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BIVICTRIX THERAPEUTICS PLC

("BiVictriX" or "the Company" or "the Group")

Final results for the year ended 31 December 2023

- *Significant scientific and corporate progress towards first clinical study for BVX001 in Acute Myeloid Leukaemia ("AML")*
- *Expansion of the Bi-Cygni® discovery across ten solid and haematological tumour types and strengthening of our IP portfolio*
- *BVX001 - Positive INTERACT meeting with the FDA with strong regulatory alignment of our ongoing IND-enabling plans; US Orphan Drug Designation granted by the FDA for BVX001, post period end*
- *Targeting two ready-for-clinic Bi-Cygni® antibody drug conjugates ("ADCs") in 2026*

Alderley Park, 31 May 2024 – BiVictriX Therapeutics plc (AIM: BVX), a drug discovery and development company applying an innovative, proprietary approach to develop a new class of highly selective, next generation cancer therapeutics, bispecific antibody drug conjugates (Bi-Cygni® ADCs), which exhibit superior potency, whilst eliminating treatment-related toxicities, today announces its audited results for the twelve months ended 31 December 2023. The Annual Report and Accounts for the year ended 31 December 2023, will be posted to shareholders in due course together with the notice of the 2024 Annual General Meeting.

<u>Corporate Highlights including post period end events</u>

- Compelling data generated to demonstrate the potential and differentiation of the drug in the treatment of AML, including improved characterisation of BVX001's target patient population, clinical position and commercial opportunity
- Interim data from an established preclinical model delivered promising safety data for BVX001, highlighting our potential starting dose selection for first-in-human studies and the product's wide therapeutic window
- Successful fund raise of £2.1 million gross proceeds with support from existing and new investors, completed on 8th August 2023 at a subscription price of 13p/share
- Selection of a preclinical lead for BVX002, our lead solid tumour targeting product with a lead target indication of ovarian cancer identified based on strong data
- Strengthening of our external scientific and clinical advisory network to include Dr Eric Rowinsky and Dr Tami Rashal, experts in the solid tumour and haematological fields, respectively
- Two leadership appointments including Dr Michael Kauffman as Non-Executive Chairman and Dr Adrian Howd as Chief Financial Officer (CFO) and Chief Business Officer (CBO)

Financial highlights

- Investment in R&D of £2.0 million (2022: £2.1 million)
- Loss after tax of £2.5 million (2022: £2.5 million)
- Cash and cash equivalents of £3.3 million at 31 December 2023 (2022: £3.3 million)

Tiffany Thorn, Chief Executive Officer of BiVictriX, commented: *"2023 has been a remarkable year for BiVictriX. We have made considerable progress with BVX001, the Company's lead bispecific ADC, towards getting this asset ready for the clinic, identifying our route to market and attracting the support of globally recognised KOLs in the AML space. Post period end, we have continued to make significant progress across our wider portfolio, and we are on track to nominate a clinical candidate for our solid tumour programme, BVX002, and further expand our IP portfolio, increasing the value proposition for our shareholders. I would like to thank our dedicated scientific team and our valued shareholders for their continued support as we look to forward to realising the value across our next-generation therapeutic programmes."*

For more information, please contact:

BiVictriX Therapeutics plc Tiffany Thorn, Chief Executive Officer	Email: info@bivictrix.com
SP Angel Corporate Finance LLP (NOMAD and Broker) David Hignell, Caroline Rowe, Kasia Brzozowska (Corporate Finance) Vadim Alexandre, Rob Rees (Sales and Broking)	Tel: +44 (0) 20 3470 0470
Panmure Gordon (UK) Limited (Joint Broker) Rupert Dearden/Freddy Crossley/Emma Earl	Tel: +44 (0) 20 7886 2500
ICR Consilium Mary-Jane Elliott, Namrata Taak, Max Bennett, Emmalee Hoppe, Dylan Wilks	Tel: +44 (0) 20 3709 5700 Email: Bivictrix@consilium-comms.com

About BiVictriX Therapeutics plc

BiVictriX is a UK-based drug discovery and development company which is focused on leveraging clinical experience to develop a new class of highly selective, next generation cancer therapeutics which exhibit superior potency, whilst significantly reducing treatment-related toxicities.

The Company utilises a first-in-class approach to generate a proprietary pipeline of Bi-Cygni® Antibody Drug Conjugate therapeutics which are designed to selectively target cancer-specific antigen pairs, or "Bi-Cygni® fingerprints", on tumour cells, which are largely absent from healthy cells.

BiVictriX has established a growing proprietary library of cancer-specific Bi-Cygni® fingerprints, which enable the Company to target a diverse array of different cancer types. The Company utilises these novel Bi-Cygni® fingerprints, together with the Company's novel Antibody Drug Conjugate therapeutic design, to develop more effective and safer therapeutics to target cancers that are expected to constitute orphan indications and areas of high unmet medical need.

Find out more about BiVictriX online at www.bivictrix.com

Chairman's Statement

For the year ended 31 December 2023

It is a pleasure to report on the Company's developments and progress in 2023, which was my first year as the Company's Chairman. Our science continues to deliver differentiated data and I look forward to meeting our objectives of becoming a clinical ADC company.

My first year as Chairman of BiVictriX has seen considerable progress on multiple fronts and I have enjoyed working with our CEO, Tiffany Thorn, the Senior Management Team and the Board to ensure we are well placed to make the best of what we have and achieve our goal of developing novel, differentiated bispecific ADCs.

During 2023, we generated promising preclinical safety and efficacy data for our lead product, BVX001. The data supports our view of a differentiated clinical profile which may offer distinct advantages for the treatment of AML, a disease with significant unmet medical need.

I have been working closely with the team to sharpen our clinical trial plan for BVX001, complete a robust preclinical data package and ensure we maximise our first-in-human study and position the product accordingly.

To that end, we were delighted to be granted an INTERACT meeting with the FDA after period end, and our initial regulatory interactions have been highly constructive and aligned with our strategic thinking.

In December 2023 we held an inaugural key opinion leader meeting with a number of world-renowned AML experts to appraise BVX001, which I chaired. We gained positive endorsement for our approach and data from which we will leverage, particularly as we move to the next phase of clinical trial planning and principal investigator contact.

Our technology platform continues to offer significant opportunities in the larger solid tumour space, and we accelerated our efforts in relation to BVX002 during 2023, with an initial therapeutic focus in the ovarian cancer setting. New target pairs are rapidly emerging from our R&D activities, and we look to broaden the applicability of our technology and further developing our pipeline of novel therapies during 2024.

We have achieved a lot whilst prudently managing our cost base in 2023, and I have worked with the team to ensure we focus on the generation of the optimal data sets to properly evaluate our assets and their path to the clinic.

The opportunity from our science is significant, and I am proud of the differentiation and progress we have made in 2023 and the trajectory of our business in this highly valuable therapeutic segment.

I would like to take this opportunity to thank my fellow Directors for their strategic input, governance and oversight during the year. The whole team at Alderley Park led by our CEO, Tiffany Thorn, have made much progress through their hard work and I thank them all.

Lastly, I wish to thank all of our shareholders for their loyal support of our vision and for enabling us to continue striving to develop new, game changing cancer therapeutics.

Michael Kauffman, M.D., Ph.D.

Non-Executive Chairman of BiVictriX Therapeutics PLC

31 May 2024

Chief Executive Officer's Review

For the year ended 31 December 2023

It is my privilege to present the Company's third Annual Report as CEO of BiVictriX Therapeutics plc. I am delighted to report the achievements we have made to advance our novel approach to develop more effective and safer anti-cancer therapeutics – targeting the cancer, not the patient. This would not be possible without the valued support of our talented staff and our shareholders, to whom I am thankful for their confidence and trust in BiVictriX.

The business

BiVictriX is a UK-based drug discovery and development company which is focused on leveraging clinical experience to develop a new class of highly selective, next generation cancer therapeutics which exhibit superior potency, whilst significantly reducing treatment-related toxicities.

The Company utilises a first-in-class approach to generate a proprietary pipeline of Bi-Cygni® Antibody Drug Conjugate ("ADC") therapeutics which are designed to selectively target cancer-specific antigen pairs, or "Bi-Cygni® fingerprints", on tumour cells, which are largely absent from healthy cells. BiVictriX operates in the ADC space, which showed a very significant year of corporate activity in 2023, and I am pleased to report the Company has continued to make strong progress in line with our strategy.

There are over 180 ADCs in clinical development, but only 3 of these are bispecific ADCs that target twin antigens in a similar manner to BiVictriX. Global revenues of the 16 approved ADC therapies reached $9.7 billion[1] in 2023 and are forecasted to grow to $19.8bn by 2028[1]. BiVictriX has established a growing proprietary library of cancer-specific Bi-Cygni® fingerprints, enabling the Company to target a diverse array of different cancer types.

Our lead programme, BVX001, is focused on Acute Myeloid Leukaemia ("AML"), one of the most aggressive forms of blood cancer with one of the poorest overall survival rates across all cancers. All currently approved AML therapies are associated with severely toxic side effects, including potentially fatal infections and sepsis, limiting their use to younger, fitter patients.

Bi-Cygni®: A first-in-class approach to treat cancer

Bi-Cygni® is a unique, proprietary platform which combines the discovery of novel, cancer-selective twin-antigen pairs or "fingerprints" (typically two different proteins), with bispecific antibody engineering insights; to create a new class of highly selective, next-generation anti-cancer therapeutics. Together with our proprietary library of these novel cancer-specific fingerprints, which are found to be aberrantly present on tumour cells, but largely absent from normal, healthy cells; we develop first-in-class bispecific therapeutics (Bi-Cygni® therapeutics) that are highly cancer-selective.

[1] Roohi Mariam Peter, "M&As: what's up with the ADC buying spree?," Labiotech.eu, 20 November 2023, https://www.labiotech.eu/trends-news/antibody-drug-conjugates-investment-surge/

As our Bi-Cygni® therapeutics have high selectivity for cancer cells with reduced toxicity on normal cells, we have the potential to generate a pipeline of anti-cancer drugs across both solid and haematologic cancers with very wide therapeutic windows. Consequently, these drugs have the potential to reduce the development of treatment-limiting (and sometimes life-threatening) toxicities and enable clinicians to give patients higher, more effective doses of therapy over prolonged periods, to improve both depth and duration of anti-tumour responses with reduced likelihood of causing harm.

The Company has maintained its vision to combine innovation in therapeutic design with established, clinically validated, therapeutic modes of action. Applying advances in our understanding of precision targeting through the Bi-Cygni® platform to the established, highly potent ADC concept enables us to generate a broad pipeline of next generation ADC therapeutics which could deliver increased tumour cell kill while reducing effects on normal cells.

Thus, my fellow Directors and I believe that in the clinic, these therapeutics will have the potential to deliver very high response rates and longer-term tolerability over and above the standard ADC design, while effectively reducing early developmental risk and time-to-market. This will enable, for the first time, the broader utilisation of this therapeutic class across a wider range of difficult-to-treat solid tumour and haematologic cancers.

Key achievements in 2023

Having continued to prioritise R&D progress, particularly BVX001 and successfully completed a £2.1 million (gross) fundraise in August 2023, we have made good progress in the period, which additionally included:

- Strengthened the BVX001 preclinical data package for AML with positive data from a toxicity evaluation study and from two *in vivo* efficacy studies in murine models
- Patents granted in the United States and Japan providing very broad protection for BVX001 with patent protection being prosecuted in a further six jurisdictions
- Two leadership appointments including Dr Michael Kauffman as Non-Executive Chairman and Dr Adrian Howd as Chief Financial Officer (CFO) and Chief Business Officer (CBO)
- Hosted inaugural roundtable discussion with globally renowned clinical experts in the ADC space to assist in shaping a route for BVX001 to patients

A more detailed description of our progress and key drivers follows below.

Board and Leadership Team

On 6 January 2023, we announced that Dr Michael Kauffman, M.D., Ph.D. was appointed as Non-Executive Chairman of BiVictriX. Dr Kauffman took over the role from Iain Ross, who continued as a Non-Executive Director at BiVictriX until 5 December 2023.

Dr Kauffman has taken over as Non-Executive Chairman at a crucial time for the Company, as we progress BVX001 towards first in human studies. Since his appointment to the Board of Directors in January 2022, Dr Kauffman has seen us rapidly progress BVX001 from an early-stage asset towards a clinical candidate.

Having been instrumental in the approval of several oncology therapeutics, including XPOVIO®, Kyprolis® and Velcade®, and bringing over twenty-five years of working across preclinical research, clinical development, regulatory strategy and commercialisation, Dr Kauffman is very well placed to draw from his experience as a seasoned cancer drug developer to support the business at this juncture.

I would like to personally thank Iain Ross for his commitment and support of the business. His mentorship, and his valued guidance were instrumental to taking the Company from a private entity to a publicly listed business and beyond, and I would like to wish him all the very best for the future.

On 3 October 2023, we appointed Adrian Howd as CFO and CBO. Adrian joined BiVictriX with over 20 years of strategic, financial and commercial experience in the biopharmaceutical industry, having held various financial roles, private and public executive management positions and board roles across the sector, including Chief Investment Officer and Chief Executive Officer at investment firm, Malin plc.

During his career, he has led multiple asset and corporate business development transactions, as well as numerous equity capital market fundraises totalling over €430 million in the UK and overseas, gained during his previous senior roles at Malin, Berenberg, ABN Amro, and Nomura.

Notably, Adrian led early investments in, and served on the Boards of Immunocore (a UK based company with an FDA approved bispecific cancer therapy, KIMMTRAK) and Kymab, two highly successful UK platform-based therapeutic companies, which both achieved multi $bn exits on NASDAQ and through M&A respectively.

These additions strengthen the BiVictriX team for the next phase of growth.

Internal R&D capabilities

In 2023, we dedicated significant operational and financial resources to R&D, having invested £2.0 million. This investment has enabled us to advance our lead asset BVX001 to IND-enabling studies and accelerate solid tumour focus with BVX002, advancing the Group's lead and pipeline programmes. Ultimately, this will reduce the time-to-market and increase patent life for each asset, as well as drive further value in the platform offering of the business.

Scientific progress

Over the last year, we have continued to execute our development plan for our lead asset, BVX001, marked by the achievement of several key preclinical milestones essential for progressing this molecule towards the clinic.

Following the identification of a development lead for BVX001 in December 2022, the Company announced in January 2023 additional data to strengthen the preclinical data package for this asset in AML. This included positive *in vivo* results from a toxicity evaluation study for BVX001, conducted head-to-head with the approved clinical comparator gemtuzumab ozogamicin ("GO").

GO, marketed as Mylotarg™, is currently the only approved ADC for the treatment of AML. These data showed a highly favourable safety profile and reduced off-target effects across two doses of BVX001 versus the reported maximum tolerated dose of Mylotarg™ in a well validated toxicity model.

These results were bolstered by two further *in vivo* efficacy studies in murine models of AML. In June 2023, we announced the nomination of a clinical candidate for our lead BVX001 programme following results of a four-week study. In this study, the nominated clinical candidate demonstrated highly statistically significant tumour regressions of up to 93% at day 28 (p-value <0.001) when compared to the untreated negative control group, with seven of the nine animals treated reported as either completely tumour free or with non-measurable tumours, at the end of dosing. Importantly, no adverse effects, including weight loss, were reported with BVX001 in these studies even, at the higher doses tested.

Following the 28-day dosing period and efficacy assessment, the duration of survival post treatment was determined. In October 2023, we announced that BVX001 increased survival rates in this difficult-to-treat pre-clinical model of AML by 126% when compared to untreated control. The data here demonstrating that BVX001 provides clear survival benefits, even in this challenging AML setting.

This strong data was supported by a second study, in which the AML tumours were established at a much larger size relative to the first study (~650mm3 vs ~200mm3), prior to the initiation of BVX001 dosing. Of note, many anti-cancer agents perform less favourably in larger tumours due to reduced drug penetration, making any anti-tumour response more significant. In July 2023, we announced full results indicating that BVX001 retains its potent anti-tumour activity even in this more difficult setting, demonstrating highly statistically significant tumour regressions of 97% at day 28 (p-value <0.001), with five of the six animals treated reported as either completely tumour free or with non-measurable tumours at the end of dosing; all placebo treated animals had growing tumours. Again, there were no observed adverse effects with BVX001. Further preclinical studies will be progressed to support regulatory approvals to initiate human trials.

Together, these studies offer a strong preclinical data package, demonstrating the significant potential of BVX001 as an effective treatment for AML offering a much wider therapeutic window, supporting our plans to progress BVX001 into the clinic. Further, it provides validation of our wider Bi-Cygni® platform to improve cancer-specific targeting, reducing potentially harmful or fatal side effects across a broad range of cancer indications.

We have continued to broaden our patent portfolio with the addition of new filings to provide further robust protection for BVX001 and the wider platform, including BVX002 and our proprietary bispecific antibody format. We also received notice that our patent from the initial broad patent family, which provides wide protection for BVX001 at the antigen fingerprint level, has been granted in the United States and Japan.

The claims granted provide broad protection to prevent any third party from developing an antibody-based therapeutic which is linked to a cytotoxic payload and requires binding to CD33 and CD7, for use across any CD7+CD33+ haematological cancer type. Along these lines, in addition to AML, both CD33 and CD7 are expressed in a subset of patients with Myelodysplastic Syndromes and T-Cell Acute Lymphoblastic Leukaemia, as well as patients with other cancer types.

In addition to the aforementioned, the Company is pursuing prosecution for this patent family in a further six global jurisdictions. This will ultimately provide worldwide protection for the therapeutic asset, at the broadest level, across all relevant markets, with further patent grants anticipated within the coming months.

Good progress has also been made across our two discovery-stage, solid tumour programmes, BVX002 and BVX003. The Company is on track to nominate a clinical candidate for BVX002, the Company's second proprietary programme targeting high unmet in Ovarian Cancer, in the second half of this year, following the successful identification of a development lead earlier in the year. Mounting early-stage third-party interest in this asset is currently being explored by the Company.

Further to this, we have successfully taken our third programme, BVX003, which can target a range of solid tumour types, from initial pipeline discovery through to the identification of a therapeutic development lead. This programme is now available for partnership; enabling the core R&D team at BiVictriX to focus internally on progressing BVX001 and BVX002 towards the clinic.

Commercial strategy

The Board and our team believe the Bi-Cygni® platform can create a portfolio of first-in-class therapeutics for various solid and blood cancer types, providing a competitive edge over the current drugs under development and meeting critical market needs.

BiVictriX's goal is to prove the Bi-Cygni® method in a range of hard-to-treat cancer types, starting with BVX001 in AML, to show the broad potential of the concept, driving the Group as a world leader in the field.

We are dedicated to achieving maximum value by developing our therapeutic pipeline in a focused and effective manner, reaching key milestones that validate the wide applicability of our exclusive Bi-Cygni® method for treating various cancer types. We aim to do this while also ensuring we utilise our capital in the most efficient manner to reach the value-enhancing milestones that matter to our shareholders. For this reason, we have decided to dedicate our internal R&D focus on our two leading assets, BVX001 and BVX002, which together showcase the Company's technology platform across both solid and liquid tumour types, and which are already gaining traction with potential partners. The Company is looking to explore all options regarding early-stage collaborations which may support the progression of the pipeline towards key value-inflection points.

We believe that BVX001, as our most advanced asset, is critical in providing validation to the market for the wider Bi-Cygni® platform as a disruptive new approach in the oncology therapeutic sector. Based upon the promising data generated to date, our aim is to progress this asset to achieve full IND approval and establish early clinical proof of concept through an initial Phase I/II clinical trial, with the focus on attracting third party interest at key junctures within this development pathway, who may be interested in partnerships and/or licensing opportunities, providing long-term revenue streams to BiVictriX. To support this, our next immediate goal is to finalise our initial preclinical data package with a key readout on the safety of the therapeutic in a well-established model of toxicity, with final data expected by end H1 2024.

As we near completion of this major corporate milestone, we will continue to drive interest in the Company at relevant sector conferences, building upon our well-received presentations and active involvement at the Immuno-Oncology Summit Europe and PEGS Europe during the period.

I was also delighted by BiVictriX being included in the 2023 roundup of BusinessCloud's MedTech 50, an annual ranking of the most innovative medical technology creators in the UK. We have also increased our engagement with key consultants in the field to support our business development focus and to optimise our potential opportunities.

We have received interest in our platform, and our goal is to balance the commercial value of both our platform and our specific programmes, with suitable deal structures for the Company and our stakeholders.

Immediate goals

Through our expanding pipeline, broad patent portfolio and internal know-how, the Company is well positioned to progress our pipeline and build collaborative alliances.

To succeed at achieving these goals we are focused on delivering upon the following key milestones:

- Generation of further preclinical data for BVX001 to complete the safety and efficacy data package
- Further engagement with the FDA and MHRA to finalise the regulatory pathway to the clinic
- Finalise the manufacturing strategy for BVX001
- Nomination of a clinical candidate for the BVX002 programme, targeting ovarian cancer, our first solid tumour programme
- Securing discovery and clinical development stage collaborations with industry partners to support and accelerate the progression of our lead assets to clinical proof of concept, regulatory approvals and commercialisation

Financials

Management controls operate across the business to ensure that our financial resources are prioritised towards further development of the Company's therapeutic programmes and platform to reach the key value points.

This focus was reflected in the R&D expenditure for the year of £2.0 million, broadly consistent with that reported in the prior year (2022: £2.1 million); together with a loss after tax of £2.5 million (2022: £2.5 million).

The Group ended the year with a cash balance of £3.3 million (2022: £3.3 million) following the successful fundraising in August 2023, raising £2.1 million (gross).

Summary and outlook

I am extremely encouraged by the progress we have made during and after the period, including the striking progression of our lead therapeutic programme towards the clinic, together with the development of our solid tumour assets and further strengthening of our broad IP portfolio.

As we draw closer to reaching key inflection points during 2024, our focus will be on increasing the visibility of the Company and demonstrating the clear value proposition to third parties.

I remain fully committed to our business goals, our continued delivery against objectives and to prioritising our capital allocation to create further significant value and multiple potential opportunities for financial return to our valued shareholders.

Finally, and on a personal note, I would like to thank our exceptional scientific and corporate team for their enthusiasm, commitment, and hard work over the past twelve months, without which our progress to date would not have been possible, the Board for their guidance throughout the period and of course, our shareholders for their continued support and investment in our business.

Tiffany Thorn
Chief Executive Officer
31 May 2024

BiVictriX THERAPEUTICS

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2023

	Notes	**Year Ended 31 December 2023**	Year Ended 31 December 2022
		£'000	**£'000**
Operating expenses			
Research and Development	3	**(2,047)**	(2,110)
General and Administration	3	**(904)**	(738)
Share based compensation	14	**(74)**	(127)
Total operating expenses before non-recurring costs		**(3,025)**	(2,975)
Operating loss		**(3,025)**	(2,975)
Finance income/(cost)		**22**	4
Loss on ordinary activities before taxation		**(3,003)**	(2,971)
Taxation	6	**458**	474
Loss and total comprehensive expenses attributable to equity holders of the parent for the year		**(2,545)**	(2,497)
Loss per share attributable to equity holders of the parent (pence)	7		
Basic loss per share (pence)		**(3.50)**	(3.78)
Diluted loss per share (pence)		**(3.50)**	(3.78)

Consolidated and Company Statements of Financial Position

as at 31 December 2023

		Group		Company	
		As at 31 December 2023	As at 31 December 2022	**As at 31 December 2023**	As at 31 December 2022
	Notes	**£'000**	£'000	**£'000**	£'000
Assets					
Non-current assets					
Property, plant and equipment	8	**476**	571	**—**	—
Investment in subsidiary undertakings	9	**—**	—	**7,040**	5,387
Total non-current assets		**476**	571	**7,040**	5,387
Current assets					
Trade and other receivables	10	**144**	224	**48**	74
Current tax receivable		**396**	454	**—**	—
Cash and cash equivalents	11	**3,279**	3,287	**3,126**	3,002
Total current assets		**3,819**	3,965	**3,174**	3,076
Total assets		**4,295**	4,536	**10,214**	8,463
Liabilities and equity					
Current liabilities					
Trade and other payables	12	**496**	284	**74**	43
Lease liabilities	15	**128**	107	**—**	—
Total current liabilities		**624**	391	**74**	43
Non-current liabilities		**134**	188	**—**	—
Total liabilities		**758**	579	**74**	43
Equity					
Ordinary shares	13	**825**	661	**825**	661
Share premium	13	**13,939**	12,052	**9,889**	8,002
Share based compensation	13	**425**	351	**425**	351
Warrant reserve	13	**73**	73	**73**	73
Merger reserve	13	**(2,834)**	(2,834)	**—**	—
Retained losses	13	**(8,891)**	(6,346)	**(1,072)**	(667)
Total equity attributable to equity holders of the parent		**3,535**	3,957	**10,140**	8,420
Total liabilities and equity		**4,295**	4,536	**10,214**	8,463

Consolidated Statement of Changes in Equity

for the year ended 31 December 2023

	Ordinary shares	Share Premium	Merger reserve	Share based compensation	Warrant reserve	Retained deficit	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2021	661	12,052	(2,834)	224	73	(3,849)	6,327
Total comprehensive expense for the period	—	—	—	—	—	(2,497)	(2,497)
Transactions with owners							
Share based compensation – share options	—	—	—	127	—	—	127
Total transactions with owners	**—**	**—**	**—**	**127**	**—**	**—**	**127**
Balance at 31 December 2022	**661**	**12,052**	**(2,834)**	**351**	**73**	**(6,346)**	**3,957**
Total comprehensive expense for the period	—	—	—	—	—	(2,545)	(2,545)
Transactions with owners							
Share issue – cash	164	1,969	—	—	—	—	2,133
Expense of share issue	—	(82)	—	—	—	—	(82)
Share based compensation – share options	—	—	—	74	—	—	74
Total transactions with owners	**164**	**1,887**	**—**	**74**	**—**	**—**	**2,125**
Balance at 31 December 2023	**825**	**13,939**	**(2,834)**	**425**	**73**	**(8,820)**	**3,537**

Company Statement of Changes in Equity

for the year ended 31 December 2023

	Ordinary shares	Share premium	Share based compensation	Warrant reserve	Retained deficit	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2021	661	8,002	224	73	(331)	8,629
Total comprehensive expense for the period	—	—	—	—	(336)	(336)
Transactions with owners						
Share based compensation – share options	—	—	127	—	—	127
Total transactions with owners	**—**	**—**	**127**	—	—	**127**
Balance at 31 December 2022	**661**	**8,002**	**351**	73	**(667)**	**8,420**
Total comprehensive expense for the period	—	—	—	—	(405)	(405)
Transactions with owners						
Share issue – cash	164	1,969	—	—	—	2,133
Expense of share issue	—	(82)	—	—	—	(82)
Share based compensation – share options	—	—	74	—	—	74
Total transactions with owners	—	—	**74**	—	—	**2,125**
Balance at 31 December 2023	**825**	**9,889**	**425**	**73**	**(1,072)**	**10,140**

Consolidated and Company Statements of Cash Flows

for the year ended 31 December 2023

	Group		Company	
	Year ended 31 December 2023	Year ended 31 December 2022	**Year ended 31 December 2023**	Year ended 31 December 2022
Cash flows from operating activities				
Loss before taxation	**(3,003)**	(2,971)	**(405)**	(336)
Depreciation and amortisation	**165**	151	**—**	—
Share based compensation	**74**	127	**74**	127
Asset write off	**3**	—	**—**	—
Finance costs	**(8)**	(4)	**—**	—
	(2,769)	(2,697)	**(331)**	(209)
Changes in working capital				
(Increase)/decrease in trade and other receivables	**80**	63	**26**	(63)
Increase/(decrease) in trade and other payables	**213**	25	**31**	41
Cash used in operations	**293**	88	**57**	(22)
Taxation received	**516**	212	**—**	—
Net cash used in operating activities	**(1,960)**	(2,397)	**(274)**	(231)
Cash flows (used in)/generated from investing activities				
Acquisition of tangible fixed assets	**(5)**	(389)	**—**	—
Disposal of tangible fixed assets	**—**	10	**—**	—
Interest received	**22**	—	**—**	—
Loans to subsidiary	**—**	—	**(1,653)**	(2,267)
Net cash (used in)/generated from investing activities	**17**	(379)	**(1,653)**	(2,267)
Cash flows from financing activities				
Proceeds from issue of shares	**2,133**	—	**2,133**	—
Issue costs	**(82)**	—	**(82)**	—
Repayment of lease liabilities	**(116)**	—	**—**	—
Net cash generated from financing activities	**1,935**	—	**2,051**	—
Movements in cash and cash equivalents in the period	**(8)**	(2,776)	**124**	(2,498)

Cash and cash equivalents at start of period	**3,287**	6,063	**3,002**	5,500
Cash and cash equivalents at end of period	**3,279**	3,287	**3,126**	3,002

Notes to the Financial Statements

1. General Information

BiVictriX Therapeutics plc ('the Company') is a public limited company incorporated in England and Wales and was admitted to trading on the AIM market of the London Stock Exchange under the symbol "BVX" on 11 August 2021. The address of its registered office is Mereside, Alderley Park, Alderley Edge, Macclesfield, England, SK10 4TG and the registered company number is 13470690. The principal activity of the Company is research and experimental development of pharmaceutical products.

2. Significant Accounting Policies and Basis of Preparation

Basis of preparation

Information in this preliminary announcement does not constitute statutory accounts of the Group within the meaning of section 434 of the Companies Act 2006. The annual financial information presented in this preliminary announcement is based on, and is consistent with, the accounting policies as disclosed in the Group's annual financial statements for the year ended 31 December 2022 and the Group's audited financial statements for the year ended 31 December 2023. Those financial statements will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The independent auditors' report on those financial statements is unqualified and does not contain any statement under section 498 (2) or 498 (3) of the Companies Act 2006.

The consolidated financial statements have been prepared in accordance with United Kingdom International Financial Reporting Standards ('IFRS') as adopted by the UK, IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The Company's financial statements have been prepared in accordance with Financial Reporting Standard 102 (United Kingdom Generally Accepted Accounting Practice).

The financial statements are presented in Sterling (£) and rounded to the nearest £000. This is the predominant functional currency of the Group and is the currency of the primary economic environment in which it operates. Foreign transactions are accounted in accordance with the policies set out below.

Basis of consolidation

The financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company has the power over the investee; is exposed, or has rights, to variable return from its involvement with the investee; and, has the ability to use its power to affect its returns. The Company reassesses whether 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.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statement of Comprehensive Income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Going concern

In considering the Group's financial commitments and forecasts, the Board have followed the guidelines published by the Financial Reporting Council entitled ''Guidance on Risk Management and Internal Control and Related Financial and Business Reporting''.

In the normal course of business, the Directors regularly review rolling cash flow forecasts. The review of financial forecasts and cash flows looking at least 12 months from the approval of these financial statements includes levers and controls which could be applied, if necessary.

The Board has considered ongoing international conflicts and the impact that they may have on worldwide supplies; together with foreign exchange risk and the reducing inflationary outlook. These risks are closely monitored as part of controlled, defined expenditure to meet business objectives.

Operational cashflows focus on planned research and development activities to advance the Group's lead and pipeline programmes. The timing and quantum of this expenditure is under the control and direction of management with oversight provided by the Board.

After considering cash flow forecasts and associated risks, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing these financial statements.

At 31 December 2023, the Group had cash and cash equivalents of £3.3 million.

Standards, interpretations and amendments to published standards not yet effective

The Directors have considered those standards and interpretations, which have not been applied in these financial statements, but which are relevant to the group's operations, that are in issue but not yet effective and do not consider that they will have a material effect on the future reported performance, position or disclosure of the Group.

Currencies

Functional and presentational currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or at an average rate for a period if the rates do not fluctuate significantly. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The presentational currency is also the functional currency.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Office equipment – 25% straight line

Plant and equipment – 16% straight line

Furniture, fixtures and fittings – 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Comprehensive Income.

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment 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 in order to determine the extent of the impairment loss (if any).

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities, representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the leases (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less and lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the remainder of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. The Group's lease liabilities are included in interest-bearing loans and borrowings.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line bases over the lease term.

Extension and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Research and development

Expenditure on pure and applied research is charged to the profit and loss account in the year in which it is incurred. Development costs are charged to profit and loss account unless it can be demonstrated that the costs represent an intangible asset which meets all of the criteria for capitalisation set out in para 57 of IAS38.

Income tax

The tax expense or credit represents the sum of the tax currently payable or recoverable and the movement in deferred tax assets and liabilities.

(a) Current income tax

Current tax, including R&D tax credits which have the characteristics of income tax, is based on taxable income for the period and any adjustment to tax from previous periods. Taxable income differs from net income in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods or that are never taxable or deductible. The calculation uses the latest tax rates for the period that have been enacted or substantively enacted by the dates of the Consolidated Statement of Financial Position.

(b) Deferred tax

Deferred tax is calculated at the latest tax rates that have been substantially enacted by the reporting date that are expected to apply when settled. It is charged or credited in the Consolidated Statement of Comprehensive Income, except when it relates to items credited or charged directly to equity, in which case it is also dealt with in equity.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income, and is accounted for using the 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 income will be available against which the asset can be utilised. Such assets are reduced to the extent that it is no longer probable that the asset can be utilised.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets and liabilities, and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets are not recognised due to uncertainty concerning crystallisation.

Payroll expense and related contributions

Wages, salaries, payroll tax, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered.

Pension costs

The Group makes contributions to the private pension schemes of Directors and employees. Contributions are recognised in the periods to which they relate.

Share-based compensation

The Group issues share based payments to certain employees and Directors and warrants have been issued to certain suppliers. Equity- settled share-based payments are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, along with a corresponding increase in equity.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions. The impact of any revision is recognised in the Consolidated Statement of Comprehensive Income, with a corresponding adjustment to equity reserves.

The fair value of share options and warrants are determined using a Black-Scholes model, taking into consideration the best estimate of the expected life of the option or warrant and the estimated number of shares that will eventually vest.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of operating segments.

The Directors consider that there are no identifiable business segments that are subject to risks and returns different to the core business. The information reported to the Directors, for the purposes of resource allocation and assessment of performance is based wholly on the overall activities of the Group. The Group has therefore determined that it has only one reportable segment under IFRS 8.

The results and assets for this segment can be determined by reference to the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position.

Investment in subsidiaries

Investment in subsidiaries is shown in the Company Statement of Financial Position at cost and are reviewed annually for impairment.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's Consolidated Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

Trade and other receivables

Trade and other receivables that do not contain a significant financing component are initially recognised at fair value and subsequently held at amortised cost less provision for impairment. Provisions for impairment are based on an expected credit loss model as required by IFRS 9.

Cash, cash equivalents and short-term investments

Cash and cash equivalents consist of cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other payables

Trade and other payables are not interest-bearing and are stated at nominal value.

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are recognised as the proceeds received, net of direct issue costs.

Capital risk management

The Group has been funded by equity. The components of shareholders' equity are:

(a) The share capital and share premium account arising on the issue of shares.

(b) Merger reserve, which was created as a result of the acquisition by the Company of the entire issued share capital of BiVictriX Limited on 9 August 2021.

(c) The share-based compensation reserve results from the Group's grant of equity-settled share options to selected employees and Directors.

(d) The retained deficit reflecting comprehensive loss to date.

The Group's objective when managing capital is to maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term. The capital structure of the Group is managed and adjusted to reflect changes in economic conditions. The Group funds its expenditures on commitments from existing cash and cash equivalent balances, primarily received from issuances of shareholders' equity. There are no externally imposed capital requirements. Financing decisions are made based on forecasts of the expected timing and level of capital and operating expenditure required to meet the Group's commitments and development plans.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values because of the short-term nature of such assets and the effect of discounting liabilities is negligible.

Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, the Directors make estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses during the reporting period.

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstance.

The following are the significant judgements and estimates used in applying the accounting policies of the Company.

Estimation uncertainty

Receivables from the subsidiary, being amounts due from BiVictriX Limited advanced to support the Group's research expenditure, will be recoverable from future commercial revenues or capital receipts in the subsidiary, which are not certain to arise. As at 31 December 2023 the receivable balance from the subsidiary was £7.0 million (2022: £5.4 million).

Treatment of research and development expenditure

Expenditure on pure and applied research is charged to the profit and loss account in the year in which it is incurred. Development costs are charged to profit and loss account unless it can be demonstrated that the costs represent an intangible asset which meets all the criteria for capitalisation set out in para 57 of IAS38. As BiVictriX's lead programme is in the early stages of clinical development, all costs are expenses to the income statement.

Taxation

In recognising income tax assets and liabilities, management makes estimates of the likely outcome of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. In particular, amounts claimed for R&D tax credits may not be receivable. The balance recoverable is only confirmed at the point the claim is approved by the tax authority. The calculation is consistent with prior periods where claims have been approved and external tax advisors review the submission. Where the outcome of such matters is different, or expected to be different, from previous assessments made by management, a change to the carrying value of income tax assets and liabilities will be recorded in the period in which such a determination is made. The carrying values of current tax are disclosed separately in the statement of financial position. As at 31 December 2023 the expected R&D tax credits claimable for the period was £0.4 million (2022: £0.5 million).

3. Operating Loss

An analysis of the Group's operating loss has been arrived at after charging:

	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000
Research and development:		
Other research and development	**1,058**	1,237
Staff costs (see note 5)	**824**	722
Depreciation of property, plant and equipment	**165**	151
General and Administrative:		
Staff costs (see note 5)	**320**	314
Administration expenses	**584**	424

Share based compensation	**74**	127
Total operating expenses	**3025**	2,975

The Group has one reportable segment, namely the development of pharmaceutical products all within the United Kingdom.

4. Auditor's Remuneration

The analysis of the auditor's remuneration is as follows:

	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000
Fees payable to the Group's auditors for the audit of: the annual accounts	**43**	38
Total audit fees	**43**	38
Audit related services	4	4
Total audit related fees	**47**	42
Other services	**-**	-
Total non-audit fees	**-**	-

5. Employees and Directors

The average monthly number of persons (including Executive Directors) employed by the Group was:

	Group		Company	
	Year ended 31 Dec 2023 Number	Year ended 31 Dec 2022 Number	**Year ended 31 Dec 2023 Number**	Year ended 31 Dec 2022 Number
Directors	**5**	6	**5**	6
Scientists and administration staff	**12**	10	**-**	-
Average total persons employed	**17**	16	**5**	6

At 31 December 2023 the Group had 17 employees (31 December 2022: 16).

Staff costs in respect of these employees were:

	Group	
	Year ended	Year ended
	31 Dec	31 Dec
	2023	2022
	£'000	£'000
Salaries and other short-term employee benefits	**967**	899
Employer's National Insurance	**106**	102
Pension contributions	**71**	35
Options vesting under share option schemes	**86**	127
Total remuneration including vesting of share options	**1,230**	1,163

The Group makes contributions to pension schemes on behalf of the Director and employees.

The total remuneration of the highest paid Director excluding share-based payments was £226,375 (31 December 2022: £212,950).

The Directors have the authority and responsibility for planning, directing and controlling, directly or indirectly, the activities of the Group and they therefore comprise key management personnel as defined by IAS 24.

Aggregate emoluments of the Directors of BiVictriX Therapeutics plc:

	Group	
	Year ended	Year ended
	31 Dec	31 Dec
	2023	2022
	£'000	£'000
Salaries and other short-term employee benefits	**415**	375
Employer's National Insurance	**44**	38
Pension contributions	**12**	8

Options vesting under share option schemes	**62**	106
Total remuneration including vesting of share options	**533**	527

6. Taxation

	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000
Current tax		
Research and development income tax credit receivable	**396**	454
Adjustments in respect of prior periods	62	20
Net tax credit	**458**	474
Deferred income tax		
Deferred tax asset from share based payments	88	-
Deferred tax liability from accelerated capital allowances	(88)	66
Net deferred taxes	-	66

The Group has a deferred tax liability being accelerated capital allowances, for which the tax, measured at a standard rate of 25% (2022: 19%) in all periods is 31 December 2023 £87,501 (2022: £262).

The Group has a deferred tax asset for share-based payments, for which the tax, measured at a standard rate of 25% in all periods is 31 December 2023 £87,501 (2022: £66,000). No deferred tax assets have been recognised due to the uncertainty of the availability of future profits.

At 31 December 2023 the Group had UK carried forward tax losses of £5.1 million (2022: £3.7 million). A deferred tax asset has been recognised in respect of these losses to the extent of the accelerated capital allowances within the group. No deferred tax asset has been recognised in respect of the carried forward losses over and above the group's deferred tax liabilities due to the uncertainty of the availability of future profits.

The tax credit for each period can be reconciled to the loss per Consolidated Statement of Comprehensive Income as follows:

	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000
Loss on ordinary activities before taxation	**(3,003)**	(2,971)
Loss before tax at the effective rate of corporation tax in the United Kingdom of 23.52% (2022 19%)	**(706)**	(566)
Effects of:		
Fixed asset differences	**-**	(15)
Expenses not deductible for tax purposes	**20**	59
Additional deduction for R&D expenditure	**(316)**	(336)
Surrender of tax losses for R&D tax credit refund	**642**	596
Movement in deferred tax not recognised	**411**	262
Adjustment to tax charge in respect of previous periods	**(62)**	(20)
Remeasurement of deferred tax for changes in tax rates	**(33)**	-
Timing differences not recognised in the computation	**(18)**	
R&D tax credit	**(396)**	(454)
Tax credit for the year	**(458)**	(474)

7. Loss per Share

Basic loss per share is calculated by dividing the loss for the period attributable to equity holders by the weighted average number of ordinary shares outstanding during the year.

For diluted loss per share, the loss for the year attributable to equity holders and the weighted average number of ordinary shares outstanding during the year is adjusted to assume conversion of all dilutive potential ordinary shares.

As at 31 December 2023, the Group had 8,744,184 (2022: 8,734,184) share options outstanding.

The calculation of the Group's basic and diluted loss per share is based on the following data:

	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000
Loss for the year attributable to equity holders for basic loss and adjusted for the effects of dilution	**(2,545)**	(2,497)

	Year ended 31 Dec 2023	Year ended 31 Dec 2022
Weighted average number of ordinary shares for basic loss per share	**72,645,075**	66,115,171
Effects of dilution:	-	-
Share options		
Weighted average number of ordinary shares adjusted for the effects of dilution	**72,645,075**	66,115,171

	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000
Loss per share – basic and diluted	**(3.50)**	(3.78)

The loss and the weighted average number of ordinary shares for the years ended 31 December 2023 and 2022 used for calculating the diluted loss per share are identical to those for the basic loss per share. This is because the outstanding share options would have the effect of reducing the loss per ordinary share and would therefore not be dilutive under the terms of International Accounting Standard ('IAS') No 33.

8. Property, Plant and Equipment

	Office equipment, fixtures and fittings	Building improvements	Plant and machinery	Motor Vehicles	Right of Use Asset	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Cost						
At 31 December 2022	17	5	319	4	423	768
Adjustment to opening balance	-	-	2	-	(162)	(160)
Additions	2	-	3	-	160	165
Disposals	-	-	-	(4)	-	(4)
At 31 December 2023	**19**	**5**	**324**	**-**	**421**	**769**
Accumulated Depreciation						
At 31 December 2022	6	2	58	-	131	197
Adjustment to opening balance	-	-	-	-	(69)	(69)
Provided during the year	4	1	55	-	105	165
Disposals	-	-	-	-	-	-
At 31 December 2023	**10**	**3**	**113**	**-**	**167**	**293**
Net Book Value						
At 31 December 2022	11	3	261	4	292	571
At 31 December 2023	**9**	**2**	**211**	**-**	**254**	**476**

Depreciation is charged to operating expenses.

	Office equipment, fixtures and fittings	Building improvements	Plant and machinery	Motor Vehicles	Right of Use Asset	Total
	£’000s	£’000s	£’000s	£’000s	£’000s	£’000s
Cost						
At 31 December 2021	12	3	97	-	275	387
Additions	5	2	229	4	148	388
Disposals	-	-	(7)	-	-	(7)
At 31 December 2022	**17**	**5**	**319**	**4**	**423**	**768**
Accumulated Depreciation						
At 31 December 2021	2	1	16	-	29	48
Provided during the year	4	1	43	-	102	150
Disposals	-	-	(1)	-	-	(1)
At 31 December 2022	**6**	**2**	**58**	**-**	**131**	**197**
Net Book Value						
At 31 December 2021	10	2	81	-	246	339
At 31 December 2022	**11**	**3**	**261**	**4**	**292**	**571**

9. Investment in Subsidiary Undertakings

The consolidated financial statements of the Group at 31 December 2023 include:

Name of subsidiary	Class of share	Place of incorporation	Principle activities	Proportion of ownership interest	Proportion of voting rights held
BiVictriX Limited	Ordinary	United Kingdom	Research and development	100%	100%

	Company	
	2023	2022
	£'000	£'000
Cost at 1 January	214	214
Acquisitions during the year	-	-
Cost at 31 December	214	214
Carrying Value as at 31 December	214	214

	Company	
	2023	2022
Break down of carrying value of investment:	**£'000**	£'000
BiVictriX Limited – equity	214	214
BiVictriX Limited – loan	6,826	5,173
	7,040	**5,387**

Investments are tested for impairment at the reporting date. No impairment loss was recognised.

10. Trade and Other Receivables

	Group		**Company**	
	As at 31 Dec 2023 £'000	As at 31 Dec 2022 £'000	**As at 31 Dec 2023 £'000**	As at 31 Dec 2022 £'000
Amounts receivable within one year				
Other taxation and social security	**58**	111	**11**	32

Prepayments	**86**	113	**37**	42
Trade and other receivables	**144**	224	**48**	74

The Directors believe that the carrying value of trade and other receivables represents their fair value. In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the receivable from the date credit was granted up to the reporting date. In addition, an expected credit losses model is used which broadens the information that an entity is required to consider when determining its expectations of impairment. Under this model, expectations from future events are considered which could result in the earlier recognition of impairments. Details on the Group's credit risk management policies are shown in Note 16. The Group does not hold any collateral as security for its trade and other receivables.

Amounts due to the Company from subsidiary undertakings are not considered to be receivable within one year – see notes 17 and 18.

11. Cash, Cash Equivalents and Short-Term Investments

	Group		Company	
	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000	**Year ended 31 Dec 2023 £'000**	Year ended 31 Dec 2022 £'000
Cash in bank and in hand	**3,279**	3,287	**3,126**	3,002

12. Trade and Other Payables

	Group		Company	
	Year ended 31 Dec 2023 £'000	Year ended 31 Dec 2022 £'000	**Year ended 31 Dec 2023 £'000**	Year ended 31 Dec 2022 £'000
Amounts falling due within one year				
Trade payables	**209**	112	**8**	-
Other taxation and social security	**42**	40	**-**	-
Accrued expenses	**245**	132	**66**	43

Trade and other payables	**496**	284	**74**	43

Trade and other payables principally consist of amounts outstanding for trade purchases and ongoing costs. They are non-interest bearing and are normally settled on 30 to 45 day terms. The Directors consider that the carrying value of trade and other payables approximates to their fair value. All trade and other payables are denominated in Sterling. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe and no interest has been charged by any suppliers because of late payment of invoices during the period.

The fair value of trade and other payables approximates to their current book values.

13. Issued Capital and Reserves

Ordinary shares

	Company			
Ordinary shares of 1p each:	Number	Share Capital	Share Premium	Total
		£’000	£’000	£’000
At 31 December 2022	**66,115,171**	**661**	**12,052**	**12,713**
Prior period adjustment	30	-	-	-
Issued of share capital	16,410,887	164	1,969	2,133
Expenses of share issue	-	-	(82)	(82)
At 31 December 2023	**82,526,088**	**825**	**13,939**	**14,764**

The prior period adjustment relates to 30 shares which were incorrectly omitted from the prior year balance.

Other reserves

The share premium reserve represents the difference between the net proceeds of equity issues and the nominal share capital of the shares issued.

The merger reserve at 31 December 2023 arose from the acquisition of BiVictriX Limited on 9 August 2021, which is accounted for using the merger method of accounting.

The share-based compensation reserve reflects the cumulative expense for outstanding share based instruments.

Reserves classified as retained deficit represent accumulated losses. None of the reserves are distributable.

14. Share-based Payments

Certain Directors and employees of the Group are granted options to subscribe for shares in the Group in accordance with the rules of the Company's share option schemes. The number of shares subject to options, the periods in which they were granted and the period in which they may be exercised are given below.

As at 31 December 2023,, the Group operated one share option scheme. Options are currently granted for £nil consideration and are exercisable at a price determined on the date of the grant.

At 31 December 2023 the Company had 8,744,184 (2022: 8,734,184) unissued ordinary shares of 1p under the Company's share option schemes, details of which are as follows:

Exercise price	At 1 Jan 2023	Granted	Lapsed	At 31 Dec 2023	Date from which exercisable	Expiry date
0.150	-	33,333	10,000	23,333	10 May 2024	10 May 2033
0.150	-	33,333	10,000	23,333	10 May 2025	10 May 2033
0.150	-	33,334	10,000	23,334	10 May 2026	10 May 2033
0.250	156,056	-	10,000	146,056	13 Dec 2022	13 Dec 2032
0.250	156,056	-	10,000	146,056	13 Dec 2023	13 Dec 2032
0.250	156,056	-	10,000	146,056	13 Dec 2024	13 Dec 2032
0.250	10,000	-	10,000	-	3 May 2023	3 May 2032
0.250	10,000	-	10,000	-	3 May 2024	3 May 2032
0.250	10,000	-	10,000	-	3 May 2025	3 May 2032

As at 31 December 2023, the share option scheme movements was as follows:

	As at 31 Dec 2023		As at 31 Dec 2022	
	Number	**Weighted average exercise price Pence**	Number	Weighted average exercise price Pence
Outstanding at start of the year	**8,734,184**	**20.16**	8,614,184	2016
Granted	**100,000**	**15.00**	120,000	20.17

Lapsed	**(90,000)**	**20.07**	-	-
Outstanding at end of year	**8,744,184**	**20.11**	8,734,184	20.16
Exercisable at end of year	**4,522,500**	**20.10**	4,900,677	19.54

The fair values of share options granted during the period were calculated using the Black Scholes option pricing model. The inputs into the model for awards granted were as follows:

Options issued	100,000
Grant date	10 May 2023
Expiry date	10 May 2033
Vesting period	One third each year from grant
Share price (pence)	15.0p
Exercise price (pence)	15.0p
Expected volatility	48.00%
Risk free rate	3.46%
Fair value of options granted	£3,002

15. Lease liabilities

Amounts recognised in the statement of financial position

Right-of-use assets

Details of the Right-of-use assets held at 31 December 2023 can be found in note 8.

Lease liabilities

	As at 31 Dec 2023	As at 31 Dec 2022
	£'000	£'000
Current	**128**	107
Non-current	**134**	188
	262	295
Future minimum lease payments are as follows:		
Not later than one year	**128**	107
Later than one year and not later than 5 years	**134**	188
Total gross payments	**262**	295
Impact of finance expenses	**-**	-
Carrying amount of liability	**262**	295

Adjustments have been made to reflect the recalculation of prior period cost and accumulated depreciation of Right of Use assets (see note 8) and to reduce the opening balance on lease liabilities accordingly.

Lease liabilities have been recognised on the incremental borrowing rate for Land and Buildings and Office Equipment.

Amounts recognised in the statement of comprehensive income

	As at 31 Dec 2023 £'000	As at 31 Dec 2022 £'000
Depreciation charge	(105)	(103)
Interest on lease liabilities	(14)	(12)
Rental payments with lease term less than 12 months		-
	(119)	(115)

Amounts recognised in the statement of cash flows

	As at 31 Dec 2023 £'000	As at 31 Dec 2022 £'000
Principal elements of lease payments	**(102)**	(75)
Interest on lease liabilities	**(14)**	-
Rental payments with lease term less than 12 months	-	-
	(116)	(75)

16. Financial Risk Management

The main risks arising from the Group's financial instruments are cash flow and liquidity and credit risk. The Group's financial instruments comprise cash and various items such as trade payables, which arise directly from its operations.

Cash flow and liquidity risk

Management monitors the level of cash on a regular basis to ensure that the Group has sufficient funds to meet its commitments where due. The table below analyses the Group and Company's financial liabilities by category:

	Group		Company	
	Year ended 31 Dec 2023 Financial assets at amortised cost	Year ended 31 Dec 2022 Financial assets at amortised Cost	**Year ended 31 Dec 2023 Financial assets at amortised cost**	Year ended 31 Dec 2022 Financial assets at amortised cost
	£'000	£'000	**£'000**	£'000
Trade payables	**209**	112	**8**	-

Other creditors and accruals	**287**	172	**66**	43
	496	284	**74**	43

All liabilities are due within 30 days except for lease liabilities which are dealt with in note 15.

Credit risk

The Group considers which organisations it uses for banking in order to minimise credit risk. The Group holds cash with one large bank in the UK. The amounts of cash held at the reporting date can be seen in the financial assets table above. All of the cash and equivalents were denominated in UK Sterling. The Group's policy is to minimise the risks associated with cash and cash equivalents by placing these deposits with institutions with a recognised high credit rating.

The carrying amount of financial assets recorded in the Consolidated Statement of Financial Position, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

No allowance has been made for impairment losses. In the Directors' opinion, there has been no impairment of financial assets during the period.

An allowance for impairment is made where there is an identified credit loss which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Directors consider the above measures to be sufficient to control the credit risk exposure. No collateral is held by the Group as security in relation to its financial assets.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates solely to the Group's use of suppliers operating overseas, primarily denominated in Euros and US Dollars. The Group's use of foreign suppliers is minimal and as such exposure to foreign currency changes is not material.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the year end were £164,000 (2022: £16,000).

At present the Group does not make use of financial instruments to minimise any foreign exchange gains or losses so any fluctuations in foreign exchange movements may have a material adverse impact on the results from operating activities.

Fair value of financial assets and liabilities

There is no material difference between the fair value and the carrying values of the financial instruments because of the short maturity period of these financial instruments and their intrinsic size and risk.

Capital risk management

The Group considers capital to be shareholders' equity as shown in the consolidated statement of financial position, as the Group is primarily funded by equity finance. The Group is not yet in a position to pay a dividend.

The objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and for other stakeholders. In order to maintain or adjust the capital structure the Group may return capital to shareholders and issue new shares.

17. Related Party Transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Key management compensation is disclosed in Note 5.

18. Transactions with shareholders

The following transactions with shareholders and companies controlled by directors or former directors of BiVictriX were recorded, excluding VAT, during the year:

	Year to 31 Dec 2023 £'000	Year to 31 Dec 2022 £'000
HAD Consulting (Michael Kauffman)		
Consultancy fees	2	-

Company

The Company is responsible for financing and setting Group strategy. The Company's subsidiary carried out the Group's research and development strategy including the management of the Group's intellectual property. The Company provides funding to its subsidiary in the form of a loan. This loan is classified as non-current to reflect the likely repayment schedule of the loan. Balance outstanding, at the 31 December 2023 was £6.8 million (31 December 2022: £5.2 million).

19. Contingent Liabilities

The Group has no contingent liabilities at 31 December 2023 (2022: nil).

20. Events after the Reporting Date

There are no events after the reporting date to disclose.

21. Ultimate Controlling Party

There is no ultimate controlling party of the Group.