Development costs capitalised	3	(34,693)	(19,522)
Purchases of IP licences		-	(820)
Investment in associate		-	(3,000)
Investment in subsidiaries		-	(1,236)
Interest received		9,430	13,797
Purchase of other financial assets		-	(150,000)
Proceeds from sale of other financial assets		54,156	104,598
Net cash outflow from investing activities		15,114	(61,774)
Financing activities			
Proceeds from issue of shares		83,233	71,597
Costs of share issue		(2,322)	(366)
Principal elements of lease payments		(2,911)	(2,602)
Interest paid		-	(1)
Interest paid on leases		(2,534)	(2,070)
Net cash inflow from financing activities		75,466	66,558
Net decrease in cash and cash equivalents before foreign exchange movements		(24,262)	(131,614)
Effect of foreign exchange rate movements		387	(905)
Cash and cash equivalents at beginning of year		215,587	348,106
Cash and cash equivalents at end of year	18	191,712	215,587

Notes to the Company Financial Statements

1. Accounting policies

The basis of preparation, principal accounting policies adopted, key estimates and judgements are set out within the consolidated financial statements, notes 3 and 4.

2. Staff costs

Employee benefit expenses (including directors) comprise:

	2024 £000	2023 £000
Wages and salaries	78,249	66,034
Social security costs	9,051	7,443
Pension costs	3,457	3,006
Share-based payment expenses	2,818	25,722
Social security credit (share awards)	(1,857)	(141)
Other staff costs	1,270	1,077
	92,988	103,141

Directors and key management personnel

Directors and key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the Directors of the Company listed in the section of the annual report labelled Board of Directors.

Director and key management personnel compensation consisted of:

	2024 £000	2023 £000
Salaries, bonuses and benefits in kind	5,701	5,352
Amounts paid as directors' fees	738	730
Share-based payment expenses	428	–
	6,867	6,082

The share-based payment charge generally comprises the value of awards that have vested relating to the Share Price Performance Condition and the Revenue Condition awards. The value for 2024 actually relates to awards due to vest in 2025, included because the performance conditions were already met by the end of 2024.

Further information on the remuneration of the Directors is given in the sections of the annual report on remuneration labelled as audited in the Directors' Remuneration Report.

Employee numbers

The monthly average number of employees was as follows:

	2024 Number	2023 Number
Research & development	469	424
Production	157	155
Sales, general & administration	306	280
	932	859

3. Intangible assets

	Capitalised development costs £000	Patents and licences £000	Total £000
Cost			
At 1 January 2023	56,701	446	57,147
Additions	19,523	820	20,343
Transfer of assets	940	–	940
At 31 December 2023	77,164	1,266	78,430
Additions	34,692	–	34,692
At 31 December 2024	111,856	1,266	113,122

Accumulated amortisation and impairment

At 1 January 2023	27,970	100	28,070
Charge for the year	18,419	63	18,482
At 31 December 2023	46,389	163	46,552
Charge for the year	23,699	132	23,831
At 31 December 2024	70,088	295	70,383

Net book value

At 31 December 2023	30,775	1,103	31,878
At 31 December 2024	41,768	971	42,739

Development costs have been capitalised in accordance with IAS 38, "Intangible Assets", and are therefore not treated as a realised loss until recognised as an amortisation or impairment charge in the statement of comprehensive income.

4. Property, plant and equipment

	Leasehold improvements £000	Plant and machinery £000	Assets under construction £000	Assets subject to operating leases £000	Equipment £000	Total £000
Cost or valuation						
At 1 January 2023	10,072	22,132	2,830	26,743	14,891	76,668
Additions	12	585	4,829	16,980	3,255	25,661
Disposals	-	(63)	-	(7,330)	(4)	(7,397)
Transfers between classes	1,106	4,982	(6,162)	-	74	-
At 31 December 2023	11,190	27,636	1,497	36,393	18,216	94,932
Additions	-	52	13,660	11,816	2,555	28,083
Disposals	-	-	-	(11,083)	-	(11,083)
Transfers between classes	430	3,641	(4,715)	-	644	-
At 31 December 2024	11,620	31,329	10,442	37,126	21,415	111,932
Accumulated depreciation and impairment						
At 1 January 2023	4,500	13,921	-	16,571	11,297	46,289
Charge for the year	1,513	3,428	-	6,973	2,580	14,494
Disposals	-	(63)	-	(4,840)	(4)	(4,907)
At 31 December 2023	6,013	17,286	-	18,704	13,873	55,876
Charge for the year	1,281	2,938	-	3,526	2,616	10,361
Disposals	-	-	-	(4,407)	-	(4,407)
At 31 December 2024	7,294	20,224	-	17,823	16,489	61,830
Net book value						
At 31 December 2023	5,177	10,350	1,497	17,689	4,343	39,056
At 31 December 2024	4,326	11,105	10,442	19,303	4,926	50,102

The Company leases some of its devices to customers. Lease payments in relation to these devices are received in full either in advance or on shipping of the device, meaning that there are no undiscounted future lease payments expected to be received on these devices.

5. Right-of-use assets

	Total £000
Cost	
At 1 January 2023	28,351
Additions	11,052
Disposals	(1,178)
At 31 December 2023	38,225
Additions	7,586
Disposals	(2,096)
At 31 December 2024	43,715
Accumulated depreciation	
At 1 January 2023	6,368
Charge for the year	3,273
Disposals	(987)
At 31 December 2023	8,654
Charge for the year	4,110
Disposals	(1,728)
At 31 December 2024	11,036
Net book value	
At 31 December 2023	29,571
At 31 December 2024	32,679

6. Investment in subsidiaries

Name	Registered office	Country of incorporation	Note	Principal activity
Oxford Nanopore Diagnostics Limited	Gosling Building, Edmund Halley Road, Oxford Science Park, OX4 4DQ (No 11677727)	UK	a *	R&D support
Oxford Nanopore Technologies, Inc.	1209 Orange Street, Wilmington, Delaware, 19801, County of New Castle	USA	b	R&D and Limited risk distributor
Oxford Nanolabs Limited	Gosling Building, Edmund Halley Road, Oxford Science Park, OX4 4DQ	UK	b	Dormant
The Genome Foundry Limited	Gosling Building, Edmund Halley Road, Oxford Science Park, OX4 4DQ	UK	b	Dormant
Metrichor Limited	Gosling Building, Edmund Halley Road, Oxford Science Park, OX4 4DQ (No 08534345)	UK	b *	R&D support
KK Oxford Nanopore Technologies	Tokyo Club Building 11F, 3-2-6 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013	Japan	b	Limited risk distributor
Nanopore Technologies Hong Kong Limited	Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay	Hong Kong	a	Holding company
Nanopore Technologies (Shanghai) Co., Limited	Room 2208, Tower 1, Grand Gateway 66, No. 1 Hongqiao Road, Xuhui District, 200030, Shanghai	China	c	Sales and marketing support
Oxford Nanopore Technologies Singapore PTE. Ltd	6001 Beach Road, #11-08 Golden Mile Tower, Singapore 199589	Singapore	b	Limited risk distributor and sales and marketing support
Oxford Nanopore Technologies B.V.	Herikerbergweg 88, 1101 CM Amsterdam, Netherlands	The Netherlands	b	Sales and marketing support
Oxford Nanopore Technologies Australia PTY Ltd	Level 10, 171 Clarence Street, Sydney, NSW 2000	Australia	b	Limited risk distributor
Oxford Nanopore Technologies Denmark ApS	c/o Crowe Rygårds Allé 104, 2009 Hellerup	Denmark	b	Sales and marketing support
Oxford Nanopore Technologies SARL	22 Rue de Londres, 75009 Paris 9	France	b	Sales and marketing support
Oxford Nanopore Technologies GmbH	Augustenstr. 10, c/o Dr. Kleeberg & Partner GmbH, 80333 München	Germany	b	Sales and marketing support
Oxford Nanopore Technologies Gulf Limited	Office No. 303 A, Level 3, Incubator Building, Masdar City, Abu Dhabi	United Arab Emirates	a	Sales and marketing support
Oxford Nanopore Technologies Holdings Limited	Gosling Building, Edmund Halley Road, Oxford Science Park, OX4 4DQ (No 14680804)	UK	a *	Holding company
Oxford Nanopore Technologies Holdings 2 Limited	Gosling Building, Edmund Halley Road, Oxford Science Park, OX4 4DQ (No 14681134)	UK	a *	Holding company
Oxford Nanopore Technologies Canada Limited	333 Bay Street, Suite 2400, Toronto, Ontario, Canada, M5H 2T6	Canada	b	Limited risk distributor
Oxford Nanopore Technologies S.R.L.	Viale Abruzzi, 94, 20131 Milano MI, Italy	Italy	b	Limited risk distributor
Northern Nanopore Instruments Inc.	333 Bay Street, Suite 2400, Toronto, Ontario, Canada, M5H 2T6	Canada	d	R&D support
Oxford Nanopore Technologies India Private Limited	501 & 502, Eros Corporate Tower, New Delhi-110019, India	India	e	Sales and marketing support
Oxford Nanopore Technologies Middle East FZ-LLC	G03A, Ground Floor, DSP Laboratory Complex, Dubai Dubai Science Park, Dubai, United Arab Emirates		f	Sales and marketing support

All the Company's subsidiary undertakings are effectively 100% held and have been consolidated in the Group financial statements.

Notes:
a - directly held by the Company.
b - directly held by Oxford Nanopore Technologies Holdings Limited.
c - directly held by Nanopore Technologies Hong Kong Limited. Nanopore Technologies (Shanghai) Co. Limited has a branch in Beijing – Nanopore Technologies (Shanghai) Co., Beijing Branch.
d - directly held by Oxford Nanopore Technologies Canada Limited.
e - 99% held by Oxford Nanopore Technologies Holdings 2 Limited and 1% by Oxford Nanopore Technologies Holdings Limited.
f - directly held by Oxford Nanopore Technologies Holdings 2 Limited.

* - these four subsidiaries are exempt from the requirements under the Companies Act 2006 relating to the audit of the Financial Statements under section 479A of that Act. The Company has provided parent company guarantees over the liabilities of these subsidiaries, pursuant to section 479C of the Companies Act 2006.

6. Investment in subsidiaries continued

	2024 £000	2023 £000
At 1 January	4,904	44,108
Share-based payments	2,938	9,356
Intra-group recharge	(3,020)	(49,796)
Additions in the year	223	1,236
At 31 December	5,045	4,904

Certain subsidiaries have refunded the Company for historical amounts in relation to equity settled share-based payment awards.

7. Investment in associate

See note 17 of the consolidated financial statements for information on the investment in associate.

8. Inventory

	2024 £000	2023 £000
Raw materials	37,627	50,885
Work in progress	45,607	39,148
Finished goods	14,690	8,710
	97,924	98,743

The carrying amount of inventory was not materially different from its replacement cost.

9. Trade and other receivables

	2024 £000	2023 £000
Trade receivables	22,884	24,653
Contract assets	196	54
Accrued income and other debtors	3,702	5,423
Accrued interest income	596	738
Other taxes	5,535	6,306
Prepayments	12,323	12,322
Intercompany	23,391	18,649
	68,627	68,145

Contract assets relate to the Company's rights to consideration for goods and services provided but not billed at the reporting date for goods and services provided. They are transferred to receivables when the rights become unconditional. This usually occurs when an invoice is issued to the customer. Certain items within accrued income could also be considered as contract assets.

The Directors consider that the carrying amount of intercompany receivables approximates to their fair values. No provision for expected credit loss has been recognised as the counter-party has access to sufficient funds and assets to fulfil its future obligations. Intercompany balances are not past due and no increased credit risk has been experienced since initial recognition.

9. Trade and other receivables continued

The ageing of trade receivables and the loss allowance calculated using the Company's provision matrix was as follows:

	Not past due £000	30–60 days £000	61–90 days £000	91+ days £000	Total £000
Gross receivable	18,722	1,756	985	3,043	24,506
Loss allowance	(189)	(71)	(48)	(1,314)	(1,622)
Trade receivables at 31 December 2024	18,533	1,685	937	1,729	22,884

Gross receivable	20,786	1,532	899	2,120	25,337
Loss allowance	(165)	(60)	(49)	(410)	(684)
Trade receivables at 31 December 2023	20,621	1,472	850	1,710	24,653

The following table shows the movement in lifetime Expected Credit Loss that has been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9:

	£000
At 1 January 2023	1,909
Net charges and releases to statement of comprehensive income	(1,225)
At 31 December 2023	684
Net charges and releases to statement of comprehensive income	938
At 31 December 2024	1,622

10. Other financial assets

	2024 £000	2023 £000
Investment bonds	211,838	256,534

This was analysed as follows:

	2024 £000	2023 £000
Current	138,853	48,209
Non-current	72,985	208,325
	211,838	256,534

11. Taxation

i) Deferred tax balances

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date. UK deferred tax assets and liabilities have been calculated at the substantively enacted Corporation Tax of 25% applicable from 1 April 2023.

A deferred tax liability of £12.1 million (2023: £8.1 million) has been recognised on intangibles of £9.9 million (2023: £6.9 million), investment bond gain £1.9 million (2023: £1.2 million) and Share Incentive Plan £0.3 million (2023: £nil). A matching deferred tax asset of £12.1 million (2023: £8.1 million) arising on losses has been recognised on the basis that the deferred tax liability relates to the same taxation authority and is expected to reverse in periods into which the tax loss arising from the deferred tax asset can be carried forward.

Unrecognised deferred tax assets

	2024 Gross amount £000	2024 Tax effected £000	2023 Gross amount £000	2023 Tax effected £000
Losses	765,151	191,288	619,990	154,998
Provisions	11,162	2,791	16,952	4,238
Share awards	22,116	5,529	70,381	17,595
Share awards (equity)	2,203	551	4,327	1,082
Accelerated capital allowances	45,367	11,342	27,476	6,869
RDEC	32,019	8,005	18,177	4,544
Total unrecognised deferred tax asset	878,018	219,506	757,303	189,326

ii) R&D tax credit recoverable

See note 13 of the consolidated financial statements for information on R&D tax credit recoverable.

12. Derivative financial assets and liabilities

See note 21 of the consolidated financial statements for information on derivative financial instruments.

13. Trade and other payables

	2024 £000	2023 £000
Trade payables	29,870	23,608
Share-based payments	169	504
Payroll taxation and social security	2,875	3,119
Accruals	36,243	25,392
Contract liabilities	12,725	10,685
Intercompany	4,179	5,120
	86,061	68,428

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates their fair value.

Contract liabilities primarily relate to the performance obligations on customer contracts which were not satisfied at 31 December.

14. Provisions

	Dilapidation provisions £000	Employer taxes £000	Other £000	Total provisions £000
At 31 December 2023	2,094	9,485	290	11,869
Movement in provision for the year	56	(1,939)	426	(1,457)
Payments	-	(3,124)	(607)	(3,731)
At 31 December 2024	2,150	4,422	109	6,681
Current	-	3,473	109	3,582
Non-current	2,150	949	-	3,099
At 31 December 2024	2,150	4,422	109	6,681
Current	-	5,477	290	5,767
Non-current	2,094	4,008	-	6,102
At 31 December 2023	2,094	9,485	290	11,869

The dilapidation provisions relate to the leased properties, representing an obligation to restore the premises to their original condition at the time the Company vacates the related properties. The provision is non-current and expected to be utilised in less than 30 years.

Employer taxes relate to the expected employer social security taxes on share-based payments. This is expected to be utilised in between one and ten years. The provision is based on the best estimate of the liability, which is reviewed and updated at the end of each year. The provision is accrued over the vesting period to build up to the required liability at the point it is ultimately due.

15. Lease liabilities

	2024 £000	2023 £000
Current	4,012	2,763
Non-current	39,676	35,838
Lease liabilities included in the statement of financial position	43,688	38,601
	2024 £000	2023 £000
Maturity analysis contractual undiscounted cash flows		
Up to one year	6,815	5,015
One to five years	32,146	26,495
Greater than five years	20,536	21,358
Total undiscounted lease liabilities at 31 December	59,497	52,868

Information on the associated right-of-use assets is included in note 5.

16. Share capital and share premium

See note 25 of the consolidated financial statements for information on share capital.

17. Share-based payment reserves

See note 26 of the consolidated financial statements for information on share-based payments.

18. Notes to the cash flow statements

	2024 £000	2023 £000
Cash and cash equivalents	191,712	215,587

Cash and cash equivalents comprised cash held at banks. The carrying amount of this asset was approximately equal to its fair value.

	2024 £000	2023 £000
Loss before tax	(143,118)	(154,905)
Depreciation of property, plant and equipment	10,361	14,493
Depreciation of right-of-use assets	4,110	3,273
Amortisation of intangible assets	23,831	18,482
Research and development expenditure credit	(13,863)	(10,157)
Loss on disposal of property, plant and equipment and right-of-use-assets	6,678	2,681
Foreign exchange movements	(979)	(1,507)
Interest on leases	3,453	2,069
Interest income	(15,955)	(18,169)
Movements on investment bonds	(1,491)	337
Movements on derivatives	271	836
Impairment/(write-back) of investment	724	(144)
Employee share benefit costs including employer’s social security taxes	961	25,575
Share of losses in associate	18	228
Operating cash flows before movements in working capital	(124,999)	(116,908)
Increase in receivables	7,534	890
Increase in inventory and assets subject to operating leases	(13,481)	(32,518)
Increase in payables	11,247	8,050
Cash used in operations	(119,699)	(140,486)
Research and development expenditure credit received	4,857	4,088
Net cash outflow from operating activities	(114,842)	(136,398)

The cash expense of purchases of property, plant and equipment is different from the additions figure disclosed in note 4. This is because additions to assets subject to operating leases and assets used internally (within Equipment) arise out of transfers from inventory.

Alternative Performance Measures and other non-statutory measures

The Group tracks a number of performance measures (“KPIs”) including Alternative Performance Measures (“APMs”) in managing its business, which are not defined or specified under the requirements of IFRS because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measures calculated and presented in accordance with IFRS or are calculated using financial measures that are not calculated in accordance with IFRS.

The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board.

These APMs should be viewed as supplemental to, but not as a substitute for, measures presented in the consolidated financial statements relating to the Group, which are prepared in accordance with IFRS. The Group believes that these APMs are useful indicators of its performance. However, they may not be comparable with similarly titled measures reported by other companies due to differences in the way they are calculated.

Metric	Definition	Rationale	APM	KPI
Revenue	Revenue per financial statements	Helps evaluate growth trends, establish budgets and assess operational performance	No	No
Revenue growth	Revenue growth excluding EGP and COVID sequencing revenue, expressed as a percentage	Helps evaluate growth trends, establish budgets and assess operational performance	No	Yes
Underlying revenue growth on a constant currency basis	Revenue growth excluding EGP and COVID sequencing revenue on a constant currency basis, expressed as a percentage	Helps evaluate growth trends, establish budgets and assess operational performance	Yes	No
Gross profit	Revenue less cost of sales. Cost of sales is disclosed in the consolidated statement of comprehensive income	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies	No	No
Gross margin %	Gross profit divided by revenue	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies	Yes	No
Gross margin %	Gross profit divided by revenue	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies	Yes	Yes
EBITDA	Earnings for the year before income tax expense, finance income, loan interest, interest on leases, expense, depreciation of right of use assets, depreciation and amortisation	EBITDA is used as profit measure because it shows the results of normal, core operations exclusive of income or charges that are not considered to represent the underlying operational performance	Yes	No
Adjusted EBITDA	EBITDA adjusted for events which are non-recurring or intermittent, which do not relate to the ongoing operational performance that underpins long-term value generation	Adjusted EBITDA is used as key profit measure because it shows the results of normal, core operations exclusive of income or charges that are not considered to represent the underlying operational performance, excluding exceptional items	Yes	Yes

Metric	Definition	Rationale	APM	KPI
Number of publications	The cumulative number of peer-reviewed scientific publications identified through databases, including Google Scholar and PubMed, that include nanopore sequencing. Excluding review articles, book chapters, editorials, protocols, and conference proceedings. English language only	Publications are a key indicator of the breadth and diversity of the use of nanopore sequencing in the scientific community	No	Yes
Women in senior leadership roles	The proportion of women in leadership roles globally, including women on the Board, Operating Committee and direct reports to members of the Operating Committee (excluding admin support)	Nurturing a diverse and inclusive culture drives our growth as a business	No	Yes
Adjusted research and development expenses	Research and development expenses adjusted for employer’s social security taxes on pre-IPO shares	Adjusted research and development is a measure that shows the underlying R&D expenditure	Yes	No
Adjusted R&D expenses and capitalised development costs	Adjusted research and development expenses after removing amortisation and further adjusting for capitalising of development costs	Adjusted research and development and capitalised development costs is an additional measure that shows the underlying R&D expenditure	Yes	No
Adjusted selling, general and administrative expenses	Selling, general and administrative expenses after adjusting for share-based payments expense (“Founder LTIP”) and employer’s social security taxes on Founder LTIP and pre-IPO share awards	Adjusted selling, general and administrative expenses is a measure that shows the underlying selling, general and administrative expenses	Yes	No
Cash and cash equivalents and other liquid investments	The total cash and cash equivalents, which comprise cash in hand, deposits held at call and other short-term highly liquid investments with a maturity of three months or less at the date of acquisition, and investment bonds	Cash, cash equivalents and other liquid investments is a measure that shows the underlying cash reserves	Yes	No

Glossary

Term	Definition	Term	Definition
ABP	Annual Bonus Plan	IVD	In vitro diagnostic
AgBio	Agricultural Biotechnology	KOL	Key Opinion Leader
AGM	Annual General Meeting	KPIs	Key Performance Indicators
AI	Artificial intelligence	LAT Share	Limited anti-takeover share
AMR	Region of the Americas	LTIP	Long Term Incentive Plan
APAC	Asia Pacific region	mRNA	Messenger RNA
APMs	Alternative Performance Measures	NCM	Nanopore Community Meetings
ASIC	Application-specific integrated circuit	NEDs	Non-Executive Directors
BCP	Business Continuity Plan	NHS	National Health Service
bps	Basis points	NIH	National Institutes of Health
CAGR	Compound annual growth rate	NomCo	Nomination Committee
CC	Constant currency	NO-MISS	Nanopore-only Microbial Isolate Sequencing Solution
CDMO	Contract Development and Manufacturing Organisation	NPM	National Precision Medicine
CEO	Chief Executive Officer	NZE	Net Zero Emissions
CFO	Chief Financial Officer	OpCo	Operating Committee
CNS	Central nervous system	P2i	P2 integrated
CODM	Chief Operating Decision Maker	PCR	Polymerase chain reaction
CRM	Customer relationship management	PRUs	Principal Risks and Uncertainties
DNA	Deoxyribonucleic acid	QC	Quality controlled
DPO	Data Protection Officer	QMS	Quality Management System
EAP	Employee Assistance Programme	R&D	Research & Development
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation	RemCo	Remuneration Committee
ECL	Expected credit loss	RDEC	Research and Development Expenditure Credit
eDNA	Environmental DNA	RNA	Ribonucleic acid
EGP	Emirati Genome Program	RUO	Research use only
EHS	Environment, Health & Safety	SBTi	Science Based Targets initiative
EMEA	Europe, the Middle East, Africa, and India	SBS	Sequencing by synthesis
ERM	Environmental Resources Management	SDGs	Sustainable Development Goals
ERP	Enterprise resource planning	SIP	Share Incentive Plan
ESG	Environmental, social and governance	SKU	Stock-keeping unit
EU	European Union	SMEs	Small and medium-sized enterprises
FPP	Financial Position and Prospects	STEPS	The Stated Policies Scenario
FRC	Financial Reporting Council	SVP	Senior Vice President
FTSE	Financial Times Stock Exchange	TAM	Total Addressable Market
FY	Full year	TB	Tuberculosis
Gb	Gigabyte	TCFD	Task Force on Climate-related Financial Disclosures
GDPR	General Data Protection Regulation	TSR	Total Shareholder Return
GHG	Greenhouse gas	T2T	Telomere-to-Telomere
GPUs	Graphics processing units	UAE	United Arab Emirates
HR	Human Resources	UEL	Upper explosive limit
H&S	Health & Safety	UN	United Nations
IAL	Independent Audit Limited	USD	United States Dollars
IASB	International Accounting Standards Board	ViA	Values in Action
IFRS	International Financial Reporting Standards	VP	Vice President
IP	Intellectual Property	WHO	World Health Organization
IPO	Initial public offering		
ISO	International Organization for Standardization		
IT	Information Technology		

Company information

Directors	Sarah Fortune Adrian Hennah Nicholas Keher Dr Daniel Mahony John O’Higgins Heather Preston Katherine (Kate) Priestman Dr Gurdial (Gordon) Sanghera Duncan Tatton-Brown	Brokers	J. P. Morgan Securities plc 25 Bank Street London EC1Y 8YY Citigroup Global Markets Limited Citigroup Centre Canada Square Canary Wharf London E14 5LB Joh. Berenberg Gossler & Co. KG 60 Threadneedle Street London EC2R 8HP
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Forward-looking statements
This report contains certain forward-looking statements. For example, statements regarding expected revenue growth and profit margins are forward-looking statements. Phrases such as “aim”, “plan”, “expect”, “intend”, “anticipate”, “believe”, “estimate”, “target”, and similar expressions of a future or forward-looking nature should also be considered forward-looking statements. Forward-looking statements address our expected future business and financial performance and financial condition, and by definition address matters that are, to different degrees, uncertain. Our results could be affected by macroeconomic conditions, delays or challenges in manufacturing or delivering of products to our customers, suspensions of large projects and/or acceleration of large products or accelerated adoption of pathogen surveillance or applied uses of our products. These or other uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements.



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