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ValiRx PLC
06 June 2025

ValiRx PLC
("ValiRx" or the **"Company")**

Final Results & Notice of AGM

London, UK - ValiRx Plc (AIM: VAL), a life sciences company focusing on early-stage cancer therapeutics and women's health, announces its audited results for the year ended 31 December 2024.

Highlights

Operational Highlights:

- Extension of Dundee evaluation agreement with £50,000 grant from the Queen Mary University London Impact Fund.
- Grant funding secured to progress Cytolytix and Inaphaea programmes through Open University Knowledge transfer and Higher Education Innovation Fund schemes.
- Completion of Stingray evaluation agreement with negotiations underway for follow up underway post period.
- Termination of Barcelona and evaluation agreement.
- Initiation of strategic review to identify operational efficiencies and cost savings culminating in post period reductions of approximately £200, 000 in staffing costs.
- £49, 775 revenue from Inaphaea reflecting first payment of a multiphase contract and first sale of Assay ready reagents from Biobank bank.

Financial Highlights:

- Research and developments costs of £245,163 for the year ended 31 December 2024 as compared to £383,362 in 2023, a reduction of £138,199 with cost savings due to reduced outsourced activities.
- Administrative expenses of £1,976,283 for the year ended 31 December 2024 as compared to £1,886,401 in 2023, an increase of £89,882 reflecting increase staff costs and compensation paid and intellectual property costs.
- Total comprehensive loss for the year ended 31 December 2024 of £1,915,693 as compared to £2,037,701 in 2023, and a loss per share of 1.45p as compared to 2.01p in 2023.
- Cashbalance at 31 December 2024 of £1,555,986 as compared to £174,684 in 2023.

Material uncertainty relating to going concern

The Auditors have drawn attention to the policy on Going Concern within note 2 to the financial statements, which indicates that the accounts have been prepared on the going concern basis. The Board has referred to the fact that the Group and Parent Company are reliant on future fund raisings to continue their activities as budgeted. Should future fund raisings be unsuccessful, this may cast significant doubt on the Group and parent Company's ability to continue as a going concern. The Auditors opinion is not modified in respect of this matter. The full Auditor's report is contained in the Company's Annual Report.

Notice of AGM

The Company's Annual General Meeting ("AGM") will be held at 11:00 am on 30 June 2025 at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London EC4R 3TT. A copy of the Company's annual report and accounts, together with the Notice of AGM, have been posted to all shareholders and will shortly be available on the Company's website www.valirx.com.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"). The Directors of the Company take responsibility for this announcement.

*** ENDS ***

Engage with the ValiRx management team directly by asking questions, watching video summaries and seeing what other shareholders have to say. Navigate to our Interactive Investor hub here: https://valirx.com/s/cc8ef3

For more information, please contact:

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://valirx.com/link/MrDAkP
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Notes for Editors

About ValiRx

ValiRx is a life science company focused on early-stage cancer therapeutics and women's health, accelerating the translation of innovative science into impactful medicines to improve patient lives.

ValiRx provides the scientific, financial, and commercial framework for enabling rapid translation of innovative science into clinical development.

Using its extensive and proven experience in research and drug development, the team at ValiRx selects and incubates promising novel drug candidates and guides them through an optimised process of development, from pre-clinical studies to clinic and investor-ready assets.

ValiRx connects diverse disciplines across scientific, technical, and commercial domains, with the aim of achieving a more streamlined, less costly, drug development process. The team works closely with carefully selected collaborators and leverages the combined expertise required for science to advance.

Lead candidates from ValiRx's portfolio are outlicensed or partnered with investors through ValiRx subsidiary companies for further clinical development and commercialisation.

ValiRx listed on the AIM Market of the London Stock Exchange in October 2006 and trades under the ticker symbol: VAL.

For further information, visit: www.valirx.com

Chairman and Chief ExecutivesReport for the year ended 31 December 2024

In our first joint Annual report, we would like to take the opportunity to review a significant year of transition for ValiRx.

The transition was initiated by several changes to the Board, including the appointments of a new Chairman and CEO followed by the appointment of Cathy Tralau-Stewart, our Chief Scientific Officer, to the Executive Board in August 2024.

We then undertook an immediate review of the business focussing on the scientific and commercial strategy and business model for Inaphaea Biolabs Limited ("Inaphaea"), a wholly owned subsidiary of the Company. The outcome of this review was implemented across the second half of the year and into the first quarter of 2025. In addition to identifying several cost-reduction measures involving external service providers, we faced the difficult decision to restructure the organisation. This restructuring aimed to optimise efficiency and reduce cash burn, which unfortunately led to fewer available positions within the Company. In December 2024, the Inaphaea team was reduced by one Senior Scientist, and, after a redundancy consultation process, three additional positions were eliminated across the Group post-period end.

A Senior Director of Research was recruited and joined the team post period to replace our part-time CSO, Cathy Tralau-Stewart. Cathy transitioned to a Non-Executive Director and Adrian de Courcey stepped down as a Non-Executive Director, streamlining the board to two Executive Directors, one Non-Executive Director, and a Non-Executive Chairman. The operational overhaul was completed in March 2025, with the hiring of a new technician to support Inaphaea. These combined changes represent a saving of £200,000 in salaries going forward.

As part of the Group operational review, we also looked at Inaphaea's business model. Inaphaea saw some significant milestones throughout 2024 including the signing of two, multiphase, service contracts including its first US contract. This immune-oncology focussed service contract leveraged Inaphaea's biobank RNA-seq data for the selection of Patient Derived Cell models with high PD-L1 checkpoint expression. The second contract, with a total potential value of over £100,000, was focussed on Triple Negative Breast Cancer PDCs and builds on biobank development work carried out to support the in house Cytolytix program. This second contract demonstrates the value of partner strategy with the final optional part of the multiphase project to be performed by one of Inaphaea's in-vivo partners. The pipeline of client prospects within Inaphaea is looking strong, with a steady build of prospects throughout the second half of 2024. Although the nature of our industry is of long-term research budget planning with associated long lead times, our current pipeline of prospects is progressing well. As the catalogue of characterised PDCs is developed we expect this to grow further with product license as well as service opportunities.

The second half of 2024 saw a rapid expansion of the evaluation and co-marketing approach to include a range of in-vivo and ex vivo partners, broadening both capabilities and global market reach. The partnerships are set up as "force multipliers" to expand lead identification of new potential clients whilst providing the opportunity to offer extended service packages that leverage Inaphaea's PDC models. We added new partner capabilities including in-silico toxicity testing, "system on a chip" 3D models, Patient Derived Organoid models as well as higher throughput zebra fish and standard mouse models. The expansion of access to sophisticated, ex-vivo predictive systems, builds on key features of the "closer to patient", more representative PDC biobank with its combination of Cancer Cells and Cancer Associated Fibroblasts (CAFs). This heterogeneity differentiates our PDC models from standard, homogeneous cell lines and was a key driver for the development of our Assay Ready Reagent product line. These vials of mixed cells are designed for direct biomarker analysis, with the first sale achieved in November 2024 with the combined Bank of 5,000 vials underpinning the value of the Biobank as a major asset. The development of more sophisticated screening capabilities, in keeping with the 3R principles of Replacement, Reduction and Refinement for ethical animal research, is a key market opportunity supported by the FDA's significant announcement to phase out animal testing post period in April 2025.

Restrictions on supplying PDCs to competitive service providers were removed, recognising a significant opportunity to build value through supplying CROs with established client bases. Several additional co-marketing agreements are under discussion and expected to be signed in 2025. A simplified pricing structure was introduced for direct purchase of the PDCs focussed on commercial research and commercial service use with options for annual payment, one off payment and limited use licenses for one off services.

In addition to the commercial partnerships, ValiRx secured additional grant funding to support development and characterisation of Prostate Cancer PDCs through its established academic partnership with the Open University. This relationship was strengthened with a ValiRx sponsored PhD studentship over four years to develop high value, Neuroendocrine Prostate Cancer Cell lines. These lines represent a significant development for the field, particularly in the development of new drugs in this highly aggressive form of prostate cancer. This academic collaboration is expected to lead to publications exemplifying the utility of the PDC models as well as additional grant applications, following a model we established at the ValiRx spin out Volition. Further academic partnerships are being explored with universities local to Inaphaea. These new relationships are a cost-effective approach to leverage access to specialist facilities to add further value to our Biobank, including cell sorting and characterisation.

In addition to development of products and services based on the Biobank, the second key objective for Inaphaea was the provision of rapid and flexible initial assessment for each of the evaluation programmes as well as development of Cytolytix. Both exemplify how we have leveraged Inaphaea's commercial and academic partner network, established as part of the tCRO® service offering, for example, in-silico toxicity screening of the Stingray compounds and peptide formulation and screening of CLX001.

The in-house research pipeline comprised 4 evaluation programmes with assets from Barcelona University, Stingray Bio, Imperial College and Dundee University as well as our SPV Cytolytix. The pipeline represented a range of early stage, small molecule and peptide-based assets with a combination of validated, novel and unknown mechanisms of action. Assets at this stage of development have a high attrition rate, up to 90%. Development of in-licensed assets, for example Cytolytix, through preclinical development and into Investigational New Drug (IND) enabling studies, take significant time and resources so a high attrition rate should be expected with earlier stage programmes. A key consideration is to generate a balanced portfolio with scientifically robust data and a strong commercialisation potential and, going forward, we are applying a strict set of criteria for selection and progression of evaluation assets. Evaluation agreements with Barcelona and, post period Imperial, have been terminated despite initially promising data generated by Inaphaea, as they did not meet these criteria. Whilst the Dundee evaluation did not meet a key decision point for in-licensing in 2024, £50,000 grant funding was secured through Queen Mary Impact fund, supported and a one-year extension to the evaluation agreement was signed to develop precise mechanism of action for this asset. The Stingray evaluation was completed on time and, whilst a key decision point was not reached, we are in further negotiation to progress this asset under a slightly different model.

Several new evaluation programmes remained under discussion throughout 2024 with the first signed post period in January 2025. The agreement with Altus Therapeutics is based on repositioning an established CB2 agonist in oncology and, in a first for ValiRx, bringing new formulation capabilities. A key aspect of the evaluation programmes is to leverage Inaphaea's in-house capabilities. Inevitably, some of the work will require external support, either through our partner network or from additional Contract Research Organisations which can add significant costs. This is particularly true for later stage, more developed projects which may be lower risk but require higher initial investment. In order to deliver a more balanced portfolio, we are exploring shorter, more nimble evaluations over a 3-6-month period where we can add significant value through our PDC biobank or through support of external preclinical work on a shared risk, costs plus basis. Under this type of arrangement, ValiRx would be compensated for work performed if the asset is returned and subsequently licensed.

Significant progress was made with Cytolytix during the period. A new stable, liposomal formulation was developed and evaluated as part of an ongoing formulation evaluation program. Three further formulations are under development with specific characteristics suited for particular routes of administration and final selection is expected in Q2 2025. Initial data showing efficacy in Prostate Cancer cell lines was obtained with grant funding through our Academic Partner at the Open University.

Legacy Assets

At the start of 2024, VAL201 was subject to an open-ended Letter of Intent with TheoremRx. When I took over as CEO we initially restricted this to the end of the period, 31 December 2024. A final extension was then granted until May 2025 to allow time to complete an M&A transaction with an unnamed NASDAQ company announced by TheoremRx on 30 December 2024. Post period end in April 2025, the Letter of Intent was terminated after TheoremRx elected not to proceed with an agreed amendment to return the territory of Taiwan and maintain exclusivity in return for a $200,000 payment. This is clearly a disappointing outcome after a protracted period but contingency planning has been in place since I took over as CEO. VAL201 will be placed in an SPV along with other ValiRx assets focussed on prostate cancer. VAL401 remains under an optional agreement with Ambrose Healthcare who exercised their right to a 6-month extension on 4 December 2024. No further extensions will be granted.

Outlook

In 2025 ValiRx now comprises a lean, highly motivated, cross-functional team of nine, supported by industry expert advisors as part of a new Advisory Board, which replaced the existing Scientific Advisory Board in March 2025. Indication expansion for CLX001 is underway within Inaphaea labs and synergy testing with small molecule and immune-oncology drugs is expected to begin in H2 2025.Contract Development and Manufacturing Organisations have been identified for cGMP production of clinical grade CLX001 peptide and delivery system and the lead formulation is anticipated to be sent for manufacture prior to IND enabling studies in H2 2025. New patents, on various aspects of VAL201 will be filed at minimal cost and exemplified in house as well as through established academic partnerships in the prostate cancer space. An internal commercial review shows that VAL201 is still relevant despite clinical advances in other areas of prostate cancer therapy and partners for the Prostate cancer portfolio will be sought based on the new application patents. Two Evaluation projects were in discussion in 2024 and negotiations for a further asset also began post period. Whilst negotiations are ongoing, we are targeting 2-3 projects to sign in 2025 alongside the Altus CB2 asset evaluation and continued Dundee evaluation.

Financial overview

Our financial results show the total comprehensive loss for the year ended 31 December 2024 of £1,915,693 (2023: £2,037,701) and a loss per share of 1.45p (2023: Loss - 2.01p). Research and developments costs were £245,163 for the year ended 31 December 2024 (2023: £383,362), a reduction of £138,199. In addition, total wage costs of £459,499 (2023: £462,862) were expended on research and development during the year. Administrative expenses were £1,976,283 (2023: £1,886,401) reflecting an increase of £89,882. Cash at the bank at 31 December 2024 was £1,555,986 compared to £174,684 in 2023. We would like to recognise the contributions of all the staff, Board members and shareholders for their continued support during this transitional period. The Company has gone through significant change and refinement of strategy to maximise the potential for growth from our current position.

Martin Gouldstone

Director

4 June 2025

Dr M Eccleston

Director

4 June 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2024

	2024	2023
	£	£
CONTINUING OPERATIONS		
TURNOVER	**49,775**	9,600
Cost of sales	**-**	(1,440)
GROSS PROFIT	**49,775**	8,160
Other operating income	**30,000**	-
Research and developments	**(245,163)**	(383,362)
Administrative expenses	**(1,976,283)**	(1,886,401)
Share-based payment charge	**-**	(36,936)
OPERATING LOSS	**(2,141,671)**	(2,298,539)
Finance costs	**(1,279)**	(4,419)
Finance income	**12,495**	-
LOSS BEFORE INCOME TAX	**(2,130,455)**	(2,302,958)
Income tax credit	**127,696**	175,173
LOSS AFTER INCOME TAX	**(2,002,759)**	(2,127,785)
Non-controlling interest	**87,066**	90,084
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(1,915,693)**	(2,037,701)
LOSS PER SHARE - BASIC AND DILUTED	**(1.45p)**	(2.01p)

Consolidated Statement of Financial Position for the year ended 31 December 2024

	2024	2023
	£	£
ASSETS		
NON-CURRENT ASSETS		
Goodwill	**1,602,522**	1,602,522
Intangible assets	**530,937**	718,814
Property, plant and equipment	**201,662**	242,625
Right-of-use assets	**-**	-
Investments	**30,000**	
	2,365,121	2,563,961
CURRENT ASSETS		
Inventory	**69,002**	69,002
Trade and other receivables	**134,592**	147,618

Tax receivable	**137,405**	175,173
Cash and cash equivalents	**1,555,986**	174,684
	1,896,985	566,477
TOTAL ASSETS	**4,262,106**	3,130,438
EQUITY		
SHAREHOLDERS' EQUITY		
Called up share capital	**9,979,295**	9,707,266
Share premium	**30,613,044**	27,870,548
Merger reserve	**637,500**	637,500
Reverse acquisition reserve	**602,413**	602,413
Share option reserve	**976,920**	1,082,163
Retained earnings	**(38,491,790)**	(36,681,340)
	4,317,382	3,218,550
Non-controlling interests	**(401,689)**	(314,623)
TOTAL EQUITY	**3,915,693**	2,903,927
LIABILITIES		
NON-CURRENT LIABILITIES		
Borrowings	**1,390**	11,857
	1,390	11,857
CURRENT LIABILITIES		
Trade and other payables	**334,551**	204,441
Borrowings	**10,472**	10,213
Lease liabilities	**-**	-
	345,023	214,654
TOTAL LIABILITIES	**346,413**	226,511
TOTAL EQUITY AND LIABILITIES	**4,262,106**	3,130,438

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Share capital	Share premium	Merger reserve	Reverse acquisition reserve	Share-based payment reserve	Non-controlling interest	Retained earnings	Total
	£	£	£	£	£	£	£	£
Balance at 1 January 2023	**9,695,120**	**26,772,630**	**637,500**	**602,413**	**986,816**	**(224,539)**	**(34,643,639)**	**3,826,301**
Changes in equity								
Loss for the year	-	-	-	-	-	(90,084)	(2,037,701)	(2,127,785)
Issue of shares	12,146	1,323,854	-	-	-	-	-	1,336,000
Cost of shares issued	-	(167,525)	-	-	-	-	-	(167,525)
Movement in year	-	(58,411)	-	-	95,347	-	-	36,936

Balance at 31 December 2023	**9,707,266**	**27,870,548**	**637,500**	**602,413**	**1,082,163**	**(314,623)**	**(36,681,340)**	**2,903,927**
Changes in equity								
Loss for the year	-	-	-	-	-	(87,066)	(1,915,693)	(2,002,759)
Issue of shares	272,029	3,102,715	-	-	-	-	-	3,374,744
Cost of shares issued	-	(360,219)	-	-	-	-	-	(360,219)
Lapse of share options and warrants	-	-	-	-	(105,243)	-	105,243	-
Balance at 31 December 2024	**9,979,295**	**30,613,044**	**637,500**	**602,413**	**976,920**	**(401,689)**	**(38,491,790)**	**3,915,693**

Consolidated Statement of Cash Flows for the year ended 31 December 2024

	Notes	**2024**	2023
		£	£
Cash flows from operations			
Cash outflow from operations	1	**(1,761,539)**	(1,961,697)
Interest paid		**(1,279)**	(3,325)
Interest received		**12,495**	-
Tax credit received		**165,464**	192,671
Net cash outflow from operating activities		**(1,584,859)**	(1,772,351)
Cash flows from investing activities			
Purchase of intangible fixed assets		**-**	(15,000)
Purchase of property, plant and equipment		**(38,156)**	(291,181)
Net cash inflow from financing activities		**(38,156)**	(306,181)
Cash flows from financing activities			
Bank loan repayment		**(10,208)**	(9,962)
Repayment of lease liabilities		**-**	(6,774)
Share issue		**3,374,744**	1,300,000
Costs of shares issued		**(360,219)**	(167,525)
Net cash inflow from financing activities		**3,004,317**	1,115,739
Increase/(decrease) in cash and cash equivalents		**1,381,302**	(962,793)
Cash and cash equivalents at beginning of year	2	**174,684**	1,137,477
Cash and cash equivalents at end of year	2	**1,555,986**	174,684

Notes to the Consolidated Statement of Cash Flows for the year ended 31 December 2024

1. **RECONCILIATION OF OPERATING LOSS TO CASH GENERATED FROM OPERATIONS**

	2024	2023
	£	£
Operating loss	**(2,141,671)**	(2,298,539)
Amortisation and impairment of intangible assets	**187,877**	200,086
Depreciation of right-of-use assets	**-**	5,561
Depreciation of property, plant and equipment	**79,119**	48,556
Increase in inventory	**-**	(69,002)
Increase in trade and other receivables	**13,026**	(13,803)
Increase/(decrease) in trade and other payables	**130,110**	128,508
Share-based payments charge	**-**	36,936
Net cash outflow from operations	**(1,761,539)**	(1,961,697)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

	31 December 2024	1 January 2024
	£	£
Cash and cash equivalents	**1,555,986**	**174,684**

	31 December 2023	1 January 2023
	£	£
Cash and cash equivalents	174,684	1,137,477

Notes to the Consolidated Financial Statements for the year ended 31 December 2024

1. STATUTORY INFORMATION

ValiRx Plc is a public company limited by shares, incorporated in the United Kingdom, which is listed on the AIM market of the London Stock Exchange Plc. The address of its registered office is Stonebridge House, Chelmsford Road, Hatfield Heath, CM22 7BD.

The registered number of the Company is 03916791.

The principal activity of the Group is the development of oncology therapeutics and companion diagnostics.

The presentation currency of the financial statements is the Pound Sterling (£), rounded to the nearest £1.

The above information has been extracted from the annual report and accounts for the year ended 31 December 2024 and, accordingly, references and page numbers may not be complete. Shareholders should read the report and accounts in full which will shortly be available from the Company's website.

2. ACCOUNTING POLICIES

The Group's financial statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 as they apply to the financial statements of the Group for the year ended 31 December 2024. The principal accounting policies adopted by the Group and by the Company are set out in note 2. The Group financial statements have been prepared under the historical cost convention or fair value where appropriate.

Going concern

As part of their going concern review the Directors have followed the guidelines published by the Financial Reporting Council entitled "Guidance on the Going Concern Basis of Accounting and Reporting on Solvency Risks - Guidance for directors of companies that do not apply the UK Corporate Governance Code".

The Group and Parent Company are subject to a number of risks similar to those of other development stage pharmaceutical companies. These risks include, amongst others, generation of revenues in due course from the development portfolio and risks associated with research, development, testing and obtaining related regulatory approvals of its pipeline products. Ultimately, the attainment of profitable operations is dependent on future uncertain events which include obtaining adequate financing to fulfil the Group's commercial and development activities and generating a level of revenue adequate to support the Group's cost structure.

The current economic environment is challenging, and the Group has reported an operating loss for the year. These losses are expected to continue in the current accounting year to 31 December 2025.The Directors have prepared detailed financial forecasts and cashflows looking beyond 12 months from the date of the approval of these financial statements. In developing these forecasts, the Directors have made assumptions based upon their view of the current and future economic conditions that are expected to prevail over the forecast period. The Directors estimate that the cash of £1,555,986 held by the Group as at 31 December 2024 will be sufficient to support the current level of activities for at least the next 12 months from the date of approval of these financial statements. The Directors are continuing to explore sources of finance available to the Group and based upon initial discussions with a number of existing and potential investors they have a reasonable expectation that they will be able to secure sufficient cash inflows for the Group to continue its activities beyond the 12 months from the date of approval of these financial statements.

The Company carries out regular fund-raising exercises in order that it can provide the necessary working capital for the Group. Further funds may be required to finance the Group's work programme. The Board expects to continue to raise additional funding as and when required to cover the Group's development, primarily from the issue of further shares.

In the event that additional financing is not secured when it is required, the Group would need to consider:

- reducing and/or deferring discretionary spending on one or more research and development programmes; and/or
- restructuring operations to change its overhead structure.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all its subsidiaries ("the Group"). Subsidiaries include all entities over which the Group has the power to govern financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control commences until the date that control ceases. Intra-group balances and any unrealised gains and losses on income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

On 3 October 2006, ValiRx Bioinnovation Limited ("Bioinnovation") acquired 60.28% of the issued share capital of ValiPharma Limited ("ValiPharma") in exchange for shares in Bioinnovation. Concurrently, the Company, ("ValiRx"), acquired the entire issued share capital of Bioinnovation in a share for share transaction. As a result of these transactions, the former shareholders of ValiPharma became the majority shareholders in ValiRx. Accordingly, the substance of the transaction was that ValiPharma acquired ValiRx in a reverse acquisition. Under IFRS 3 "Business Combinations", the acquisition of ValiPharma has been accounted for as a reverse acquisition.

In May 2008 the Company acquired the remaining 39.72% of the issued share capital of ValiPharma, which is now wholly owned by the Group. This acquisition was accounted for using the acquisition method of accounting.

In November 2013 ValiSeek Limited was formed to enable the company to enter into a joint venture agreement. The company has a 55.5% holding in the issued share capital of ValiSeek.

In October 2023 the Company acquired 60% of the issued share capital of Cytolytix Limited.

LOSS PER SHARE

The loss and number of shares used in the calculation of loss per ordinary share are set out below:

	2024	2023

	£	£
Loss for the financial period	**(2,002,759)**	(2,127,785)
Non-controlling interest	**87,066**	90,084
Loss attributable to owners of Parent Company	**(1,915,693)**	(2,037,701)
Basic:		
Weighted average number of shares	**131,774,347**	101,570,021
Loss per share	**(1.45p)**	(2.01p)

The loss and the weighted average number of shares used for calculating the diluted loss per share are identical to those for the basic loss per share. The outstanding share options and share warrants would have the effect of reducing the loss per share and would therefore not be dilutive under IAS 33 'Earnings per Share'.

4. REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VALIRX PLC

Opinion

We have audited the financial statements of ValiRx Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statements of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards, in conformity with the requirements of the Companies Act 2006.

In our opinion:

- select suitable accounting policies and then apply them consistently;
- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group's financial statements have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the value of goodwill in the Consolidated Statement of Financial Position and the value of investments in the Company Statement of Financial Position. The value of investments represents the historic cost of acquisition of investments less provisions for impairment. The value of goodwill arises on consolidation and represents the excess between the value of the underlying subsidiary on acquisition and the cost of investment, less provisions for impairment.

Management's assessment of impairment includes a review of the net present value of future potential cashflows of the underlying assets. The basis of these valuations include a number of variables within the calculations that are subjective and based on professional judgements of expectations and estimates. This also includes the expected potential around the success of the future development and commercialisation of the Group's products, VAL 201 and VAL 401.

While we have assessed management's judgements and application of estimates in their calculations and consider these to be reasonable, as set out in the key audit risks below, there are several factors that could result in a material change in the valuation of the underlying investments which could result in an impairment of the investments and associated goodwill.

Our opinion is not modified in respect of this matter.

Material uncertainty relating to going concern

We draw your attention to the policy on Going Concern within note 2 to the financial statements, which indicates that the accounts have been prepared on the going concern basis. The Board has referred to the fact that the Group and Parent Company are reliant on future fund raisings to continue their activities as budgeted. Should future fund raisings be unsuccessful, this may cast significant doubt on the Group and parent Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

The full auditor report can be found in the Company's annual accounts for the year ended 31 December 2024

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