

Compliance with the QCA Code

The Company will publish on its AIM Rule 26 website details of how it complies with the QCA Code and where it departs from the QCA Code and explanations of the reasons for doing so. This information is also set out below. The Company will review this information annually in accordance with the requirements of AIM Rule 26.

The following summary sets out how the Company applies the key governance principles defined in the QCA Code.

The Board of Directors is committed to developing and applying high standards of corporate governance appropriate to the Company's size and stage of development. The Board of Directors has adopted the QCA Code, revised in April 2018 as devised by the Quoted Companies Alliance.

The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies. The QCA Code takes key elements of good governance and applies them in a manner which is workable for the different needs of growing companies.

The QCA Code is constructed around ten broad principles. The QCA Code states what are considered to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. These are listed below together with a short explanation of how the Company applies each of the principles. Where the Company does not fully apply each principle an explanation as to why has also been provided:

Principle One: Business Model and Strategy

The Board has adopted a strategy for the Company's development which is summarised below.

Overview

The Company is a UK-based drug discovery and development company which is focused on leveraging frontline clinical experience to develop a class of highly selective, next generation cancer therapeutics which exhibit superior potency, whilst eliminating treatment-related toxicities (i.e. harmful side effects).

Next generation approaches have the potential to save millions of lives, but currently can only be utilised to their full potential in certain cancer types, owing to the absence of truly 'cancer specific' targets.

BVX's first-in-class approach utilises its proprietary Bi-Cygni® therapeutics which are designed to selectively target antigen co-expression fingerprints, or "twin antigens", on tumour cells, which are largely absent from healthy cells. Whereas this concept has been validated worldwide in a clinical diagnostic setting to support the diagnosis and monitoring of haematological cancers, it has not yet been widely used in a therapeutic setting.

BVX has identified a diverse panel of novel cancer-specific "twin antigens", across a broad range of cancer indications. These include Diffuse Large B cell Lymphoma, Acute Myeloid Leukaemia ("AML") and Blastic Plasmacytoid Dendritic Cell Neoplasm. The primary area of focus for BVX is in using these novel "twin-antigens" to develop more effective and safer therapeutics to target cancers that are expected to constitute orphan indications and current areas of high unmet medical need.

Future Growth Strategy

The Company intends to:

- accelerate the lead optimisation of BVX001 to reach key preclinical milestones on early (non-GLP) efficacy and safety;
- expand BVX's early-stage pipeline to include two additional candidates with early preclinical proof of concept;
- grow BVX's intellectual property portfolio to add further protection around the lead programme and additional pipeline; and
- expand BVX's internal capabilities to include providing further avenues for platform intellectual property generation and defensibility of BVX's approach.

Principle Two: Understanding Shareholder needs and Expectations

The Board is committed to maintaining good communication and investor relations and having a constructive dialogue with its shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. The Company has engaged Consilium Strategic Communications (“Consilium”) to provide Investor Relations services allowing all investors to have the opportunity to ask questions and provide feedback through Consilium – either by phone or email. Through Consilium the Board will also allow all investors to attend company investor presentations virtually and to submit questions to the management. This will be organised periodically during the year. In addition, all shareholders are encouraged to attend the Company’s annual general meeting and any other general meetings which are held during the year when possible.

The Board will use the Company’s website to communicate with shareholders and investors will also have access to current information about the Company on the Company’s website. In addition, shareholder communication will be answered, where possible or appropriate, by Directors, Consilium or the Company’s Nominated Adviser and Broker, SP Angel.

Principle Three: Stakeholder Responsibilities

The Board recognises that the long-term success of the Company is reliant upon the efforts of the employees of the Company and its customers, stakeholders, suppliers and regulators. The Board has put in place a range of processes and systems to ensure that there is close Board oversight and contact with its key resources and relationships and seeks feedback from all applicable stakeholder groups whenever possible.

The Company draws upon a range of different resources and relationships to drive the business forward and ultimately deliver value to shareholders.

- At the date of Admission, the Company will have net proceeds from the Fundraise of approximately £6.67 million to progress the development of its development programmes and technology.
- The Company will be admitted to trading on AIM with the ticker BVX. It is estimated that at Admission, approximately 21.3 per cent. of the Company’s securities will not be in public hands.
- BiVictriX is based in laboratories in Alderley Park, Cheshire and The Optic Centre, North Wales. R&D relies upon the availability of state-of-the-art equipment and facilities provided on-site or accessible from third party suppliers.
- BiVictriX recognises that intellectual property is a complex matter and uses external experts to ensure that the patent portfolio is maintained and prosecuted in the most effective manner. The Board expects the patent portfolio to expand and mature over the next few years.
- With BiVictriX’s emphasis on highly specific research, the Company depends upon a group of individuals working collaboratively both internally and with external academic groups. A network of collaborations and relationships with academia, key opinion leaders, clinicians, potential industry partners and regulators to ensure access to the latest thinking at an early stage and are therefore able to direct it towards commercially viable outcomes.

Principle Four: Risk Management

In addition to its other roles and responsibilities, the Audit Committee is responsible to the Board for ensuring that procedures are in place, and are being effectively implemented to identify, evaluate and manage the significant risks faced by the Company. The Audit Committee reviews the risks on a regular basis and will present them in the annual report each year. The following principal risks have been identified:

- Technology – there is a risk that competitors will be quicker to innovate and develop new technologies and address the unmet medical needs identified by the Company. As a result, the Company continues to prioritise innovation and is actively conducting research to sustain a competitive edge.
- Clinical & Regulatory – it is possible that the Company’s R&D programmes may not be approved for clinical and regulatory reasons. Accordingly, new targets are rigorously assessed with regard to any factors that may make any drug less likely to be approved, including but not limited to dosing and toxicology. Therefore, the Company intends to utilise innovation to achieve optimum dosing and minimise safety risks. The Company will select CROs and CMOs to support clinical trials and manufacture drug product based upon track record and experience.

- Intellectual Property – the Company has an IP portfolio which may be challenged by competitors and therefore the Company may incur substantial costs in defending its patent portfolio. In managing its patent portfolio, the Company continually seeks to strengthen its existing IP position through patent filings combined with external legal opinion.
- Key Talent – the Company will rely upon the recruitment and retention of key employees with the relevant expertise and experience. Appropriate and competitive reward structures have been put in place.
- Financing – progressing a drug through clinical trials is expensive. The Company may not be able to raise the funds required to support its drug development programmes. The Company will seek, as appropriate risk sharing partnerships or out-licensing at appropriate stages depending upon the product risk and investment profile.

Principle Five: A Well-Functioning Board of Directors

The Board is considered to be well-balanced and is currently comprised of Iain Ross (Non-Executive Chairman), Tiffany Thorn (Chief Executive Officer), Robert Hawkins (Independent Non-Executive Director), Susan Lowther (Independent Non-Executive Director) and Drummond Paris (Senior Independent Non-Executive Director). Robert Hawkins, Susan Lowther and Drummond Paris are considered to be independent.

The Board will meet at least eight times per annum or any other time deemed necessary for the good management of the business and at a location agreed between the Board members. It has established an Audit Committee, particulars of which appear under Principle Nine. The time commitment formally required by the Company is an overriding principal that each Director will devote as much time as is required to carry out the roles and responsibilities that the Director has agreed to take on.

Notwithstanding that the Directors are based in various jurisdictions, the Company will ensure that face to face meetings occur where practicable and subject to ongoing regulations relating to the Covid-19 pandemic.

The Directors are subject to re-election intervals as prescribed in the Articles.

Principle Six: Appropriate Skills and Experience of the Directors

The Company has put in place a board structure that provides a breadth and depth of skills and experience to deliver the strategy of the Company for the benefit of shareholders over the medium to long-term.

The Board currently consists of five Directors, who are supported by an experienced senior management team, which will be expanded in the short-term following Admission. The Board also intends to create a Scientific Advisory Board as the Company grows.

The Directors are of the view that the Company does not currently require a Board-level finance director given its current stage of development and the fact that it is supported by Laura Brogden, the Company's non-Board Financial Controller, who is an Associate of the Chartered Institute of Management Accountants and will be regularly invited to attend Board meetings.

As the Company grows and develops, the Board will keep its corporate governance framework under review to ensure it remains appropriate for the size, complexity and risk profile of the Company.

Currently, the Board has an appropriate balance of sector, financial, and public markets skills and experience and bring a range of skills and capabilities to the Company. The Board members are kept up-to-date on a regular basis on key issues and developments pertaining to the Company as well as their responsibilities as members of the Board.

Principle Seven: Evaluation of Board Performance

Internal evaluation of the Board and its individual Directors is seen as an important next step in the development of the Board. This will be undertaken on an annual basis and led by the Chairman in the form of peer appraisal, questionnaires and discussions to determine the effectiveness and performance in various

areas as well as the Directors' continued independence and capacity. The criteria against which effectiveness is considered will be aligned to the strategy of the Company and management forecasts and budgets that are already in place.

In addition, succession planning for the Board and senior management team will be undertaken by the board as a whole.

Principle Eight: Corporate Culture

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives.

The Board assessment of the culture within the Company at the present time is one where there is respect for all individuals, there is open dialogue within the Company and there is a commitment to provide the best service possible to all the Company's stakeholders.

In addition, the Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever they occur. The Company implements effective systems to counter bribery and corruption and as part of this it has adopted an anti-bribery and anti-corruption policy. The policy provides guidance to those working for the Company on how to recognise and deal with bribery and corruption issues and the potential consequences and applies to all persons working for the Company or on its behalf in any capacity, including employees at all levels, Directors, officers, consultants and agents.

The Company has also adopted, with effect from Admission, a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on AIM (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

Principle Nine: Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Company's activities rests with the Board with the respective responsibilities of the Non-Executive Chairman and Chief Executive Officer arising as a consequence of delegation by the Board. The Chairman will be responsible for the effectiveness and leadership of the Board, promoting a culture of openness and debate by facilitating the effective contribution of non-executive directors in particular and ensuring constructive relations between the Executive and the Non-Executive Directors. The Chairman will also be responsible for ensuring that the Directors receive accurate, timely and clear information. Management of the Company's day-to-day business resides with the Chief Executive Officer and primary contact with shareholders has been delegated by the Board to the Chairman.

Non-executive directors are appointed not only to provide independent oversight and constructive challenge to the Executive Director but also chosen to provide strategic advice and guidance. There is a rigorous and transparent procedure for the appointment of new Directors to the Board. The search for Board candidates will be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

The Company will also create an Advisory Board for the purpose of providing additional insight and expertise in the areas the Company operates.

An Audit Committee has been established with formally delegated duties and responsibilities and with written terms of reference. The committee is comprised solely of Non-Executive Directors. From time to time, other committees may be set up by the Board to consider specific issues when the need arises.

Audit Committee

The Audit Committee's role is to assist the Board with the discharge of its responsibilities in relation to internal and external financial reporting, audits and controls, including reviewing the Company's annual and half-yearly financial statements, reviewing and monitoring the scope of the annual audit and the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors and the tendering process and reviewing the effectiveness of the Company's corporate governance, internal audit and controls, risk management, whistle-blowing and fraud-prevention systems. The ultimate responsibility for reviewing and approving the Company's annual report and accounts and its half-year reports remains with the Board.

The Audit Committee will be chaired by Susan Lowther and its other members will be Drummond Paris and Robert Hawkins. The Board has satisfied itself that has recent and relevant financial experience, and that the committee as a whole has competence relevant to the sector in which the Company operates. The Audit Committee will normally meet not less than three times in each financial year and at such other times as the chair of the committee requires. It will have unrestricted access to the Company's auditors. As a matter of course, the Company's Chairman and Chief Executive Officer will be invited to attend Audit Committee meetings.

Remuneration and Nominations Committee

The Company considers that, at this stage of its development, and given the current size of its board, it is not necessary to establish a formal remuneration or nominations committee. This position will be reviewed on a regular basis by the Board as a whole.

Principle Ten: Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The investors section of the Company's website provides all required regulatory information as well as additional information shareholders may find helpful including: information on Board members, advisors and significant shareholdings, a historical list of the Company's announcements, its corporate governance information, the Company's publications including historic annual reports and notices of annual general meetings, together with share price information.

The Company also takes a proactive approach to investor relations initiatives with ongoing support from Consilium, the Company's Financial PR and IR Advisers. These investor relations initiatives will include (but aren't limited to):

- responsive investor relations enquiry service for all investors to ask questions and provide feedback by phone or email;
- shareholder events in London and elsewhere;
- access to virtual investor presentations and Q&A sessions;
- the use of social media, in accordance with the Company's social media policy; and
- access to media commentary or video interviews providing a summary of company strategy and around other key developments.

Institutional shareholders and analysts will have the opportunity to discuss issues and provide feedback at meetings with the Company. Through Consilium the Board will also allow all investors to attend company investor presentations virtually and to submit questions to the management. In addition, all shareholders are encouraged to attend the Company's annual general meeting or any other general meetings that are held throughout the year when possible.