hVIVO

Delivering today's healthcare

by empowering tomorrow's innovation

Annual Report & Accounts 2024

HVIVO PLC ANNUAL REPORT 2024

Company Overview

hVIVO

Venn Life Sciences

hLAB

CRS EXPERTS. EARLY PHASE.

Cryostore

13+
Challenge Study Models

100+
Years of Combined Service

1,900+
Number of Studies Completed

10,000+
Trial Participants

Mission

Delivering today's healthcare by empowering tomorrow's innovation

Vision

To transform global healthcare by revolutionising the drug development process through scientific ingenuity

Values

- ✓ Innovation and Agility
- ✓ Growth
- ✓ Integrity and Welfare
- ✓ One Team

Contents

Financial Highlights

A record year for the hVIVO Group

Revenue

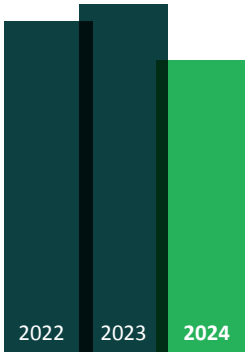
£62.7m

2023: £56.0m
2022: £48.5m

Orderbook

£67m

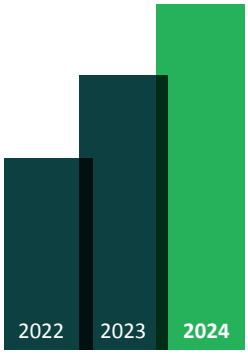
2023: £80m
2022: £76m



EBITDA*

£16.4m

2023: £13.0m
2022: £9.1m



EBITDA Margin

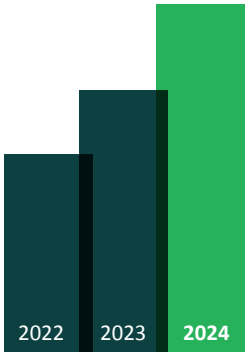
26.2%

2023: 23.3%
2022: 18.7%

EPS**

1.69p

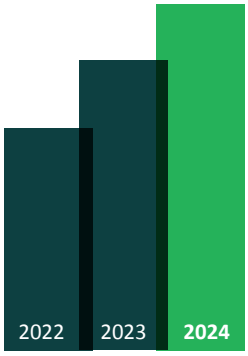
2023: 1.27p
2022: 0.96p



Cash

£44.2m

2023: £37.0m
2022: £28.4m



* EBITDA before exceptional items

** Basic adjusted earnings per share

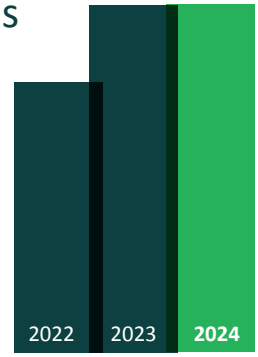
Operational Highlights

Building a long-term sustainable growth model

Challenge Trials in Quarantine

9

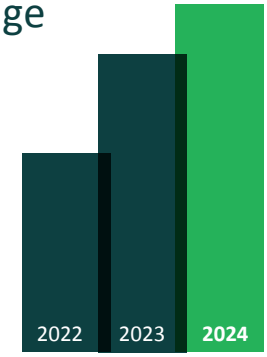
2023: 9
2022: 7



Active Challenge Agents

7

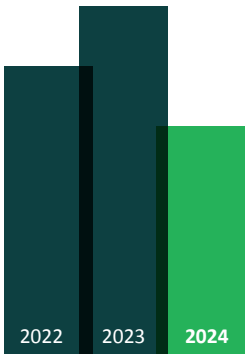
2023: 6
2022: 4



FluCamp leads

+ 95k

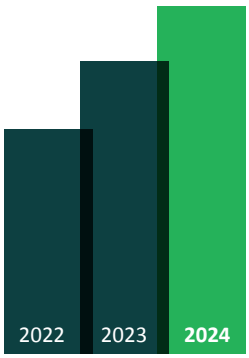
2023: + 145k
2022: + 120k



Lab Assays and Samples

+ 100,000*

2023: + 112k
2022: + 86k



2024 Operational Highlights

- New 50-bed CL-3 quarantine unit
- New state-of-the-art laboratory
- Expanded outpatient unit in Canary Wharf and Plumbers Row
- Launch of three new services
- Record inoculations across 7 virus strains, 9 trials
- Expedited delivery of projects with 3 active quarantine sites in H1 24
- Delivery of largest field study to date
- World's first Flu B human challenge trial successfully completed
- Investment in "off-the-shelf" models: H1N1, H3N2, RSV A, RSV B
- Automation improvements
- MSA signed with mid-sized pharma client for HCT services
- Venn expanded its multi-year consultancy agreement with a major global pharmaceutical client

* downtime due to move to Canary Wharf

Investment Case

Investment Case

World-Leading Capabilities

- hVIVO is the world leader in using human challenge clinical trials to test infectious and respiratory disease vaccines and treatments.
- The Company's history dates back to 1945 to the Salisbury Common Cold unit, which explored the causes of respiratory disease.
- hVIVO conducts its trials in its state-of-the-art quarantine facility in London, which is the largest of its kind worldwide.
- hVIVO boasts an industry leading participant recruitment database, FluCamp, which has over 400,000 volunteers.

Robust Financials

- hVIVO delivered another year of record financials, with revenue up 11.9% to £62.7 million and EBITDA margins at record levels at c.26% in 2024.
- The Company is debt free, pays a regular dividend, and boasts a highly cash generative business model, with £44.2 million in cash as at 31 December 2024.

Clear Growth Strategy

- hVIVO has a clear growth strategy to 'Optimise, Scale and Diversify' its business to deliver long-term growth.
- Strong organic growth complemented by small bolt-on acquisitions in hVIVO's areas of core competence.
- The Company completed the acquisition of two Clinical Research Units from CRS, and temperature-controlled storage solutions provider Cryostore in Q125.
- The Board has a target to grow Group revenue to £100 million by 2028.

Positive Market Dynamics

- hVIVO inoculated a record number of volunteers in 2024, continuing a trend of consistent growth, a clear sign of the growing adoption of human challenge trials by the global biopharma industry.
- The Company has a robust orderbook of £67 million which provides good visibility into 2025 and 2026.
- Demand for hVIVO's services continues to be high with the Company boasting its strongest ever sales pipeline.

High Barriers to Entry

- hVIVO optimises its human challenge models after every trial, ensuring each is robust and can deliver clear insights into the efficacy of new vaccines and antivirals.
- The Company has world-leading expertise and experience in delivering highly specialised trials over decades.
- hVIVO has built extensive infrastructure to deliver its trials, including a state-of-the- art quarantine clinic in a high-density population.

Trusted Partner

- hVIVO is a full-service early-stage specialist CRO that delivers its services to seven of the top 10 largest biopharma companies in the world.
- The company has a growing list of biotechnology clients that value the quick cost-efficient efficacy data that human challenge trials provide.
- Human challenge trials are increasingly accepted by international regulators, with successful trials often leading to FDA Fast Track or Breakthrough Therapy designations.

Our History

1946 — UK Common Cold Unit opened

1989 — Common Cold Unit closes and Retroscreen Virology is founded by Professor John Oxford

2001 — Retroscreen's first human challenge trial

2008 — FluCamp (dedicated volunteer recruitment department) is founded

2011 — Bespoke Human Challenge Unit opened

2012 — Retroscreen lists on the London Stock Exchange

2015 — Retroscreen Virology rebrands to hVIVO

2019 — Open Orphan acquires hVIVO and Venn Life Sciences

2020 — hVIVO partners with the UK Government and academic sites to conduct COVID-19 challenge trial

2021 — hVIVO spins out Infectious Disease Product Portfolio

2022 — New 19-bedroom quarantine clinic in London and volunteer screening site in Manchester opened

2022 — New volunteer screening site opened in London, including outpatient unit and on-site lab

2022 — Open Orphan rebranded to hVIVO

2023 — Construction initiated on the world's largest commercial HCT unit in Canary Wharf

2024 — State-of-the-art facility opened with 50-beds, outpatient unit, labs and corporate offices

2025 — Acquisition of CRS Mannheim and Kiel expanding hVIVO's European footprint and service offering

2025 — Acquisition of Cryostore™ in London expanding hVIVO's biobank services and adding GxP storage

Delivering on Our Strategy

Optimise

- Purpose built facility
- Individually zoned rooms
- Two-way call-bell system
- Pneumatic chute delivery
- LIMS system
- eSource system
- Volunteer management system
- ISO 14001
- Improved participant experience

Scale

- 50-bed quarantine unit
- 32-bed outpatient units in London
- 120-bed units in Germany
- 3x larger laboratories
- 99% increase in hLAB proposal
- 32 freezer storage for biosamples
- Expanded client base
- MSA with mid-sized pharma

Diversify

- Expanded challenge model portfolio
- CL-3 capability
- Bacterial challenge
- Transmission studies
- Expanded therapeutic expertise
- hLAB standalone services
- Field study services
- Phase I (SAD/MA, POC, BE/BA, QTc, DDI)
- International reach

Read more about our Business Model and Strategy on Page 30

Launch of the World's Largest Human Challenge Trial Facility

Located in the heart of Canary Wharf's growing life science hub

- State-of-the-Art Quarantine Facility
- Outpatient Unit
- Bacterial Challenge Trials
- Expanded Laboratory Capabilities
- Biosafety Level 3 Pathogens
- Transmission Studies

>90% Client Funded	**Reduced** Aggregate Rent per m^2	**Increased** Revenue Cap
16% More Space >30% Usable Space	**10-Year Lease** 5-Year Break, Rent Cap in Place	**Operation Efficiencies** Driving Margin

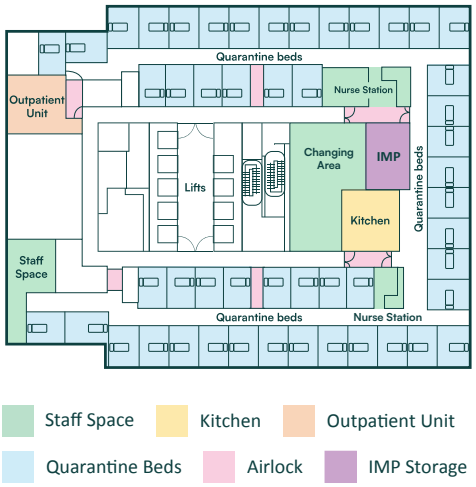
State-of-the-Art Quarantine Facility

- 50 quarantine bedrooms over 1 floor, improving resource utilisation
- Two-way call bell system - easy communication between staff and volunteers driving efficiencies
- Pneumatic chute system - samples transported to the lab in ~30 seconds
- On-site kitchen, high grade hospital furniture, PS5 and 43" Smart TV, air conditioning unit

>1,000 Monitoring Points

100 HEPA Filters

4 Separate Power Supplies



FluCamp Volunteer Testimony

> *The thing that I liked about this FluCamp trial was that there were lots of improvements since my last trial. E.g. There was more variety on the menu and also I had a kettle and snacks in my room this time. The night light was good too.*

Expanded Laboratory Capabilities

- Processing and virology labs, cell culture lab, molecular lab, flexible lab
- Capacity for bacterial laboratory
- Facilitated launch of hLAB standalone service
- Expansion of assay portfolio
- Autoclave room
- Dedicated storeroom

3X usable lab space

CL-3 (BSL-3) laboratory

Automated sample dispatch

hVIVO Group Companies Overview

Full-service early-phase contract research organisation (CRO)

With the recent acquisition of CRS Clinical Research Services (CRS), the expansion of hVIVO's own capabilities following the move to Canary Wharf, facilitating the establishment of dedicated Phase II/III clinical trial sites, quarantine facility and BSL-2 and BSL-3 laboratory plus the previous acquisition of Venn Life Sciences (Venn), the hVIVO Group is now a full-service early-phase CRO.

Across the hVIVO Group, in the UK and Germany, there are 5 clinical research and screening units, including a specialised quarantine unit, totalling more than 300 beds. Additional services include our recruitment arm, FluCamp, with a large database of active participants and hLAB, our standalone specialised virology and immunology laboratory services. Combined with our data management, biostatistics, pharmacokinetic (PD)/pharmacodynamic(PD) and statistical analysis, medical writing, and project management services, this consolidated offering allows our clients to work with one company rather than several.

Expanding our European footprint, expertise, and recruitment potential

The addition of CRS to the hVIVO Group offers many opportunities for growth. Germany is a strong and growing market with >1,200 pharma and biotech companies. The recent reduction of approval timelines for clinical trials in Germany (from 45 to 26 days) is an additional incentive for sponsors wanting to complete trials within Europe, taking advantage of time and cost savings. The addition of CRS has expanded our therapeutic area expertise, diversified our client base, and increased our recruitment potential.

Services covering all stages of drug development

Besides having a vast experience in running early phase clinical trials, our expertise spanning the hVIVO Group encompasses the entire drug development life cycle from discovery/lead optimisation through drug development and lifecycle management. Our combined experience and synergies in chemistry, manufacturing, and control (CMC), non-clinical development, clinical development, and regulatory affairs will allow us to deliver on client needs in a cost-effective way.

✓ Consultancy

We offer a unique combination of consultancy and clinical trial design and execution services. We offer expertise across a wide variety of therapeutic areas and across all stages and aspects of drug development (including CMC, non-clinical development, and clinical development).

✓ Clinical Trials

We have a unique understanding of running clinical trials, providing expert input on protocol and study design across a wide range of therapeutic areas.

- At hVIVO we are the world leaders in conducting human challenge trials, with a unique portfolio of established human challenge models to test a broad range of respiratory and infectious disease products.
- CRS is one of the top 5 CROs in Europe. With more than 45 years of experience, specialising in early phase clinical trials including first-in-human single ascending dose/multiple ascending dose, drug-drug interaction, pharmacokinetic, and proof-of-concept Phase II trials.
- Core expertise by indication: respiratory and infectious disease (hVIVO), renal and hepatic impairment, metabolic disorders, and cardiovascular disease (CRS).

✓ Clinical Trial Sites

- Inpatient and outpatient facilities allow us to run a wide variety of study types:
  - » Human viral and bacterial challenge trials (quarantine units, inpatient facilities)
  - » Phase I and II clinical trials (quarantine and clinical research units, inpatient facilities)
  - » Phase II/III studies (outpatient facilities)

✓ Clinical Trial Operations

- Recruitment – with FluCamp and CRS we have an active database of more than 400,000 potential trial participants providing access to a diverse pool of individuals, of those in the database approximately 50% of those have been diagnosed with health conditions spanning a wide range of therapeutic areas including immunology, neurology, cardiology, and airway disease. We can help sponsors identify and connect with their ideal target cohort by using a tailored approach leveraging advanced technology and data-driven strategies.
- Trial management – our extensive trial and project management expertise allows us to provide sponsors with the support needed to ensure trials are performed correctly and in a timely manner.
- Regulatory affairs – by implementation of well-thought-out regulatory strategies, and by expertly managing submissions and the approval process, we help sponsors obtain approval for conducting trials efficiently and in a timely fashion.
- Data management – we can collect, keep, and use all data in a secure and efficient manner with the help of our experts in the field who have a vast experience within the industry.
- Study design and methodology – our study design and methodology services are available to optimise the design of trials. Our scientific team help design studies to ensure the practicalities are taken into consideration and limit loss due to potential issues in the implementation phase
- Statistical analysis – Our expert statisticians ensure robust clinical trial design and provide the tables, figures, and listings required for trial results reporting.
- PK/PD: At Venn we have more than 25 years of experience in supporting pharma companies of all sizes with non-compartmental PK and PD analyses, as well as modelling and simulation.
- Medical writing – our team develops a broad range of regulatory documents including scientific advice briefing packages, submission documents, clinical study protocols and reports, informed consent forms, and investigator's brochures.
- Quality Assurance (QA) – our team provide tailored solutions to meet our sponsors' QA needs. Our services ensure regulatory compliance and excellence in our processes. Our key services are:
  - » Qualification audits,
  - » GCP/GLP training,
  - » Support with implementation of quality management systems and system validations, and
  - » Ad-hoc QA consultancy, such as process gap analyses.

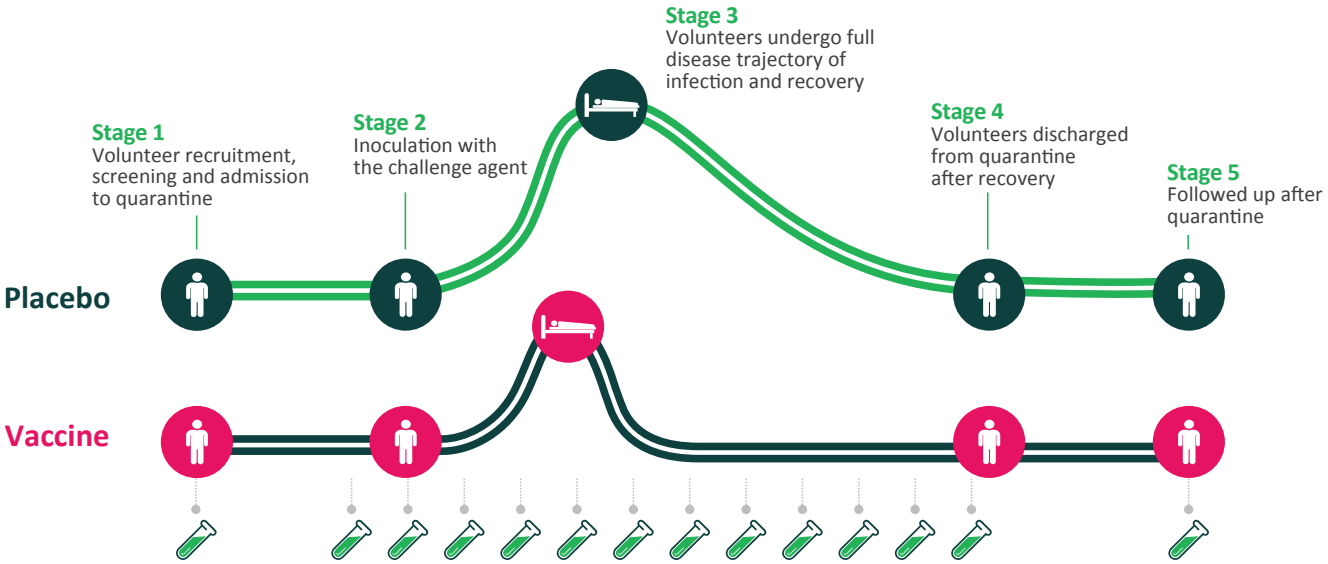
✓ Laboratory Services

- hLAB – our specialist virology and immunology laboratory offers a suite of services to support pre-clinical and clinical respiratory drug and vaccine discovery and development. Our research biobank serves as an essential resource for scientists and innovators and plays a crucial role in driving medical advancements through collaboration in key clinical areas.
- With the addition of Cryostore we have expanded the biobank offerings, supporting the storage and processing of more than 500,000 biobank samples and more than 85,000 samples annually. The acquisition of Cryostore also presents significant cross-selling opportunities and has further expanded the hVIVO client base.
- At Venn we offer biosample operations support to help our clients with the global coordination and logistics of human biosampling and biomarker analysis project management to help our clients set up and monitor biomarker analysis within clinical trials.

The World Leader In Human Challenge Trials (HCTs)

What is an HCT?

"A clinical trial where healthy volunteers are exposed to a pathogen to test the effectiveness of vaccines and treatments."



Benefits of Human Challenge Trials

Scientific

- Generates invaluable dosing, safety and efficacy data
- Helps optimise for larger field trials
- De-risks Phase III programmes

Clinical Development

- Requires fewer subjects
- Significant time savings
- No seasonal dependance

Financial

- Significant valuation uplift for Biotech sponsor
- Quick, cost-effective data in a tight funding environment
- Allows products to "Succeed fast" or "Fail fast"

Regulatory

- Potential for Fast Track or Breakthrough Therapy designation - accelerating time to market
- Potential approval and Emergency Use Authorisation

The Only Full Service HCT provider




Swab collection from community acquired disease

Isolate virus and produce GMP grade virus batch

Conduct characterisation study to determine virus dose

Model developed: conduct human challenge trial

1. **Broader scope of work resulting in increased revenue (manufacture, characterisation, challenge)**
2. **Bespoke end-to-end challenge service enable hVIVO to match to our clients' specific target strain**
3. **Subsequent use of newly developed models across new and existing clients**

Key HCT Growth Drivers



- **Larger study sizes**
- **Broader portfolio of models**
- **Bivalent / multivalent**
- **Mucosal**
- **RSV antivirals**
- **hMPV**
- **CL-3 capability**
- **Bacterial laboratory**
- **Transmission studies**
- **Market awareness**
- **Broader client base - cross selling opportunities**

CASE STUDY

Influenza Case Study

hVIVO were contracted by a US-based clinical-stage biopharmaceutical company to conduct an influenza Phase IIa challenge study with their investigational product. Their lead candidate was a first-in-class, broadly neutralising anti-influenza A and B therapeutic comprised of fully human polyclonal antibodies designed to prevent and treat human influenza infections.

The Company's target indication is for:

- Treatment of influenza infected high-risk adults prior to the development of severe disease
- Pre- and post-exposure prophylaxis of high-risk patients and critical services personnel.

In support of this objective, the company has several administration routes in development, with intravenous being tested first in this Proof-of-Concept study (POC) followed by other delivery routes such as inhaled, subcutaneous, and intramuscular.

The Challenge

Delivery Challenges and Solutions	Drug Development Challenges and Solutions
Volunteer recruitment	Demonstrating POC in human disease
Clinical delivery	Demonstrating broad spectrum antiviral effect and relevance of challenge model (H1N1)
Efficacy evaluations (endpoint design and tailoring)	Providing data set to seek further funding to progress into field studies
Assay, PK/PD – validated core assays, immunology assays, bespoke assay development and validations	De-risked progress to expensive field studies

The Solution

CASE STUDY

Influenza Case Study *contd.*

As the investigational product was intended to be a universal product, it was not specifically targeted to the challenge strain used in the study. To provide the sponsor with additional confidence prior to the challenge study, hVIVO conducted ***in vitro* drug activity testing (EC-50)** to test the effectiveness of the test product against the challenge strain.

For this study, hLAB, hVIVO's specialist on-site virology laboratory **delivered 5 different sets of assay data** all generated in-house, the most for any clinical study conducted by hVIVO to date. Four of these were from assays developed from scratch by hLAB.

60 healthy volunteers aged between 18 and 45 years participated in the study that was conducted at hVIVO's quarantine facility in London. Recruiting healthy volunteers for studies during the COVID-19 pandemic was challenging and required a negative test on admission. Importantly, susceptibility to the influenza challenge virus had to be confirmed and this accounted for a further 75% of participants not being eligible. Participants were admitted into **quarantine** 2 days prior to influenza challenge and, after 20-24 hours, were randomised to receive the active investigational product or placebo **by** a single intravenous infusion. Participants were quarantined for up to 11 days and returned for one follow-up visit. approximately one month after challenge. Recruitment was successfully achieved through **the** use of FluCamp's generic screening process.

The key advantage of FluCamp is its ability to conduct a thorough **generic screening process** even prior to the Regulatory and Ethics Committee approval of the protocol. For this study, by the time the relevant approvals were received, FluCamp had already identified potential volunteers for protocol-specific eligibility assessment, even with the challenging recruitment conditions arising from the global COVID-19 pandemic.

234 study specific volunteers screened

5 assays developed

7,695 samples processed

The Results

hVIVO successfully enrolled all participants and completed the study reporting to planned timelines.

The test product was safe, well tolerated, and **effective in reducing nasopharyngeal viral load** after challenge with influenza in healthy adults.

The product **successfully progressed to a phase II field trial.**

The sponsor also used the results of the Human Challenge Trial to obtain Fast Track designation for influenza treatment and Breakthrough Therapy designation for influenza pre-exposure prophylaxis from the Food and Drug Administration (FDA) in the United States.

hLAB

hLAB is a highly specialised virology and immunology laboratory offering a suite of services to support pre-clinical and clinical respiratory drug and vaccine discovery and development.

Molecular Services

hLAB combines proven expertise with an advanced automated molecular suite to deliver accurate, high-quality data through streamlined processes and standardised reporting. Designed to prevent environmental contamination, our molecular laboratories segregate amplicons from samples and reagents, ensuring data integrity while maintaining high-throughput efficiency to support research and clinical advancements.

Immunology Services

Our immunology services deliver precise analysis of clinical trial samples, quantifying immune responses to support drug development. Processing 85,000 samples per year, we provide critical pharmacodynamic data to reduce risk and enhance clinical outcomes. Trusted by top pharmaceutical companies, our expert team ensures high-quality, rapid results to drive innovation in new therapies.

Virology Services

Our BSL-2 and BSL-3 labs support assays across a range of viruses, offering traditional infectivity assays for precise detection and quantification. Whether measuring virus titres, assessing drug potency, or analysing replication, our adaptable protocols and automation-ready options ensure high-quality, reliable data to streamline research.

Field Trial Logistics

With a proven track record in field trials, we provide comprehensive support, including Clinical Trial Kits (CTKs), sample processing, and laboratory analysis. Our tailored solutions accommodate both adult and paediatric participants, ensuring precise sampling at every timepoint. Working directly with clinical sites and central labs, we offer expert logistics and end-to-end support, from planning to analysis, helping drive the success of pre-clinical and clinical research (Phase I–III).

85,000 +
Samples processed per year

300,000 +
Aliquots per year

Fully operational
Biosafety Level 3 (CAT 3)

Quality Standards
GCLP, CAP Accredited and external QA, HTA, FLUCOP

hLAB

Advancing Healthcare Through Our Research Biobank

Our research biobank plays a crucial role in driving medical advancements through collaboration in key clinical areas. With a strong focus on vaccine development, immunology, virology, and respiratory disease research, it serves as an essential resource for scientists and innovators.

Regulated by the UK's Human Tissue Authority (HTA), we uphold the highest ethical standards, ensuring strict compliance with informed consent protocols to protect patient rights and privacy.

Our Biobank

- Ethically approved
- Fully consented
- Healthy controls
- Viral positive samples
- Titre date
- Full comprehensive donor history

Our extensive collection of human biosamples provides researchers with invaluable data to accelerate innovation and discovery.

By fostering collaboration and delivering high-quality clinical resources, we are shaping the future of healthcare and enhancing patient outcomes worldwide.

500,000 +
Biobank Samples

Cryostore

part of hVIVO

Enhancing Growth and Synergies Through Acquisition

The acquisition of Cryostore™ presents significant cross-selling opportunities, expanding hVIVO's client base while further diversifying the Group's revenue streams. Beyond organic growth opportunities, owning Cryostore™ allows the Company to streamline costs and retain greater margins within the Group. Cryostore™ services will also enhance hVIVO's expanding hLAB and biobank offerings, supporting the storage and processing of over 500,000 biobank samples and more than 85,000 samples annually.

Located in Greenwich, London, the facility houses 32 freezers across approximately 2,800 square feet, with scope for future expansion. Cryostore™ operates to the highest industry standards, and is GMP/GDP/GCP compliant, ensuring the integrity and security of biological samples and pharmaceutical agents. The facility is Human Tissue Authority licensed, holds a home office-controlled drugs licence, is approved for GMO storage, and capable of securely storing materials of up to Biohazard Category 3.

CASE STUDY

How we Supported a Global RSV Clinical Development Programme

Background

An EU-based biotechnology company launched a Global Respiratory Syncytial Virus (RSV) Programme to develop and validate new approaches for managing RSV infections. The company planned to assess the viral load in nasal swabs using advanced diagnostic techniques. To achieve this, they initiated five multi-centre field trials across 82 sites, involving 244 patients over 53 months.

Objective

The primary goal was to determine the viral load taken from nasal swabs using plaque assay and qPCR in five IMP studies. In addition, for the non-IMP studies, the focus was on evaluating the efficacy of RSV Stabilisation Transport Medium for the long-term stabilisation of RSV Viral RNA, as well as the batch generation, characterisation, and stability testing of an RSV B strain (Strain 18537).

Our Solution

hLAB's specialised virology laboratory played a critical role in supporting the programme by providing extensive virology and analytical expertise.

1. Provision of Kits and Swabs

We supplied 1,460 kits for the trials, ensuring that each site had the necessary materials for sample collection and processing.

2. Sample Processing and Analysis

The laboratory processed 1,830 swabs, performing 1,786 plaque assays and 1,784 PCR assays. These analyses were crucial in accurately determining the viral load and assessing the effectiveness of the RSV Stabilisation Transport Medium.

3. Advanced Viral Panel Testing

Our hLAB team utilised the BioFire Respiratory Virus Panel, conducting 170 tests that further characterised the RSV strains present in the samples. This advanced panel provided comprehensive data on viral presence and load, enhancing the robustness of the study findings.

4. Stability and Efficacy Evaluations

The laboratory supported the evaluation of the long-term stabilisation efficacy of RSV viral RNA, which was critical for ensuring reliable results across the extended duration of the trials. Additionally, batch generation, characterisation, and stability testing of the RSV B strain 18537 stock were performed, ensuring consistency and reliability of the viral materials used in the study.

IMPACT

Our specialised virology laboratory enabled the biotech company to conduct rigorous and reliable assessments of RSV viral loads across multiple sites and trials. hLAB's high throughput and precise diagnostic capabilities were instrumental in developing and validating the effectiveness of the RSV Stabilisation Transport Medium and contributed significantly to the overall success of the clinical development programme.

This partnership highlights the importance of specialised laboratory support in complex, multi-centre clinical trials, particularly in the field of virology, where precise and reliable data are crucial for the development of effective therapeutic and diagnostic solutions.

hVIVO Clinical Trial Site Services

Phase II-III Clinical Trials

The opening of the Canary Wharf facility and the expansion of Plumbers Row outpatient unit supports future Phase II and Phase III studies, leveraging hVIVO's in-house participant recruitment platform

In 2024, as part of the move to hVIVO's new state-of-the-art facility, the Company built a 10-bed outpatient unit in Canary Wharf and also initiated plans to convert its former corporate office at Plumbers Row (Whitechapel, London), into an expanded outpatient unit, increasing the existing outpatient capacity. The Plumber's Row facility spans two floors, offering 22 outpatient beds to support Phase II and III field studies as well as supporting HCT participant recruitment.

Our expanded outpatient capacity allows us to rapidly screen prospective trial participants and support Phase II and Phase III field trials in primary care indication, aligning with our strategic focus on providing an end-to-end service for our clients.

Read a recent case study on page 21

The CRS acquisition has further strengthened our field study offering

2	5	200
Countries	Sites	Total beds

400k	4
Trial participant database	New disease area expertise

Learn more about CRS on page 22

hVIVO's UK Field Trial Capabilities

- **Laboratories**
- **IMP Room**
- **34 Outpatient Beds** London and Manchester
- **Outpatient Area**
- **Participant Consulting Room**

- ✓ Commercial sites focused on vaccine studies and primary care indications
- ✓ FluCamp dedicated participant recruitment team
- ✓ Experienced scientific and clinical teams
- ✓ 370,000+ participant database of which:
  - 80,000+ participants with asthma
  - 26,000+ participants with atopic conditions
- ✓ Unparalleled experience in vaccine trials
- ✓ hLAB specialised on-site virology and immunology lab

FluCamp
Clinical Trials Recruitment

Participant Recruitment

Clinical Trial Recruitment in Numbers

2,000 +
datapoints per participant

370,000 +
participants in our database

1,000 +
screening capacity per week

Our Database

Our comprehensive database features over **370,000 participants**, providing access to a diverse and highly qualified pool of individuals.

50% of these participants have been diagnosed with health conditions spanning a wide range of therapeutic areas including:

- Immunology
- Neurology
- Inflammatory diseases
- Cardiology
- Endocrinology
- Respiratory conditions
- Oncology
- Psychiatry
- Asthma

Finding the right participants is vital for the success of clinical trials. In 2024 we launched a **custom-built recruitment platform** designed to streamline and optimise the participant recruitment for our clients.

By leveraging our advanced technology solution and data driven strategies, we can identify and connect clients with their **ideal target population for their studies** — ensuring accurate, efficient, and effective participant matching. Whether conducting medical research, clinical trials, or other healthcare studies, our tailored approach allows for our clients to focus on results while we manage the complexities of participant recruitment.

Tiered Recruitment Offering

ESSENTIAL
FluCamp Search and Select

Outreach, consent and transfer for further follow up

ADVANCE
FluCamp Enrolment

Full telescreen on inclusion and exclusion, study timelines, etc.

PREMIER
FluCamp End-to-End Support

Marketing and contact centre support

CASE STUDY

Recruiting for clinical trials for over 25 years. Providing the right participants — on time, every time.

Case Study: Field Study Recruitment – FluCamp rapidly doses 817 UK-based volunteers in 6 weeks for influenza prevention study through FluCamp database outreach and in-house marketing

Tailored Recruitment Approach

1. Targeted Engagement
Participants prioritised based on location and medical suitability from pre-existing database. As the only international site outside the U.S. selected to deliver 25% of the total recruitment, we leveraged a highly targeted approach to maximise efficiency.

2. Optimised Outreach
Contact via calls, emails, and SMS, with tailored follow-ups through our dedicated booking team.

3. Flexible Scheduling
Introduced weekend clinics and extended appointment slots and opening hours.

4. Self-Booking System
Enabled pre-screened participants to book their own slots, improving efficiency.

Multi-faceted Recruitment Strategy

30,000 participants engaged via calls, emails and SMS, achieved while leveraging less than **10%** of our overall database.

10,000+ participants expressed interest given short timeframe.

5,382 total bookings.

1,170 participants screened.

817 dosed in only 6 weeks.

Overcoming Key Challenges and the Results

> *I'm in awe of your dedication, efficiency, and attention to detail. You've not only set a new record but have done so while maintaining the highest standards of data quality. That's no small feat, and it speaks volumes about the calibre of your team.*
>
> *Your hard work has given our study a tremendous boost, and I can't thank you enough for your commitment. You should all be incredibly proud of what you've accomplished.*

Solution

Matching the right participants to the sponsor's requirement within a tight timeframe.

- Through leveraging our tailor-made, advanced CRM with real-time data allowing the recruitment team to find the right participants with speed and agility through our 370,000+ database.
- Recruitment teams confirmed participants' interest in the trial prior to booking by phone.

Our Approach

Ensuring attendance and low dropout rates

- Introduced a scheduling calculator so participants could easily check and confirm their availability.
- Covered travel expenses to encourage attendance
- Implemented weekend opening times and later appointments.
- Participants able to select appointment times that worked for them via self-booking.
- Automated appointment reminders and volunteer rescheduling.
- Dedicated booking team for the study.

CRS EXPERTS. EARLY PHASE.

2 Clinics. 1 Trusted Partner. Full-Service.

With over **45 years** of experience, CRS delivers high-quality, patient-centred clinical research across a broad spectrum of therapeutic areas.

Our strong **in-house recruitment** capabilities for both patients and healthy volunteers ensure timely and efficient enrolment, expediting the progress of our clients' clinical trials.

We offer comprehensive clinical research solutions, including project management, drug development consulting, and regulatory consulting to help bring innovative therapies to market.

Expanding hVIVO's Site Services	Expanding hVIVO's Therapeutic Expertise	Expanded European Footprint
Phase I-II	Cardiometabolic	94 Beds Mannheim
SAD/MAD	Dermatology	26 Beds Kiel
Proof of Concept	Renal / Hepatic Impairment	37,000 + Subject Pool
BE/BA, QTc, DDI	Immunology / Inflammation	100+ Specialists and Experts
A full-service offering supported by Venn	**Cross-selling opportunities**	**Multi-site capability**

Strengthening hVIVO's Early Clinical Development Offering

Venn Life Sciences
part of hVIVO

Your drug development partner.
From start to finish.

Venn Life Sciences is an integrated drug development partner offering a unique combination of drug development consultancy, clinical trial design and execution to help bring products to the market quickly and efficiently.

With over 25 years of experience, Venn Life Sciences offers expertise and capabilities in a wide variety of therapeutic areas across all stages, from Discovery to market authorisation. We work with academia, biotech, pharmaceutical and medical device companies to provide services in:

- Chemistry, Manufacturing and Controls (CMC)
- Data Management
- Statistics, Study Design and Methodology
- Non-Clinical Development
- Regulatory Affairs
- Project Management
- Clinical Pharmacology and Development
- Medical Writing
- Clinical Trials Legal Services

2024 Key Highlights

16 New Clients
and expansion of new business from 8 existing clients

Expanded Multi-Year Consultancy
with existing major global pharmaceutical client

Facilities GLP Inspection Passed
with GLP endorsement certificate received from the Dutch Health and Youth Care Inspectorate

Leiden Contracts Signed
on the back of BD efforts at new office

Statistics and Methodology
delivered results for 7 studies and provided consulting support to 7 clients

Presentations at 4 Events
hosted by TOPRA, DARQA, EMWA and Catalent

13%
revenue growth in early clinical services

New Contract Wins
following investment in ATMP and QA services

Clinical Data Management
locked 6 studies, set up 5 new studies, and followed 1,500 patients and subjects

2 Live Events
in Leiden in May and June, hosted by our CMC and QA teams

> *The drug development plan that was created with Venn was a critical success factor for obtaining funding from investors. I am also pleased to see that the plan that was developed 7 years ago remains spot on in the current clinical stage of VarmX.*
>
> **VarmX**

VarmX

> *We truly appreciate the strong and dedicated CMC and CMC-Regulatory Affairs collaboration with Venn Life Sciences. Over the past 7 years, their support has extended beyond these areas to include non-clinical and clinical topics. This excellent collaboration has been instrumental in the successful submission of our dossier to the FDA.*
>
> **Okke Franssen, CEO of Nanomi**

20 years nanomi A LUPIN GROUP COMPANY

Chair Statement

For the year ended 31 December 2024

A long-term sustainable growth model

2024 saw hVIVO deliver another year of record growth across all financial and operational metrics. An increasing number of global biopharma companies continue to express interest in our world-leading services, with additional models in various new indications underlining the value that HCTs can offer to the development of innovative new therapies. To meet this demand, we have strengthened our world class organisation, completing the move to our new facility in Canary Wharf, with 50 containment level 3 (CL-3) quarantine rooms, cutting-edge virology, immunology and CL-3 laboratories, and an outpatient unit. The new facility, which was largely funded by our clients, has enabled the execution of larger, more complex, and a wider range of trials than ever before, and has also opened the door to new revenue streams across the business, underpinning our growth strategy to 'Optimise, Scale and Diversify' the business.

We previously stated our intention to pursue M&A growth opportunities, underpinned by our excellent cash position. I was delighted that post-period end we executed on two acquisitions - two Clinical Research Units from CRS in Germany and London-based biobank service provider Cryostore. These businesses are synergistic with our existing operations and will support our long-term growth strategy, diversifying our revenue streams and providing incremental growth opportunities across the Group.

A diversified full-service specialist CRO

hVIVO continues to cement its position as the world leading human challenge trial (HCT) provider, further expanding its human challenge model portfolio and delivering larger and more complex trials for its diverse and global client base. The move to Canary Wharf has led to rapid growth in new revenue streams, with hLAB revenue up considerably following the launch of its standalone services, and clinical site services delivering its largest contract to date. In combination with the CRS Mannheim and Kiel and Cryostore acquisitions, we believe we have significantly underpinned hVIVO's aim of achieving its target of £100 million Group revenue by 2028. These achievements are a testament to the world-class expertise of our team and the world-leading science that we deliver for our Big Pharma and biotechnology clients.

We have also benefitted from increasing awareness of HCTs with existing and new client demand for the development of new challenge models, especially in indications such as Flu B where disease seasonality is irregular, making the achievement of suitable infection rates in traditional field trials very challenging. It is also very promising to see the LOI signed with ILiAD Biotechnologies for the world's first Phase III HCT for a whooping cough vaccine candidate. ILiAD signed the LOI with us after consultation with the FDA – this is a potentially pivotal development for the Company, and a very exciting sign of regulator acceptance of HCTs as an effective means of demonstrating efficacy and accelerating marketing authorisation. This would also represent our first bacterial human challenge trial, which could open doors to exciting new indications, supported by the capacity for a bacterial lab at Canary Wharf. Coupled with growth in the core business, the team have done an excellent job of growing new revenue streams for hLAB and our clinical site services which we expect to make an increasing contribution to Group revenue going forward.

The integration of the two Clinical Research Units in Mannheim and Kiel as well as Cryostore into the wider Group is ongoing with the initial audit complete. We believe we have secured a fantastic business in CRS at an excellent price, around 0.5x revenue, and together the Group now boasts a full service early clinical development offering, including first-in-human and proof-of-concept studies with a footprint in both the UK and Germany, two important European countries for the biopharma industry. We have identified a large number of cost synergies and cross selling opportunities across hVIVO, Venn and CRS, and returning CRS to profitability is a core objective for the Board and management team. The Board has a track record of successfully integrating loss-making businesses (including Venn and hVIVO) and implementing successful operational improvement programmes to bring businesses to profitability. We certainly expect CRS to be earnings accretive from 2026 as previously guided, supported by an experienced and motivated local management team in Germany.

Annual dividend

As part of the Company's annual dividend policy, we will pay an annual dividend to shareholders reflecting the cash generative qualities of the business and the substantial cash balances on hand. A dividend of c.£1.4 million, being 0.2p per Ordinary Share will be payable on 11 June 2025 to shareholders on the register on 16 May 2025, subject to shareholder approval at the AGM. The corresponding ex-dividend date is 15 May 2025.

Outlook

hVIVO entered 2025 with a healthy weighted contracted orderbook of £67 million, bolstered by a stream of new contract wins in the first quarter, with good visibility over revenue into 2026 and a very strong cash position due to our continued strong cash generation. We also note that a number of pharma service providers have echoed our sentiment in recent months that there are positive signs that activity levels are returning which is evidenced by the momentum of contract wins we have seen within hVIVO in recent weeks. This is also a reflection of the continued demand for HCTs and increasingly positive attitudes from regulators such as the FDA towards HCTs. Additionally, we expect our new service lines of clinical site services and hLAB, enhanced by CRS and Cryostore, to continue their strong growth trajectory and diversify and strengthen our world-leading business. Following the two M&A deals we closed earlier in the year, hVIVO is firmly focussed on the integration of these two new businesses into the Group and delivering continued growth across the Group. We will continue to consider further small bolt-on acquisitions that meet the Company's strategic and financial criteria, but integration is the key focus in the short term.

As a result of the outlook and robust operational performance of the Company, the Board expects to achieve Group revenue of £73 million in 2025, anticipated to be weighted towards the second half, reflecting the scheduling of HCT contracts and the timing of the two acquisitions. As indicated at the time of the acquisition, the integration of CRS into the wider Group is expected to result in EBITDA margins in the mid-high teens in 2025 (excluding any one-off costs) and the Group expects to remain highly cash generative. CRS is expected to be earnings accretive from 2026 and following its successful integration into the Group, is expected to contribute towards a significant improvement in EBITDA margins going forward. Alongside a world-class team, hVIVO now boasts state-of-the-art facilities at Canary Wharf with world-leading capabilities, which underpins our target of growing Group revenue to £100 million by 2028.

Over the past eight years since co-founding the Company, I am incredibly proud of the progress we have made. Leveraging my twenty years of corporate finance and M&A experience, I have overseen the successful acquisition and integration of two loss-making businesses (Venn Life Sciences plc and hVIVO plc), transforming them into a strong, profitable, and cash-generative company. Since acquiring hVIVO and Venn, Group revenue has grown by 181% and Group EBITDA has grown from a loss of £6.7 million to a profit of £16.4 million—a testament to the exceptional team in London and Dublin whose efforts have established hVIVO as the world leader in human challenge trials. A defining moment in my tenure as Chair was initiating discussions and successfully contracting and executing the world's first COVID-19 human challenge trial with the UK Government, which generated significant global interest in both human challenge trials and also giving hVIVO brand recognition in many parts of the world, which was pivotal in the Company's evolution.

Having co-founded Open Orphan (now named hVIVO) in 2017 I have decided that it is the right time for me to step down from the Board, and as such, I will not be seeking re-election at this year's Annual General Meeting. The Nominations Committee has already initiated a process to appoint a new Chair and the Company will announce the results of this process in due course.

With hVIVO having successfully completed two acquisitions in early 2025, and having strategically diversified its services, the Company is well positioned for sustainable growth in the years ahead. Having completed five IPOs on the AIM market in the past decade, I see significant opportunities for growth and value creation in the public markets and I look forward to working across further opportunities on AIM in the years ahead.

Cathal Friel
Chair

9 April 2025

CEO Statement

For the year ended 31 December 2024

A record set of results

2024 has been a transformational year for hVIVO – from record financial performance to the move to the largest state-of-the-art facility of its kind, the Company has laid the foundations for long-term growth. During 2024, the Group inoculated a record number of volunteers across nine challenge trials and seven challenge agents. This was reflected in hVIVO's record revenue of £62.7 million (2023: £56.0 million), an increase of 11.9% versus the prior period. The Company also saw a strong increase in EBITDA to £16.4 million (2023: £13.0 million), an increase of 25.9%, and recorded an EBITDA margin of 26.2% (2023: 23.3%). This was primarily driven by the expedited delivery of multiple projects and the recognition of the £4.3 million client funding towards our new Canary Wharf facility. The funding for the facility was provided by our clients to expedite these projects to meet their timelines, during 2024 we were able to concurrently utilise multiple sites to maximise capacity and conduct trials faster. Excluding the benefit of the client funding towards the new Canary Wharf facility and overlapping facility costs, underlying EBITDA is £13.4 million with an EBITDA margin of 23.0%. Our cash position also grew to £44.2 million, a reflection of the strong operational execution of our contracts and our highly optimised cash generative business model – we remain free of any debt. Despite a record conversion of our orderbook to revenue in 2024, we have a healthy weighted orderbook of £67 million, excluding the potential pivotal Phase III HCT with ILiAD, we have 70% of 2025 revenue guidance already contracted with good visibility into 2026.

These record operational and financial results were achieved in a year when the Company completed the move to the world's largest commercial human challenge trial unit, developed a number of new challenge models, launched three new service lines, and began implementation of several new software systems. This is a testament to the hard work and commitment of our world-leading team. I would like to thank each and every colleague for their dedication and adaptability in evolving circumstances. The team has never lost sight of our mission of delivering today's healthcare by empowering tomorrow's innovation.

The world's largest HCT CL-3 quarantine facility

I am delighted that we achieved our key operational goals for 2024 by delivering on our contracted orderbook while also completing the fit out and the move to our new facility on time and on budget. The facility provides significant advantages with larger quarantine capacity, expanded laboratories including a CL-3 laboratory, outpatient beds, and the ability to expand further if required. This bespoke fit-for-purpose facility ensures the efficient running of multiple challenge trials concurrently, even with different challenge agents. The facility includes a dedicated air handling system, negative air pressure and multiple power redundancies. It allows for improved clinician to participant ratio, a tiered two-way call system increasing efficiency in interactions with participants, faster transfer of laboratory samples, and efficiencies related to resource assignment. In July 2024, we hosted an open day for our clients and a capital markets event to showcase the facility's capabilities, and I have been thrilled with the feedback received from clients and investors alike. Looking to the future, we believe the facility provides a robust foundation to our growth strategy to 'Optimise, Scale and Diversify' the business.

Delivering on our growth strategy: Optimise, Scale and Diversify

Optimising the delivery of challenge trials

The key driver of efficiency gains was the efficient use of overlapping facilities during the first half of 2024 when we benefitted from the availability of three quarantine facilities, resulting in the expedited delivery of several key projects. Since we have settled into our new Canary Wharf facility, we have also seen additional benefits as the space has been optimised to our needs. While our previous quarantine facilities included an adapted former boutique hotel, every detail of our new facility has been designed by our operational team and is specifically fit-for-purpose for the efficient delivery of HCTs. We strongly believe the devil is in the detail, and features such as our pneumatic chute system that delivers samples to our labs in c.30 seconds and our tiered volunteer communications system that allows participants to efficiently communicate their needs will have a meaningful positive impact. This is an important feature as it leads to additional participant recruitment efficiencies, as we are able to test volunteer serosuitability across many different challenge agents, meaning their likelihood of being recruited onto a trial increases.

We have also introduced several new technologies and software upgrades that will either automate or improve our existing operations. These include a laboratory information management system (LIMS) which went live with the first phase of its launch in April 2025. Also launching in 2025 is our new Clinical eSource system which will streamline our data management processes in the trials we deliver, and upgrades to automation and the cloud-based Volunteer Management System at FluCamp, our participant recruitment platform. Coupled with the improved participant experience delivered by our new facility which maximises comfort for those participating in our HCTs (earning a 4.4 out of 5.0 score on TrustPilot), FluCamp has also continued to improve the efficiency with which it recruits participants. Despite recruiting a record number of participants onto our trials in 2024, our advertising spend has seen a significant fall versus 2023. Efficient recruitment remains a key driver for the business, and it is pleasing to see the efficiencies we have made to date.

Scaling our existing and new services

Our new facility expands the number of pathogens that we can work with given the CL-3 designation of the site and increases our quarantine rooms to 50-beds. Demand for our services has been supported by an MSA signed with a mid-sized pharma company, highlighting this client's intention to use HCTs as part of their drug development pathway across their portfolio of infectious disease assets, as well a steady stream of positive client announcements reporting the results of their HCTs with hVIVO. Post-period end, Shionogi, a major Japanese pharmaceutical company, reported positive results from a Phase IIa RSV HCT conducted by the Company. The positive announcements from our clients provide strong validation of our unique capabilities and help to grow global biopharma's awareness of HCTs. The Company has also signed a Memorandum of Understanding (MoU) with the UK Health Security Agency (UKHSA) to collaborate going forward with the aim of sharing preclinical insights, supporting vaccine innovation, working on human challenge trials, pandemic preparedness and promoting greater collaboration. This is a further demonstration of the recognition of HCTs and the benefits they can bring to global health security.

Flu and RSV continued to be hVIVO's leading indications, and even with several RSV vaccines being approved in recent years, there remains considerable demand for our services to help bring an effective RSV antiviral to market, as highlighted by a number of recent RSV contract wins. Effective therapeutics for RSV remain a key focus of the industry, with a market projected to reach US$3.6 billion by 2032[1]. Post-period end we saw contract wins in some areas we previously highlighted as key growth areas including mucosal therapies, hMPV, and bacterial challenge.

Canary Wharf offers three times the usable lab space compared to our previous facility for our newly launched virology and immunology laboratory services under the hLAB banner, where we are targeting a global virology testing market which expected to reach >$14.2 billion by 2029[2]. We have already seen a significant rise in contract wins and work at hLAB. In the past year, standalone hLAB study proposals have doubled and the team were awarded five standalone lab services contracts in 2024 – with the largest standalone project to date in early 2025 for £3.2 million. The growth of the hLAB offering has been bolstered by the acquisition of Cryostore post-period end, with multiple services benefitting from the added capacity that Cryostore can provide. Additionally, given clinical sample storage timelines typically range from two to 15 years, this represents an earnings enhancing, highly stable and recurring revenue stream. As the Group's standalone lab services, field trial offering, and HCT business continues to grow, this ancillary service will further support the future growth of the business whilst adding an additional revenue and profit stream.

As part of the move to Canary Wharf and the launch of our clinical site services, we converted our former corporate office at Plumbers Row to an enlarged outpatient site. Post-period end, our acquisition of two Clinical Research Units from CRS has allowed us to scale our clinical site services offering across multiple sites in the UK and Germany. Given the strong delivery of our largest Phase II field trial contract to date last year, in which we enrolled 817 participants in just over six weeks, we are particularly excited about the potential for further growth in this new service line with our expanded footprint, therapeutic expertise, and client base. With the acquisition of CRS, we expect to realise significant cross-selling opportunities and for this to positively impact the

1 Credence Research, Human Respiratory Syncytial Virus (RSV) Treatment Market By Treatment, Dec 2024

2 Mordor Intelligence, Virology Testing Market- Size & Growth

CEO Statement

Continued

average size of contracts the Group can win given our ability to now cover two key geographies. Specifically, we expect this to be of substantial benefit to Venn and its ability to expand its early drug development consulting services package to a larger pool of non-overlapping clients. As we expand our FluCamp brand and participant recruitment offering across to CRS we expect to see both efficiency gains and further growth in our tiered participant recruitment offering, which successfully delivered its first two standalone contracts in 2024.

A diversified full-service specialist CRO

Across the Group, we have continued to progress towards our strategic long-term goal of becoming a diversified full service CRO, whilst maintaining and strengthening our core specialism in HCTs. Within our HCT business, we have continued to diversify our portfolio of challenge models, with a new model and first HCT completed for Flu B, and a contract signed with a new biopharmaceutical client to complete the final stage of an hMPV characterisation study ahead of potential future hMPV HCTs. We also signed a contract to conduct an Omicron BA.5 characterisation study, a study which would not have been possible to conduct in our previous facilities, and are developing several new challenge models including influenza H1N1 and a new H3N2, and RSV A and RSV B.

Our diversified human challenge model portfolio is a strong indicator of the growing awareness of HCTs and their ability to generate valuable efficacy data in new disease areas, especially within indications where there are considerable yearly variations in global infection rates, making traditional field trials more costly and challenging. This has been further underlined by the post-period end signing of an LOI with ILiAD to perform the world's first Phase III HCT for a whooping cough vaccine candidate – this would also be hVIVO's first bacterial HCT. HCTs can overcome the difficulties associated with conducting traditional Phase III field studies for whooping cough due to unpredictability of the disease outbreaks – after consultation with the FDA, ILiAD decided to conduct a pivotal Phase III HCT. Both hVIVO and ILiAD are working to finalise the definitive agreement as ILiAD actively advances its financing initiatives to support the collaboration.

The development of new service lines and revenue streams continued in 2024, with the launch of three new service lines - hLAB standalone services, FluCamp's tiered recruitment services and our clinical site services offering. Our strategy has been to develop new services within our areas of core competence where we have an established market reputation, existing expertise and capacity to deliver for our clients, and this strategy has been rewarded with immediate contract wins largely using existing Group infrastructure, benefitting our margins. The addition of CRS and Cryostore also broadens our offering to include a number of new services, including:

- Multi-site capabilities acting as a clinical site for inpatient or outpatient trials and Phase I-III trials with 200 beds
- New therapeutic areas of expertise in cardiometabolic, immunology, dermatology, and in renal and hepatic impaired patient population
- International capabilities in trial participant recruitment with a database of over 400,000 active participants
- Phase I-II field trials, Single Ascending Dose/ Multi Ascending Dose trials, Proof of Concept trials and BE/BA, QTc and DDI studies
- Industry standard, temperature-controlled storage solutions for biological and clinical materials

The Board is pleased to have completed two strategic acquisitions as part of its M&A strategy and strongly believes CRS and Cryostore are significantly synergistic with the Group – together, we are a diversified full-service specialist CRO with increased cross-selling and growth opportunities in existing and new service areas.

Realising CRS and Cryostore's potential

After completing the acquisition of CRS and Cryostore, our focus for 2025 is on integrating the businesses into the Group. The integration of Cryostore is expected to realise enhanced cross-selling opportunities across our existing hLAB services, field trial offerings, and HCT business. This will be supported by our strong focus on active business development and marketing.

An investment and restructuring programme has commenced to support the integration of CRS into the business, which, as previously indicated, is expected to cost c.€2.5 million in 2025. Prior to the acquisition, CRS Mannheim and Kiel had already introduced a new business development team and commercial leadership which has seen early success in building a stronger sales

pipeline. We have further strengthened this by integrating our own business development team to support cross-selling opportunities across the Group which now has a larger and broader geographical client base than ever before. We also believe that by deploying hVIVO's existing systems to CRS, such as our Volunteer Recruitment Management system, Clinical eSource and LIMS, we can quickly realise efficiency gains without considerable additional costs. CRS outsources a number of services, such as laboratory, biometry, consulting, and regulatory services, some of which the Group will now be able to provide in-house, benefitting the bottom line. We have identified EUR1.6 million opportunities for Venn in CRS' current pipeline. We also expect to implement our own high-performance culture that has been the backbone to our success to date, which focuses on innovation, business performance, KPI monitoring and rewarding success. To date we have identified £0.8 million in annualised cost savings and as we progress, we expect to identify further cost savings. This process is led by our cross-company integration team which is making strong progress, and we look forward to providing further updates to the market in due course. Overall, we are very confident in our ability to successfully integrate the businesses in 2025, with Cryostore expected to enhance earnings in the current year and CRS Mannheim and Kiel becoming earnings accretive in 2026.

Building on our track record of delivery

The Company's strong performance over the past few years demonstrates solid execution of our long-term growth strategy, which has been supported by the team's superb operational delivery coupled with a growing evidence base of how HCTs can accelerate the pathway to market for new therapies, including pivotal Phase III trials. While significant progress was made across our entire growth strategy, 2024 saw considerable transformation in the business with regards to broadening and diversifying our revenue streams. Our new facility has enhanced our ability to deliver three new service lines in hLAB, clinical site services, and FluCamp tiered recruitment services. These service lines have been enhanced by the addition of CRS and Cryostore which have cemented our position as a diversified full-service CRO.

Looking forward, we are confident that our track record of delivery is a strong indicator of our ability to continue to execute on the Company's growth strategy to 'Optimise, Scale and Diversify' the business. We believe the tide is turning with regards to converting our substantial sales pipeline into signed contracts, and following integration, we believe CRS will be earnings accretive in 2026, with additional growth opportunities and synergies realised across the Group.

We believe that the continued execution of our growth strategy, combined with our excellent cash position, and dividend paying status means that we are well-positioned to create further value for shareholders as investors seek profitable AIM Healthcare companies with strong, long-term fundamentals as the wider market sentiment improves. We remain confident in the outlook for hVIVO and look forward to further progress in 2025.

Finally, I would like to take this opportunity to thank our Chair, Cathal Friel. Cathal identified two loss making companies, Venn and hVIVO, and at personal risk, invested in the combined entity and transformed it into a long-term sustainable business model. He foresaw an opportunity and helped grow the business to where it stands today. It has been a pleasure to work with Cathal over the last three years and I would like to thank him, on behalf of everyone at the hVIVO Group, for his vision and leadership. We all wish him the best for the future.

Dr Yamin 'Mo' Khan
CEO
9 April 2025

Business Model & Strategy

-The Board is committed to pursuing a shared vision of the Group's purpose, strategy, and business model, ensuring alignment with long-term value creation for shareholders.

hVIVO is an early-stage Contract Research Organisation and the world leader in human challenge trials. Our aim is to provide specialist services to clients with the purpose of speeding up the early drug development process and bringing medicines to patients faster. The core business is human challenge trials (HCTs). We have been conducting HCTs, a very specialised clinical trial, for over two decades and are the world leader in this area with over 70 trials completed and more than 5,000 volunteers inoculated. Over the last few years, we have optimised the conduct of these trials to ensure improved quality, increased speed, and greater margins, ensuring that our business model has long-term sustainability.

hVIVO's differentiation lies in its ability to provide specialist, high-value services where technical expertise and regulatory barriers create significant competitive advantages. By integrating our core HCT capabilities with ancillary services, we create a comprehensive, bundled offering that increases client retention and enhances operational efficiencies.

The key to future growth lies in the expansion of our human challenge models and the provision of services adjacent to our core offering, consequently we have embarked on a journey to diversify our revenue streams through organic growth and M&A activity. These are as follows:

1. Expansion of Challenge Models and Core Services

The first phase of our diversification strategy has focused on expanding our portfolio of human challenge models and enhancing our facilities to accommodate trials involving more contagious pathogens (BSL-3 pathogens). Over the past two years, we have introduced several new human challenge models and will continue to expand into additional viral and bacterial models going forward. We have become the exclusive provider of HCTs to multiple clients, with data generated facilitating Fast Track Designation, Breakthrough Designation, and marketing authorisation for new medicines. Furthermore, we continue to advocate for the broader application of HCTs in drug development, with the potential for the world's first pivotal Phase 3 HCT marking a significant milestone.

Despite the demonstrated value of HCTs, their full potential remains underutilised in vaccine and therapeutic development, providing ample opportunities for future growth.

2. Development of Stand-Alone Service Lines

Our organic growth strategy leverages the expertise and infrastructure developed through HCTs to offer new stand-alone services to our clients, including:

- **Laboratory Services (hLAB):** With over 30 years of experience in virology and immunology, we now provide specialised lab services for external Phase II/III field trials, enhancing our ability to penetrate a new large and established market. Learn more on page 18.
- **Clinical Site Services:** Our facilities and expertise enable us to support trials beyond HCTs, offering an expanded range of clinical trial execution capabilities.
- **Trial Participant Recruitment:** Clinical trial recruitment remains one of the biggest industry challenges. Through our FluCamp brand and a proprietary database of approximately 400,000 participants, we have successfully recruited for internal and third-party trials. A notable achievement includes enrolling 817 participants for a field trial conducted by hVIVO in less than six weeks.

These stand-alone service lines leverage existing infrastructure and personnel, allowing for efficient scalability. Although we are new entrants in some of these markets, our expertise in HCTs provides a competitive advantage, positioning us for rapid market share growth.

3. Strategic Mergers & Acquisitions

hVIVO's M&A strategy focuses on acquiring businesses that complement our core services. Recent acquisitions include:

- **CRS Mannheim and Kiel:** The addition of these two clinical research units in Germany expands our capabilities into Phase I trials, specialised renal/hepatic impairment studies, new therapeutic areas, and provides opportunities for multi-site clinical trials. Combined with Venn Life Sciences, we now offer full-service Phase I/II CRO solutions, including consultancy services for companies entering clinical development.
- **Cryostore:** A strategic addition under the hLAB umbrella, Cryostore supports the storage and management of clinical and biological samples for both hVIVO and third-party trials.

These acquisitions enhance our ability to provide end-to-end clinical services, from preclinical development to the completion of Phase II trials, creating a seamless solution for biotech companies that may lack the resources to manage multiple CROs.

Environmental, Social & Governance (ESG)

Sustainability Statement

At hVIVO, we have a clear vision: to transform global healthcare by revolutionising the drug development process through scientific ingenuity. This vision has sustainability, ethical governance, and social responsibility embedded into every aspect of our operations. As we continue to Optimise, Scale, and Diversify the business, our commitment to ESG principles plays a key role in our decision-making.

In 2024, we made significant strides in delivering on our vision. The launch of our state-of-the-art facility in Canary Wharf has strengthened our ability to conduct more studies with increased efficiency, and with expanded service offerings, supporting a growing number of biopharma clients in their mission to address unmet medical needs. We broadened our range of human challenge models in 2024, and with the addition of CL-3 capabilities, we can provide our world leading HCTs to support drug development in more disease indications than ever before. I am proud that we successfully achieved an Ecovadis sustainability rating in 2024.

An important milestone in 2024 was achieving ISO 14001 accreditation for our new Canary Wharf site, with plans to expand this across our other sites in the years ahead. Energy-efficient air handling systems, waste reduction initiatives, and responsible food sourcing are just some of the steps we have taken to ensure environmentally responsible operations. As we grow, we will continue to invest in renewable energy solutions and sustainable infrastructure.

Our team is the driving force behind our success. We remain focused on cultivating an inclusive and open working environment across the Group, supported by our policies, initiatives, and events. With the acquisition of CRS Mannheim, CRS Kiel, and Cryostore in 2025, we look forward to bringing our collaborative culture and ESG focus to these new subsidiaries.

Through our Volunteer Leave Policy and charitable donation initiatives, we empower employees to give back to the communities in which we operate. In 2024, we expanded our partnerships with local charities and have exciting plans for the year ahead to expand these initiatives further to give back to the community and support the next generation of scientists.

hVIVO is at the forefront of scientific innovation, but our success is defined by more than just financial success. It is measured by our ability to operate responsibly, ethically, and sustainably while driving meaningful change in global healthcare. I would like to sincerely thank our employees, trial participants, and partners for their dedication to scientific research. Together, we can deliver on our vision to transform global healthcare by revolutionising the drug development process through scientific ingenuity.

Dr Yamin 'Mo' Kan
CEO
9 April 2025

Environmental, Social & Governance (ESG)

Continued

ESG Group

hVIVO has established the ESG Group, a cross-functional team led by our CEO, to proactively address climate change risks and broader environmental, social, and governance (ESG) issues. This Group, reporting directly to the Audit and Risk Committee, includes cross-company representatives, ensuring a well-rounded and integrated approach to ESG matters, with support from CBRE's sustainability team. The Audit and Risk Committee is responsible for overseeing the Company's ESG reporting and subsequently provides recommendations to the Board for final review and endorsement. In early 2025, a member of the CRS team has joined the ESG Group as we integrate CRS into the hVIVO Group.

Our ESG Values

1 **Advancing Health & Research – Social and Governance**

2 **Commitment to Staff – Social**

3 **Social & Community Investment – Social**

4 **Commitment to Trial Participants – Social and Governance**

5 **Operating Sustainably - Environmental**

6 **Commitment to Ethical & Compliant Business Practices - Governance**

Our Sustainable Development Goals

hVIVO strives to align with the 17 United Nations Sustainable Development Goals, prioritising specific goals that hold greater relevance to our business operations:

ESG Goal Implementation Overview

	Company Values	The significance	Relevant SDGS	hVIVO's Implementation
Value 1	**Advancing Health & Research**	hVIVO has taken on the responsibility, as a world leader in human challenge trials, to further scientific research and advance healthcare.		• Advancing Drug Development • Expanding the Development of Medicines Across More Diseases • Addressing Neglected Tropical Diseases • Sharing Knowledge & Tackling Infectious Disease • Scientific Contributions & Public Engagement • Showcasing the World's Largest Commercial Quarantine Unit
Value 2	**Commitment to our Staff**	Our team is the key to our success. We are focused on building a strong corporate culture that places diversity and equality at its centre.		• Enhancing Collaboration & Employee Well-Being at Our New Canary Wharf Facility • Equality, Inclusion & Diversity • Flexible Working • Health & Safety • Lunch & Learn • hBenefits • hKitchen: Affordable & Convenient In-House Kitchen • hVIVO Social Activities Club • Vaccinations
Value 3	**Social & Community Investment**	Social and community investment involves strategically allocating resources to initiatives that promote positive social impact and foster community development. By supporting projects focused on education, healthcare, and sustainable development, hVIVO can contribute to the well-being and resilience of communities, creating a lasting positive influence.		• Charitable Donation Policy & Volunteer Leave Policy • Internal Charity Days • NL Doet
Value 4	**Commitment to Trial Participants**	We prioritise the safety and well-being of our trial participants and are committed to upholding ethical standards in clinical research, including data privacy and protection. We value the feedback of our participants and continually seek to improve our processes to ensure their voices are heard.		• Enhanced Informative Materials • Monitoring Feedback • Enhanced Participant Experience at our State-of-the-Art Facility • Onsite Kitchen: Fresh, Nutritious, and Convenient • Access to FluCamp Team during Quarantine • Compensation
Value 5	**Operating Sustainably**	hVIVO is committed to effective environmental management and to minimise the impact of our businesses on the environment. Our Canary Wharf site is now ISO14001 accredited.		• Working Practices • Travel & Reducing Emissions • Trial Participant Travel • hKitchen & Responsible Food Sourcing • Waste & Recycling • Streamlined Energy & Carbon Reporting
Value 6	**Commitment to Ethical & Compliant Business Practices**	hVIVO ensures that it operates under high regulated and quality compliance standards.		• Business Ethics • Risk Management • Anti-Bribery & Corruption • Whistleblowing • Human Rights • Supplier Qualification • Quality & Participant Safety

Environmental, Social & Governance (ESG)

Continued

1. Advancing Health & Research — Social & Governance

Advancing Drug Development

In 2024, we made significant progress in our corporate strategy to Optimise, Scale, and Diversify, strengthening our ability to support more clients in their drug development pathways. Our vision remains clear: to transform global healthcare by revolutionising the drug development process through scientific ingenuity.

A key milestone was the opening of our state-of-the-art facility in Canary Wharf, which has enabled us to scale and optimise our operations, allowing us to conduct more studies faster and more efficiently than ever before. This facility also facilitated the diversification of our service offerings, expanding into specialised virology and immunology lab services, clinical site services, and patient recruitment services. These enhancements empower us to support an even wider range of biopharma clients in tackling critical global health challenges, including equitable access to essential medicines for infectious and respiratory diseases and beyond.

Human challenge trials continue to play a transformative role in drug development by providing rapid, high-quality efficacy data, ultimately reducing risks in later-stage clinical trials. In 2024, this impact was clearly demonstrated through the successful RSV antiviral human challenge trial conducted by hVIVO for Enanta Pharmaceuticals. The positive results reinforced the value of human challenge trials in streamlining clinical development.

Expanding the Development of Medicines Across More Diseases

In 2024, we broadened our portfolio of human challenge agents, further advancing scientific research and accelerating the development of vaccines and antivirals across new disease areas. Our goal remains clear: to continuously expand our challenge models to meet client demand and support the development of novel medicines.

One of the biggest hurdles in traditional field trials is disease seasonality, which can make achieving suitable infection rates unpredictable. Human challenge models provide a controlled and efficient alternative, ensuring reliable data collection year-round. In 2024, we had six new challenge models in development, supported by both internal investment and client partnerships.

A major milestone was the world's first Flu B human challenge trial, following the successful development of this groundbreaking challenge model. This model enables our clients to accurately assess the efficacy of influenza drug candidates against Flu B, a strain that is particularly difficult to evaluate in conventional field trials.

Addressing Neglected Tropical Diseases

While hVIVO's portfolio has traditionally focused on respiratory infections, we are committed to expanding into new disease areas, particularly with the opening of our new CL-3 quarantine site in Canary Wharf. This will enable us to explore the development of novel human challenge models to support the advancement of new drug and vaccine candidates.

Currently, we offer a malaria human challenge model, a critical tool in the fight against a life-threatening disease that disproportionately affects vulnerable populations in tropical and subtropical regions. With climate change impacting the epidemiology of diseases like malaria, the urgency for effective treatments is greater than ever. Through continued investment in neglected tropical diseases, we aim to drive innovation in global health and enhance access to life-saving treatments.

Sharing Knowledge & Tackling Infectious Disease

Our commitment to knowledge-sharing and collaboration is central to our mission of advancing healthcare innovation. By collaborating with industry partners, academic institutions, and non-profit organisations, we actively promote human challenge trials as a powerful tool in infectious disease research.

Recently, Venn was selected as an Innovation Broker under Health-Holland, a programme designed to support startups and scale-ups in the health sector by reimbursing 50% of innovation broker costs. This role aligns with our vision to transform global healthcare by accelerating the drug development process through scientific ingenuity.

Scientific Contributions & Public Engagement

Our team of scientific experts played an active role in publishing research, hosting public forums, and participating in global conferences, ensuring that the latest findings from human challenge trials contribute to the broader scientific community. Key initiatives in 2024 included:

1. Published multiple high-impact papers, in collaboration with trial sponsors, in leading journals:

Science Immunology — Mucosal and systemic immune correlates of viral control after SARS-CoV-2 infection challenge in seronegative adults

THE LANCET — Safety, tolerability, viral kinetics, and immune correlates of protection in healthy, seropositive UK adults inoculated with SARS-CoV-2: a single-centre, open-label, phase 1 controlled human infection study

nature medicine — Human SARS-CoV-2 challenge uncovers local and systemic response dynamics

EClinicalMedicine — Changes in memory and cognition during the SARS-CoV-2 human challenge study

nature communications — SARS-CoV-2 human challenge reveals biomarkers that discriminate early and late phases of respiratory viral infections

2. Presented at key industry conferences and events:

WORLD VACCINE CONGRESS WASHINGTON

WORLD VACCINE CONGRESS EUROPE

OPTIONS XII for the Control of INFLUENZA

3. Engaged with media to raise awareness of human challenge trials and their role in accelerating drug development.

4. Hosted workshops and forums to drive knowledge-sharing within the scientific community.

Environmental, Social & Governance (ESG)

Continued

Showcasing the World's Largest Commercial Quarantine Unit

In 2024, we hosted a launch event for our new state-of-the-art facility in Canary Wharf, home to the world's largest commercial quarantine unit. Over 100 attendees from biopharma, academia, and non-profit organisations participated, with presentations from leading experts, including:

- **Dr Stephen Lockart**, Former Vice President, Vaccine Clinical R&D Europe and Asia-Pacific Head, Pfizer.
- **Dr Bassam Hallis**, Deputy Director – Vaccine Development, Evaluation, and Preparedness, UK Health Security Agency.
- **Dr Peter Openshaw**, Professor of Experimental Medicine, Imperial College London.

By leveraging the expertise and resources of hVIVO Group, we continue to amplify the impact of our research, fostering meaningful collaborations and advancing scientific innovation.

2025 & Beyond:

- Strengthening Our Mission: Continue pursuing our commitment to "Deliver today's healthcare by empowering tomorrow's innovation" by actively assessing new opportunities, expanding our human challenge models and service offering supported by our new facility at Canary Wharf.
- Expanding Therapeutic Expertise: With the acquisition of CRS Mannheim and Kiel in early 2025, the hVIVO Group has strengthened its in-house therapeutic expertise in cardiometabolic diseases, dermatology, renal/hepatic impairment, and immunology/inflammation, in addition to infectious and respiratory diseases.
- Enhanced Biobank Services: The acquisition of Cryostore allows us to provide secure storage of critical biological samples, an essential component of the drug development lifecycle, ensuring sample integrity for clinical research.
- Advancing Transmission Studies: Following the move to Canary Wharf, we now have the capacity to conduct transmission studies, further strengthening our ability to support the development of infectious disease treatments and vaccines.
- Expanding Human Challenge Models: We are committed to broadening our world-leading human challenge model portfolio to accelerate the development of novel therapeutics and vaccines across a wider range of diseases.
- Collaboration with the Life Sciences Community: We will actively engage with the Canary Wharf life sciences community to foster knowledge-sharing and address critical unmet healthcare needs.
- Forging Strategic Partnerships: We aim to continue our ongoing collaborations while also exploring new partnerships to drive innovation in health and research.

2. Commitment to our Staff — Social & Governance

Enhancing Collaboration & Employee Well-Being at Our New Canary Wharf Facility

In 2024, we relocated to our purpose-built facility in Canary Wharf, bringing together our clinical site teams, lab team, and corporate office under one roof. With our corporate office, quarantine units, and labs spread across multiple locations, this move fosters greater collaboration, communication, and employee engagement by creating a more cohesive and integrated working environment.

The modern, ergonomic design of the new facility promotes cross-functional teamwork, knowledge sharing, and real-time collaboration, enhancing productivity and job satisfaction. Additionally, state-of-the-art amenities support a better work-life balance, contributing to a more engaged and motivated workforce.

Located in a vibrant, sustainable community, Canary Wharf offers employees access to green spaces, wellness programmes, and recreational facilities, reinforcing our commitment to well-being. Improved transport links provide greater commuting convenience, reducing travel time and carbon emissions, aligning with our ESG goals. With access to top-tier dining, fitness, and retail options, our new location enhances both professional and personal well-being, strengthening our corporate culture in a thriving, forward-thinking environment.

Equality, Inclusion, Diversity

At hVIVO, we are dedicated to fostering a culture of equality, inclusion, and diversity, enabling us to build a strong, collaborative team and deliver exceptional results for our clients.

Guided by our Diversity Policy, we believe that a diverse and inclusive workplace cultivates an environment where our employees can thrive. We are committed to providing equal opportunities for all, embracing the unique perspectives and backgrounds that define each individual.

We uphold a merit-based approach in all aspects of our operations, ensuring that assessments and decisions are made solely on the basis of skills and capabilities, free from discrimination related to age, race, gender, disability, religion, sexual orientation, or any other protected characteristic. Our commitment extends to creating a workplace where every individual is treated with respect and dignity and is empowered to reach their full potential.

Flexible Working

At hVIVO Group, we embrace a flexible working policy to promote a healthy work-life balance for our all our employees where practical. This approach enables us to attract and retain top talent while providing opportunities for individuals with personal commitments. We support our employees through ensuring they are set up effectively from an IT and health and safety perspective to ensure good working practices. We ensure training has been given to all staff and managers on the responsibility to ensure health and well being for remote and onsite employees. With our workforce spanning multiple regions and time zones, we take pride in our adaptability and commitment to meeting the demands of an evolving work environment.

Health & Safety

Our Health & Safety Policy highlights our commitment to providing a safe working environment for our staff, visitors and the general public in accordance with the Working Conditions Act. We appoint internal Health & Safety Officers and provide access to external consultants for support as required.

The hVIVO senior management carried out IOSH executive training in September 2024 with the aim to cover the moral, legal and business case for proactive safety, health and risk management and of strategic safety and health management and by leading by example. This has now led to 27 managers being enrolled on IOSH managing safety.

Environmental, Social & Governance (ESG)

Continued

Training & Development

Our strategy focuses on attracting top talent and fostering their professional growth through comprehensive training and development programmes. This approach ensures alignment with our business values and long-term objectives. In 2024, a significant number of our senior leaders and department heads advanced through internal development pathways, reflecting our commitment to nurturing talent from within.

Our training initiatives are structured into two key categories:

1. **General Training**, designed for all employees
2. **Specialist Training**, tailored to specific roles, ensuring that our workforce remains equipped with the skills and expertise necessary for continued success.

Lunch & Learn

In 2024, hVIVO continued its Learn & Learn initiative, which was introduced in 2023, which is a townhall-style forum designed to foster knowledge sharing within the hVIVO Group and strengthen our workplace community.

This engaging platform allows employees from across the Group to showcase their expertise during 20-minute virtual presentations followed by an interactive staff Q&A sessions. Taking place during lunchtime, in 2024 the hVIVO Group hosted a total of 9 webinars, including two CEO updates.

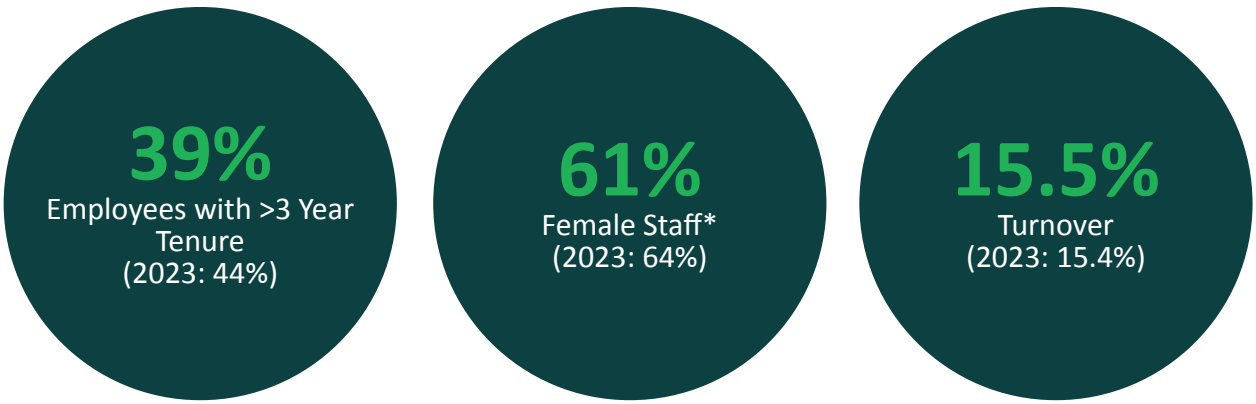
By facilitating collaboration and the exchange of diverse perspectives, Lunch and Learn empowers our team members to contribute to each other's professional development while promoting a culture of continuous learning and engagement across the organisation.

hBenefits

Our Human Resources team plays a vital role in cultivating a strong and cohesive workplace culture. They are instrumental in facilitating effective communication, conflict resolution, and employee engagement, ensuring that our workforce remains motivated and aligned with the Company's mission and vision.

By attracting, developing, and retaining top talent, HR directly contributes to hVIVO's long-term success, fostering an environment that encourages innovation and productivity.

Employee well-being remains a key priority, supported by our competitive benefits package, which includes pension plans, healthcare, life assurance, and initiatives such as the season ticket loan, Cycle to Work scheme, and electric car salary sacrifice scheme. Additionally, our Employee Assistance Programme provides 24/7 support for financial, legal, and family-related matters, reinforcing our commitment to the overall well-being of our team.



* As at 31 December 2024

hKitchen: Affordable and convenient in-house kitchen

hKitchen not only caters to FluCamp trial participants but also offers freshly prepared, in-house meals that are competitively priced for our employees. As part of our commitment to employee well-being, hKitchen for employees was launched in 2023 to provide high-quality, affordable meal options which can be conveniently ordered via an app. In 2024, this initiative was a key consideration when relocating to Canary Wharf, ensuring that employees have access to nutritious and cost-effective meals.

hVIVO Social Activities Club

In 2024, hVIVO launched a Social Activities Club over a three-week period, led by a team leader serving as mentor and instructor. Open to all Canary Wharf-based employees, the club offered a diverse range of activities, including yoga, crochet, Korean language lessons, meditation sessions, a book swap, scientific journaling, and a games club.

This initiative facilitated cross-team connections, enhancing employee engagement while promoting creativity, relaxation, and effective communication within the workforce.

Vaccinations

hVIVO offered its Canary Wharf and Plumbers Row employees the opportunity to receive influenza and COVID-19 vaccinations from our qualified on-site nurses. The hVIVO community understand the crucial benefit of vaccination which can significantly reduce the risk of potentially severe complications and helps protect vulnerable individuals.

2025 & Beyond

- Enhancing Employee Experience Through Automation: In 2025, we are in the process of implementing new automation systems, including a Laboratory Information Management System (LIMS) and eSource, to digitise participant records in the clinic. These advancements will streamline workflows, improve efficiency, and enhance the overall employee experience.
- Integration of Acquisitions: The integration of CRS Mannheim, CRS Kiel, and Cryostore into the hVIVO Group will be a key focus, ensuring a smooth transition for all staff while fostering a cohesive and supportive work environment.
- Standardising Systems Across Sites: The implementation of hVIVO's existing systems at CRS Mannheim and Kiel will enhance operational efficiency and improve the employee experience by providing consistent, streamlined processes across the Group.
- Fostering an Inclusive Workplace Culture: We remain committed to equality, inclusion, and diversity, ensuring equal opportunities for all employees, celebrating diverse perspectives, and cultivating a culture that encourages collaboration, innovation, and personal growth.
- Strengthening ESG Integration: Our ESG focus will be further embedded into CRS operations, supported by a CRS team member joining hVIVO's ESG Group in early 2025, ensuring alignment with our sustainability and corporate responsibility goals.
- Educating and Engaging Employees on ESG Initiatives: We will host a Lunch and Learn session for all hVIVO Group staff to deepen their understanding of our ESG efforts, policies, and opportunities, fostering engagement and awareness across the organisation.

Environmental, Social & Governance (ESG)

Continued

3. Social & Community Investment — Social

Charitable Donation Policy & Volunteer Leave Policy

We are committed to making a positive impact both within our organisation and in the communities we serve. As part of our efforts, in 2022 we introduced a Volunteer Leave Policy that empowers employees to contribute to meaningful causes. This policy encourages staff to take one paid day per year to engage in charitable volunteer activities, giving back to the community and supporting social causes that align with our values.

Through this initiative, hVIVO fosters a culture of social responsibility, allowing employees to come together to make a collective difference. We believe that by participating in volunteer work, our team can have a meaningful impact on the wider community.

In addition to supporting individual volunteering, hVIVO actively engages in charitable donation endeavours, facilitating opportunities for our staff to participate in various initiatives. We also provide financial assistance in line with a fixed annual budget and contributions to help amplify the efforts of the charities our team is involved with. Before supporting any cause, our HR team evaluates each charity to ensure it aligns with our commitment to fostering positive social and environmental change, ensuring our efforts resonate with our core values.

Internal Charity Days

Our internal charity initiatives exemplify our teams dedication to social responsibility and the growing awareness of hVIVO's ESG efforts.

NL Doet

The Venn Life Sciences team in Breda continued their annual NL Doet volunteer day, which includes supporting a local community project.

2025 & Beyond

- Strengthening Support for Local Charities: Continue to support local charities and actively promote our Charity Donation & Volunteer Leave policies, encouraging employees to give back to the community.
- Engaging in Canary Wharf ESG Initiatives: Encourage and promote active involvement in Canary Wharf's ESG community initiatives, fostering collaboration and positive social impact.
- Finalising Strategic Community Partnerships: Establish and formalise a long-term partnership with a local community organisation or charity to drive sustained social impact.
- Enhancing Employee Engagement in ESG Initiatives: Expand our ESG initiatives programme to further encourage in-house charity days, fundraising events, and volunteering opportunities across the organisation.
- Supporting Future Talent Through Education: Continue to provide university placements at hLAB, offering students hands-on laboratory experience to develop the next generation of scientists and researchers.

4. Commitment to Trial Participants — Social & Governance

At hVIVO and FluCamp, the safety and well-being of our trial participants is our top priority. We are committed to maintaining the highest ethical standards in clinical research, with a strong focus on data privacy and protection.

FluCamp's dedicated recruitment team works to enhance, monitor, and support the volunteer experience, ensuring every participant feels valued and cared for. Beyond compliance, we foster a culture of respect, continuous improvement, and participant engagement. We actively seek and incorporate participant feedback, ensuring their voices help shape and refine our processes for an even better experience.

Enhanced Informative Materials

In 2024 former participants supported in the improvement of key participant documents, including the Informed Consent Form (ICF), Participant Charter, Follow-Up Letter, and Study Invitation, ensuring they are clear, engaging, and user-friendly.

To improve the experience for participants in quarantine, we developed a dedicated QR code providing easy access to essential information. Participants can scan the code in their rooms to find details on food ordering, FAQs, contact information, entertainment options etc., ensuring they stay informed and comfortable throughout their stay.

New Website Launch & Automated Booking System

In 2024, the FluCamp team launched a new and improved website, with new features implemented following feedback from a select group of ex-volunteers with ongoing updates reflecting our commitment to continuously improving the platform for a better experience.

Participants now receive a pre-appointment email with key details and a direct link to this page. This resource provides a step-by-step guide on what to expect during their health check, what documents to bring, preparation tips, and answers to common questions. This ensures a smoother process and enhances participant confidence before their visit.

Monitoring Feedback

We conduct post-screening online questionnaire's as well as post quarantine telephone surveys to ensure our participants can share their insights and reflections. Trustpilot is an excellent independent tool for the participants to provide feedback on FluCamp and their experience at hVIVO. In 2024 we held a 4.4-star review rating on Trustpilot (highest rated clinical trial company), with 91 service reviews and an average of 80% being 5-star ratings. We continue to monitor all feedback and an action plan is put in place by the team to ensure continuous participant experience enhancement. An example has been to introduce eye masks for participants in quarantine following feedback to make their quarantine stay more comfortable.

Enhanced Participant Experience at our State-of-the-art Facility

Our purpose-built Canary Wharf facility is designed to provide participants with the best possible experience during their quarantine stay. The 50-bed unit offers stunning London views (or scenic wallpaper in internal rooms), private ensuite bathrooms, individual temperature control, a bell system for staff communication, and premium hospital-grade furniture.

To ensure a comfortable and engaging stay, participants have access to Wi-Fi, smart TVs, PlayStations, and board games.

Onsite Kitchen: Fresh, Nutritious, and Convenient

Participants receive freshly prepared, nutritious meals tailored to their dietary requirements and needs through the onsite kitchen. Meals can be easily requested via a dedicated food app, ensuring convenience, quality, and care throughout their stay.

Environmental, Social & Governance (ESG)

Continued

Access to FluCamp Team during Quarantine

During their quarantine stay, participants have direct access to medical professionals for any health-related concerns, as well as dedicated support from our FluCamp team for non-medical needs. This ensures a seamless, supportive experience, where any issues are promptly addressed, helping participants to feel valued and fully cared for throughout their stay.

Compensation

Our participants receive compensation for their time both for quarantine stays and screening visits. hVIVO follows a standardised wage payment model based on the London Living Wage to ensure fair and consistent remuneration across all studies. All study-related recruitment materials clearly disclose the full compensation amount and undergo proactive approval by the Ethics Committee to maintain transparency and ethical standards.

2025 & Beyond:

- Transparent Communication on ESG Values: Continue to communicate hVIVO's ESG values and activities to our participants, ensuring they are informed about our commitment to ethical research, sustainability, and community engagement.
- Enhancing Participant Experience: Actively seek, analyse, and implement participants feedback to continuously improve their experience, both digitally and in the clinic, ensuring a smooth and supportive journey from recruitment to trial completion.
- Expanding Automation for Recruitment Efficiency: Implement FluCamp's automation systems to enhance participant recruitment operations at CRS Mannheim and Kiel, streamlining processes and improving accessibility for participants.
- Participant Well-Being & Support: Continue to enhance participants support, including pre-trial guidance, on-site amenities, and post-trial follow-ups, ensuring a comfortable and reassuring experience. We have created a brand ambassador group of ex-FluCamp participants which will take a more integral role in the participant experience.

5. Operating Sustainably

Environmental

hVIVO is committed to environmental sustainability and in 2024, we were successful in achieving our ISO 14001 accreditation for our Canary Wharf site. ISO 14001 is the international standard for environmental management, providing a structured framework to identify, monitor, and reduce environmental impacts across our operations.

Through this certification, we actively work to minimise waste, improve resource efficiency, and ensure compliance with environmental regulations. By integrating sustainable practices into our daily operations, we continue to enhance our environmental performance, aligning with our broader ESG goals and commitment to responsible business practices.

Like all ISO management system standards, ISO 14001 includes the need for continual improvement of an organisation's systems and approach to environmental concerns. The standard has recently been revised, with key improvements such as the increased prominence of environmental management within the organisation's strategic planning processes, greater input from leadership and a stronger commitment to proactive initiatives that boost environmental performance.

hVIVO is committed to promoting sustainable practices within our organisation and intends to implement ISO 14001 across its other sites in due course. As the Group continues to grow, we are continue to review of our operations to identify any processes that may impact key environmental issues, including energy use, waste control, purchasing, vendor management, transport, and emergency response. Once we have obtained adequate measurable information on all of the Group's environmental impact, we intend to implement environmental targets.

In 2024 we implemented an energy saving initiative on our air handling system in our Canary Wharf quarantine facility which is set to reduce energy consumption, while maintaining correct air pressures. This system has set an energy saving of 25% in cost when not operating at a CL3 level in quarantine.

Working Practices:

- Continued flexible work from home
- Virtual meetings encouraged across hVIVO and subsidiaries
- DocuSign implemented
- Multiple automation system integration underway to reduce paper waste

Travel & Reducing Emissions:

- Company-wide Travel Policy, reducing international travel
- Electric vehicle scheme available at hVIVO UK
- Cycle to Work scheme available at hVIVO UK & Venn Breda
- Electric vehicle charging available at Venn Breda
- Low carbon transport encouraged (season ticket loan)

Trial Participant Travel

hVIVO's principal participant screening, outpatient units, and quarantine facility are located in London. hVIVO has a second volunteer screening site in Manchester to facilitate better access for volunteers located across the UK and to reduce volunteer travel and CO_2 emissions.

In 2024, over 4,700 volunteers attended screening appointments at our Manchester FluCamp site. Based on the distance between London and Manchester (214 miles one way) and based off all volunteers travelling on the national rail, we estimate a saving of 58.556 tco_2e in 2024.

hKitchen & Responsible Food Sourcing

In 2023, hKitchen was introduced which has vastly reduced food waste by ensuring appropriate quantities of food are ordered to fill the demand required from trial participants, staff and in-house meeting catering. A number of other initiatives have positively impacted its environmental impact including compostable packaging and an improved food app which reduces paper waste and improves efficiency.

Environmental, Social & Governance (ESG)

Continued

A WRAP report released in July 2019 states that 'the total amount of food surplus and waste is 3.6 million tonnes per annum, or 7.2% of all food harvested. If this wasted and surplus food had been sold at market values, it would have had a value of £1.2 billion'. hVIVO along with our service partner have partnered with Waste Knot, an organisation that have created a market for farmers to supply all misshapen and surplus vegetables to chefs and consumers and not to waste them. This supports local UK farmers from growing more than is actually needed, industry from increased costs, consumers being able to afford good produce at great value - all while ensuring great taste and creative menus.

Waste & Recycling

In 2024, hVIVO continued its mission of reducing waste and improving recycling at its facilities expanded and through multiple initiatives as well as encouraging hVIVO team members to reduce, reuse and recycle. With the move to Canary Wharf, we have been able to align with the local recycling initiatives that Canary Wharf have in place, including a sustainability focused waste system. This involved collection of waste via electric vehicle, waste then travels by barge in the river to the recycling centre, all non-recyclable, residual waste created on the Canary Wharf estate is converted to baseload energy. Further waste alignment will continue into 2025 with other sites being reviewed and more recycled where possible.

Continuous monitoring of waste and e-waste production is upheld, while waste contractors are thoroughly vetted and monitored. Recycling facilities at all hVIVO sites have been extended, with a continued focus on disposing of electronic waste in compliance with regulations and minimising its generation. A maintenance programme has been implemented to ensure that plant and equipment are kept at optimal levels and replaced at the end of their lifecycle.

Streamlined Energy & Carbon Reporting ('SECR')

hVIVO has reported greenhouse gas (GHG) emissions for Scope 1 and 2 (and associated Scope 3) in accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR). This includes emissions for the 12 months from 1 January 2024 to 31 December 2024 compared to 2023. To note, the Group operated three quarantine sites in 2024 which impacted its energy use in that period. Due to the overlap of sites kWh per square metre will be used to show year on year savings as outlined below.

Emissions (tCO_2e)	**2024**	**2023**
Scope 1 Emissions from combustion of gas	14.9	12.6
Scope 2 Emissions from purchased electricity	162.8	78.2
Scope 3 Emissions from business travel in rental cars or employee vehicles where company is responsible for purchasing the fuel	14.7	57.3
Total	**192.4**	**148.1**
Other metrics		
Intensity ratio from Scope 1, 2 & 3 (tCO_2e / £10,000 turnover)	0.029	0.025
Intensity ratio: tCO_2e from Scope 1, 2 and 3 / FTE	0.640	0.541
Intensity ratio: tCO_2e from Scope 1, 2 & 3 / m^2	106	134
Total energy used (GWh)	**929,836**	**683,378**

Methodology: Emissions were calculated using data, estimates or extrapolations collected by the Company, according to the 2022 UK Government Greenhouse Gas Conversion Factors for Company Reporting

2025 & Beyond:

- Energy Consumption Monitoring & Savings: Monitor and track year on year energy consumption data, providing opportunities to find savings across the portfolio – all UK sites have smart meters installed to provide accurate readings.
- Renewable Energy & Efficiency Initiatives: Feasibility studies of renewables installations and energy reducing initiatives where possible – at least 50% of the energy used in the UK is now supplied by renewables.
- ISO 14001 Certification Goals: Work towards implementation of ISO 14001 across all sites in the years ahead.
- Waste Reduction & Recycling Initiatives: New initiatives to reduce waste generation - working with Canary Wharf on further recycling opportunities.
- Environmental Integration Across Acquisitions: Integration of hVIVO's environmental focus to the newly acquired CRS Mannheim and Kiel and Cryostore.

6. Commitment to Ethical & Compliant Business Practices — Governance

Business Ethics

At hVIVO, we uphold the highest standards of ethical conduct and transparency in all aspects of our operations. As a leading player in a highly regulated industry, we recognise the critical importance of adhering to rigorous ethical guidelines.

Our Directors value high standards of corporate governance and, in line with the Group's size and Board structure, we follow the Corporate Governance Code published by the Quoted Companies Alliance in 2023 (QCA Code). Maintaining a culture of strong corporate governance underscores our commitment to ethical business conduct. For further details, please refer to the Corporate Governance statement on page 55.

Risk Management

The Group has a robust risk management process in place, as detailed on pages 47 to 50. In addition, the quality and regulatory personnel across the Group perform regular risk assessments and have robust validation processes in place.

Anti-Bribery and Corruption

In 2023, we digitised the gift reporting process within our Anti-Corruption and Bribery Policy, creating a streamlined and effective way to ensure compliance with anti-bribery laws. Anti-bribery and corruption training is provided to all new staff and later reinforced by a Standard Operating Procedure, which is signed off by senior management.

Whistleblowing

At hVIVO, fostering an open and collaborative working culture is core to our values. We are committed to eliminating all forms of corruption, malpractice, or wrongdoing and take appropriate action when necessary. To support this, we have introduced an updated Whistleblowing Standard Operating Procedure, along with training from day one and reinforced regularly through our policy and have added a new anonymous feedback and complaint system on our SharePoint intranet platform. This initiative reinforces our commitment to a safe and transparent workplace for all employees.

Human Rights

We strongly oppose any form of slavery or human trafficking and operate in full compliance with the UK Modern Slavery Act 2015. Our Modern Slavery Policy is available on our website: www.hvivo.com.

Suppliers

hVIVO has incorporated ESG-focused questions into its standard Assurance Supplier Quality Assessment process to evaluate suppliers for clinical trials on modern slavery, equality, health & safety, and anti-bribery measures. We aim to expand the scope of these assessments to include additional ESG considerations in the future.

Quality and Participant Safety

Our commitment to quality and participant safety goes beyond regulatory requirements, as we continuously enhance our quality systems and policies. Under the guidance of our Head of Quality Assurance, we operate within a robust Quality Management System bolstered by comprehensive Policies and Standard Operating Procedures (SOPs). This ensures the highest standards of quality, safety, regulatory compliance, and ethical conduct throughout our trials. Our independent audit system and Corrective and Preventive Action process ensures that continuous oversight of quality is maintained throughout the conduct of studies, as stated in our Quality Policy.

Our engagement with regulatory authorities, and research ethics committees, underscores our unwavering dedication to honesty, transparency, and quality. Upholding the principles of Good Clinical Practice (GCP) and adhering to applicable national and international regulations are fundamental tenets of our Clinical Governance Policy and Business Code of Ethics. Our laboratories are accredited by College of American Pathologists association and have Human Tissue Authority licence for storage of human samples and biospecimens.

All our clinical trials undergo rigorous scrutiny by the Medicines and Health Products Regulatory Agency (MHRA) and/or independent Research Ethics Committees to uphold the highest standards of safety and ethics. Prior to submission for approval, our internal experts meticulously assess available data to ensure compliance with regulatory requirements.

Environmental, Social & Governance (ESG)

Continued

The safety of our clinical trial participants is our top priority. Our trials are designed with continuous medical oversight at every stage, as outlined in our Medical Management Policy. Regular training on GCP, Data Protection Act and data integrity principles ensures our staff maintain the highest quality and ethical standards. All clinical trial and laboratory data undergo rigorous quality control measures to meet the highest standards of accuracy and reliability.

The Group's Head of Quality Assurance reports directly to the Board on a regular basis. The Group has an excellent safety record for our clinical trials with no serious adverse reactions reported by participants in the last 5 years.

2025 and beyond

- Commitment to Quality & Ethical Practices: Maintaining a culture of quality and ethical business practices across the growing hVIVO Group following the acquisitions of CRS Mannheim and Kiel and Cryostore in London, led by the Board and Group Head of QA.
- Regulatory Compliance & Participant Safety: Keeping abreast with changing regulatory and compliance landscape to ensure our commitment to quality and participant safety is upheld.
- Quality System & Accreditation Goals: Medium to long term goal of implementing ISO 9001 quality system and UKAS 17025 for hLAB.

Risk Management

The Directors continually identify, monitor and manage the risks and uncertainties of the Group. Risk is inherent in all businesses.

The Board's role in risk management includes promoting a culture that emphasises integrity at all levels of business operations and setting the overall policies for risk management and control. The Board also has responsibility for the effectiveness of the Group's system of risk management and internal controls. The Group operates a Group-wide Risk Register which is reviewed by the Board on a quarterly basis. The Executive Directors are responsible for identifying, managing and monitoring risks.

The principal risks are listed on the following pages. The risks are not listed in order of priority, nor do they represent an exhaustive list of all risks affecting the business. The impact and likelihood ratings are assessed at the residual level accounting for the Group's controls and mitigating actions.

H = High M = Medium L = Low

Risk	Description of risk	Probability	Impact	Change from prior year	Mitigation
Reliance on regulatory bodies	hVIVO's human challenge trial business relies on approval from regulatory bodies such as the MHRA in the UK. In addition, there can be no guarantee that the Group will be able to maintain the necessary regulatory approvals in the territories in which it operates. Delays from regulatory bodies in the UK that we experienced in 2023 have not been experienced in 2024 and therefore the risk has been lowered.	L	M	↓	– Flexible workforce and operational planning of quarantine facilities – Further sales and business development – Focus on services with low-risk profiles – Engagement with regulators
Trial quality	Maintaining high trial quality is crucial for hVIVO to remain the leading provider of challenge trials. A loss of trial quality could lead to decreased competitiveness and revenue, as well as regulatory sanctions.	L	H	–	– Head of QA meets with the Board to provide updates – Continued investment in staff training and our Quality Assurance function – Conduct of internal audits – Review of Standard Operating Procedures

Risk Management

Continued

Risk	Description of risk	Probability	Impact	Change from prior year	Mitigation
Volunteer wellbeing	Volunteer complaints and screening issues could lead to a reduction in the ability to recruit volunteers, regulatory sanctions or financial penalties.	M	M	–	– Robust Volunteer complaints Procedure in place – Prompt resolution of complaints and actions taken from complaints – Robust quality systems to manage volunteer data – Staff training – Rigorous reviews of screening activities to ensure volunteer wellbeing
Key personnel loss	hVIVO relies on key personnel to deliver services and manage the business. These individuals maintain ongoing relationships with customers and suppliers.	M	L	–	– Introduction of LTIPs for senior management – Avoidance of single person dependencies – Succession planning – Key client relationships maintained by multiple individuals
Cyber-attacks	Like all businesses, hVIVO faces the threat of sophisticated cyber-attacks, which could result in significant reputational, operational, and financial damage.	M	H	↑	– Multi-layered defence strategy – Continuous threat monitoring – Advanced prevention software – Penetration testing – User awareness training – Encryption of IT systems – Cyber Essentials certification – Engagement of independent risk consultancy

Risk	Description of risk	Probability	Impact	Change from prior year	Mitigation
Data protection breaches	A data breach could damage our reputation and has the potential for regulatory fines.	L	H	–	– Enhanced breach handling and consent withdrawal processes – Standard Operating Procedures for data handling – Staff training on breach prevention and response – Role-based access controls – Data loss prevention measures – Restrictions on the use of cloud repositories and USB devices
Lower infectivity rates	As viruses become established in a population and the population builds immunity, the infectivity rates of our challenge agents decrease. This can impact our ability to conduct challenge studies.	M	M	–	– Real-time review of infectivity rates – Manufacture of up-to-date challenge agents
Quarantine capacity	Challenge trial revenue is limited by the number of quarantine beds available.	L	M	–	– Expanded facility in 2024 – Maintain relationships with current landlord in case of temporary need
Political risk	There is always an underlying risk of political instability in any jurisdiction. Such events have the potential to lead to high rates of inflation, exchange rate volatility, and supply chain disruptions, among other implications.	M	M	–	– Operating in stable jurisdictions – Careful supplier selection – Customer monitoring – Monitoring macro-economic developments

Risk Management

Continued

Risk	Description of risk	Probability	Impact	Change from prior year	Mitigation
Foreign currency risk	The Group has exposure to foreign currencies where supplier or customer payments are made in a currency other than the functional currency of the company using or supplying the goods or services and on balances between subsidiaries in the Group.	L	L	–	– Contracting default is in the functional currency of the entity – Use of natural hedging – Supplier selection – Minimising intercompany balances
Competition Risk	hVIVO is the world leader in human challenge trials and therefore exposed to competition.	H	M	–	– Maintaining reputation by providing exceptional service – Expanding new and contemporary challenge models – Diversifying business into ancillary operations
Integration of acquisitions	The integration of newly acquired businesses poses risks related to operational alignment, cultural integration, and realisation of anticipated synergies. Failure to effectively integrate acquisitions could impact business performance and stakeholder value.	M	H	New	– Comprehensive integration planning – Regular monitoring and reporting on integration progress – Alignment of operational processes and systems – Cultural integration initiatives

Financial risk management

The Group has instigated certain financial risk management policies and procedures which are set out in Note 24 to the financial statements. The Group reports monthly on the financial performance of the business using financial and non-financial key performance indicators such as measuring staff and quarantine utilisation, staff turnover, quality assurance metrics and pipeline tracking.

The Strategic Report on pages 2 to 50 was approved by the Board on 9th April 2025 and signed on its behalf by:

Dr Yamin 'Mo' Khan

CEO

9 April 2025

Statement of Directors' Responsibility

Section 172 Companies Act 2006

The Directors acknowledge their duty under section 172 of the Companies Act 2006 and consider that they have, both individually and together, acted in the way that, in good faith, would be most likely to promote the success of the Company for the benefit of all stakeholders. In doing so, they have had regard (amongst other matters) to:

- **The long-term consequences of any decision we make:** We recognise that the decisions we make today can have a significant impact on the future success of the Company. As such, we consider the potential long-term consequences of our decisions and take steps to mitigate any risks.
- **The interests of our employees (see page 37, Social):** Our employees are fundamental to achieving our long-term strategic objectives. We value their contributions and consider their interests in all decision-making processes.
- **The impact of our operations on the community and the environment (see page 43, Environmental):** As a responsible corporate citizen, we operate honestly and transparently. We are committed to minimising our impact on the environment and take steps to ensure that our day-to-day operations are conducted in an environmentally sustainable manner.
- **The importance of maintaining a reputation for high standards of business conduct:** We believe that maintaining a reputation for ethical conduct is essential for the long-term success of the Company. We are committed to upholding the highest standards of corporate governance and good business conduct, as highlighted in our Corporate Governance Statement.
- **Our obligation to act in the interests of all shareholders (see page 58):** We recognise our responsibility to act in the best interests of all shareholders of the Company. We are committed to treating all shareholders fairly and equally so that they may benefit from the successful delivery of our strategic objectives.

The Board

Cathal Friel

Non-Executive Chair

Date of Appointment:
December 2018

Independent:
No

Committee Membership:
N/A

Cathal Friel is a seasoned serial entrepreneur with a long and successful history and to date has listed five companies on the London Stock Exchange. Cathal serves as Chair and co-founder of hVIVO plc (formerly named Open Orphan plc), where he brings extensive experience in successfully growing public companies, particularly in navigating through M&A transactions.

Cathal is also co-founder and Chairman of Poolbeg Pharma plc, a publicly listed biopharmaceutical company which was demerged from hVIVO plc in 2021. Cathal also co-founded and sits on the Board of European Green Transition plc, which listed on London Stock Exchange in April 2024. Cathal co-founded Amryt Pharma plc which listed on the London Stock Exchange in 2016 and dual listed on Nasdaq in 2020 and was later sold to Chiesi Farmaceutici for $1.48bn in 2023. Prior to that, he was co-founder and Chairman of Fastnet Oil & Gas plc, which listed on the London Stock Exchange in 2011. In 2001, Cathal was part of the team that successfully established Merrion Stockbrokers in Dublin. Following Merrion's trade sale in 2006, he founded Raglan Capital which is renowned for building in-house companies that are listed on the public stock markets. Cathal was a finalist in the international category of the EY Entrepreneur of the Year 2020.

Re-election to Board:
Not seeking re-election

Key Skills:
Strategic Leadership, Shareholder Engagement, M&A, Shareholder Value Delivery, Public Markets, Company Founder

Dr Yamin 'Mo' Khan

Chief Executive Officer

Date of Appointment:
October 2021

Independent:
No

Committee Membership:
N/A

Yamin 'Mo' Khan has over 25 years of experience in clinical research and the CRO industry. Mo previously worked as a Consultant assisting CROs to develop growth strategies and helping prepare companies for future expansion, both organic and through M&A activity. In addition, Mo worked with Private Equity firms providing insight in identifying potential targets and conducting due diligence in preparation for M&A activity. Prior to this Mo had a variety of senior roles at Pharm-Olam where he played a pivotal role in growing a small niche clinical monitoring business to a global full-service CRO with offices across all continents. In his time at Pharm-Olam Mo had leading roles in Clinical Operations, Project Management, Business Development and Executive Management functions. As a key member of the Executive Team Mo participated in the successful sale of the company in 2017, delivering substantial returns to its shareholders. Prior to this he worked at Innovex and Quintiles (IQVIA). Mo holds a PhD in Biochemistry from the University of Southampton, UK, and a Bachelor's degree in Biochemistry from the University of Liverpool, UK.

Re-election to Board:
Annually at AGM

Key Skills:
Strategic Leadership, Shareholder Engagement, Life Science Industry, Physical Science Expertise, CRO, M&A, Shareholder Value Delivery

Stephen Pinkerton

Chief Financial Officer

Date of Appointment:
October 2022

Independent:
No

Committee Membership:
N/A

Stephen is a chartered accountant with over 25 years of experience in a range of leadership positions in industries covering publishing, technology, exhibitions, and clinical research. The roles have covered both small to large international listed businesses, providing strong technical and commercial experience. Prior to joining hVIVO, he worked in Thomson Reuters for eleven years in various senior roles. He did his articles with Deloitte following the completion of an Honours Degree in Bachelor of Commerce and a Bachelor's Degree in Accounting and Finance from the University of Cape Town.

Re-election to Board:

Annually at AGM

Key Skills:
Strategic Leadership, Shareholder Engagement, Finance, CRO, M&A, Shareholder Value Delivery

Dr Elaine Sullivan

Senior Independent Non-Executive Director

Date of Appointment:
November 2020

Independent:
Yes

Committee Membership:
A R N

Dr Elaine Sullivan is an international pharmaceutical and biotech industry executive with over 25 years' experience in the industry and a successful track record. She has extensive global experience including membership of the top senior global R&D management teams at Eli Lilly. She was a member of Lilly Ventures and Lilly Asian Venture steering Committee ($100 million under management). At AstraZeneca (based in the UK) she held a number of positions including VP R&D, Head of New Opportunities Therapy Area and VP, Science & Technology. As a senior executive at Lilly and AstraZeneca (AZ) she was involved in the management of the R&D functions overseeing product pipeline, budget, objectives, promotions governance and compensation, managing teams in the US, UK, Japan, China and India.

Former positions also include co-founder and CEO of Carrick Therapeutics helping raise the then largest European Series A of $95 million. Elaine has extensive experience in executing deals world-wide including US, Europe, Japan and China with successful delivery of collaborations and transactions including spinouts, joint ventures, strategic partnerships and acquisitions.

Elaine has significant international Board experience in public companies in Scandinavia, Germany and the UK. She is NED at Zealand Pharmaceuticals and was previously a Member of the Supervisory Board at Evotec AG, NED at IP Group plc and Nykode Therapeutics. Elaine is also a member of the Scientific Advisory Board of Poolbeg Pharma. She was named Ernst Young Emerging Entrepreneur of the Year (Ireland). Elaine holds a Ph.D. in Molecular Virology from the University of Edinburgh, Scotland.

Re-election to Board:
Annually at AGM

Key Skills:
Strategic Leadership, International Board Experience, Significant Global Management Roles in R&D with Pharma & Biotech, M&A, Biotech Founder, PhD in Virology, Shareholder Value Delivery

The Board

Continued

Prof. Brendan Buckley

Non-Executive Director

Date of Appointment:
December 2018

Independent:
No

Committee Membership:
N/A

Prof. Brendan Buckley is a medical graduate of University College Cork and a doctoral graduate of Oxford University. For most of his career he worked in academic clinical practice as a consultant physician. He holds professorial titles in the faculties of Medicine at Universities in Cork and Dublin. He has over 30 years' experience in clinical research in roles as chief investigator, chair of data and safety monitoring committees and on institutional review boards.

He became Chief Medical Officer of ICON plc, following their acquisition of Firecrest Clinical Ltd, which he had co-founded. He was a member of ICON plc's Executive Leadership Team and was actively involved in M&A targeting, assessment and diligence. Firecrest was one of a number of companies focused on clinical trial innovation which he co-founded and sold.

Brendan was a non-executive director of the Irish national medicines regulatory authority (now the Health Products Regulatory Authority) between 2004 and 2011. He was a member of the inaugural European Medicines Agency (EMA) Committee for Orphan Medicinal Products (COMP) and of the EMA Scientific Advisory Group for Diabetes and Endocrinology as well as teaching on FDA advanced courses on clinical trials. He serves on the boards of various pharma development and services companies, some of which he has co-founded. Brendan has over 150 scientific publications, including the key opinion-leading book 'Re-Engineering Clinical Trials'.

Re-election to Board:
Annually at AGM

Key Skills:
Strategic Leadership, Life Science Expertise, Physical Science, Biopharma, CRO, Medical Doctor, Regulatory, M&A, Shareholder Value Delivery, Company Founder

Martin Gouldstone

Non-Executive Director

Date of Appointment:
June 2022

Independent:
Yes

Committee Membership:
A R N

Martin has 30 years of corporate development experience in the CRO, healthcare and pharmaceutical sectors, holding a number of senior roles at healthcare AI businesses. Martin has expertise in executing multi-billion dollar deals across Europe and the US, architecting end-to-end portfolio out-sourcing deals, and negotiating multi-year research partnerships. Martin is CEO of Oncimmune. Previously, Martin has held the roles of Chief Business Officer at both Benevolent AI and Sensyne Health and was a Partner at Results Healthcare, an international M&A advisory firm, where he co-led the company's healthcare practice. Prior to this, Martin was Head of Life Sciences for BDO UK LLP, Senior Director responsible for M&A and joint venture opportunities in Europe for Quintiles (now IQVIA), and Business Development and Licensing Lead at Confirmant Ltd, Pharmacopeia Inc, Sareum Ltd. Martin holds a BSc in Genetics and has completed a range of post graduate management courses.

Re-election to Board:
Annually at AGM

Key Skills:
Strategic Leadership, Shareholder Engagement, Life Science Expertise, Finance, M&A

A **Audit & Risk Committee Chair:** Martin Gouldstone

R **Remuneration Committee Chair:** Elaine Sullivan

N **Nomination Committee Chair:** Elaine Sullivan

Corporate Governance Statement

For the year ended 31 December 2024

Compliance

The Board of hVIVO plc recognise the importance of high standards of corporate governance and the Group is committed to operating with the highest ethical values, integrity and professionalism across all of its activities. The Directors believe that good corporate governance can create shareholder value by improving performance, whilst reducing the risks that a company faces, as it seeks to create sustainable growth over the medium to long term.

Taking the size and nature of the Company's business in account, the Company follows the recommendations outlined in the Corporate Governance Code published by the Quoted Companies Alliance in 2023 (QCA Code) and uses the 10 principles outlined in the QCA to ensure it maintains appropriate governance arrangements. The key governance framework is detailed further in this report whilst full details on how the Company works to the 10 principles can be found on its website www.hVIVO.com.

Board composition and responsibility

The Board comprises a Non-Executive Chair, two Executive Directors and three Non-Executive Directors.

Cathal Friel, the Non-Executive Chair is responsible for the smooth running and effectiveness of the Board of Directors and for ensuring that the Company meets stakeholder expectations. The Chair is responsible for developing the overall strategy of the Group in conjunction with all Board members and ensures that the Executive Directors oversee its implementation and day-to-day activities through the Senior Management Team, which is accountable for the operational performance of the Group.

The Board members have a broad range of experience and calibre to bring independent judgement on issues of strategy and performance which helps the Board to carry out its supervisory and stewardship functions effectively and to discharge its responsibilities to shareholders for the proper management of the Group. The Board has determined that Non-Executive Directors Elaine Sullivan and Martin Gouldstone are independent in character and judgement and that there are no relationships or circumstances which could materially affect or interfere with the exercise of their independent judgement. Elaine Sullivan is recognised as Senior Independent Director.

The Board is satisfied with the balance between Executive and Non-Executive Directors which allows it to exercise objectivity in decision making and proper control of the Group's business. The Board considers this composition is appropriate in view of the size and requirements of the Group's business and the need to maintain a practical balance between Executives and Non-Executives. From 2025 onwards, all Directors are subject to election by shareholders at the first Annual General Meeting after their appointment and are subject to re-election at each subsequent AGM. The terms of appointment of the Non-Executive Directors can be obtained by request to the Company Secretary. The Board continues to monitor the composition and balance of the Board.

The Board's primary objective is to focus on adding value to the Group by identifying and assessing business opportunities and ensuring that potential risks are identified, monitored and controlled. Matters reserved for Board decisions include strategic long-term objectives and capital structure of major transactions.

Corporate Governance Statement

Continued

Board meetings and attendance

All Committee and Board meetings held in the year were quorate.

Directors' service agreements set out the time commitment from each director. Executive Directors are expected to devote all or substantially all of their time to the hVIVO Group, the Non-Executive Chair is required to commit as much time as is needed to complete the role and the Non-Executive Directors are required to commit 24 days per annum to the hVIVO Group. The Executive Directors do not have any appointments other than hVIVO.

13 Board meetings were held during the year. The Directors' attendance record (in their respective roles) during 2024 is as follows:

	Board Meetings	Audit & Risk Committee	Remuneration Committee	Nomination Committee
Cathal Friel (Non-Executive Chair)	11	–	–	–
Yamin 'Mo' Khan (Chief Executive Officer)	12	2/2	–	–
Stephen Pinkerton (Chief Financial Officer)	13	2/2	–	–
Elaine Sullivan (Non-Executive Director)	12	2/2	3/3	3/3
Prof. Brendan Buckley (Non-Executive Director)	12	–	–	–
Martin Gouldstone (Non-Executive Director)	11	2/2	3/3	3/3

Audit and Risk Committee

The principal duties of the Audit and Risk Committee include ensuring the integrity of the Group's risk management systems, internal control environment, and corporate reporting including the review of half-yearly and annual financial statements before their submission to the Board and to consider any matters raised by the auditors. The Committee also reviews the independence and objectivity of the auditors. The terms of reference of the Committee reflect current best practice, including authority to:

- Monitoring the integrity of the Group's financial statements
- Application of accounting policies
- Reviewing the effectiveness of the Group's internal control and risk management systems
- Oversight of the Group's external auditors
- Ensure appropriate whistleblowing arrangements are in place
- Oversight of the Group's operations ensuring:
    - Competent and prudent management
    - Sound planning
    - Adequate system of internal control
    - Adequate and accurate accounting records
    - Compliance with statutory and regulatory obligations

In 2022, the Company introduced the ESG Group, a cross-business working team led by Yamin 'Mo' Khan and dedicated to identifying climate change risks and other social governance matters. The ESG Group reports directly into the Audit and

Risk Committee half yearly. The Audit and Risk Committee is responsible for reviewing the Company's ESG reporting and recommending it to the Board. Read the full ESG Report on page 31.

The Audit and Risk Committee comprises independent directors Martin Gouldstone as Chair with Elaine Sullivan as the other member of the Committee. The Committee brings to it a wide range of experience and expertise with Martin Gouldstone having extensive financial experience, details of which can be found in the Directors' biographies appearing on page 52.

The Committee meets at least twice a year, the Chief Financial Officer, and Group Financial Controller normally attend meetings of the Committee while the Chief Executive Officer attends when necessary. The external auditors attend as required and have direct access to the Committee Chair at all times. The Committee found no significant issues in 2024.

The Chair of the Audit and Risk Committee may seek information from any employee of the Group and obtain external professional advice at the expense of the Company if considered necessary. Due to the relatively low number of personnel employed within the Group, the nature of the business and the current control and review systems in place, the Board has decided not to establish a separate internal audit department.

Remuneration Committee

The Group has established a formal and transparent procedure for developing policy on Executive remuneration and for fixing the remuneration packages of individual Directors. No Director is involved in deciding their own remuneration. The Committee considers the employment and performance of individual Executive Directors and determines their terms of service and remuneration. It also has authority to grant options under the Company's Long-Term Incentive Plan. The Committee does so within its formal terms of reference and having due regard to the interests of shareholders, receiving advice from independent compensation and benefits consultants when necessary.

The Remuneration Committee comprises independent directors Elaine Sullivan as Chair with Martin Gouldstone as the other member of the Committee. The Committee meets at least twice a year.

The terms of reference of the Remuneration Committee give due regard to the interests of shareholders, the Committee seeks advice from independent compensation and benefits consultants when necessary. The terms of reference include the following responsibilities:

- Determine and agree with the Board the framework or broad policy for the remuneration of the Executive Directors and other such members of the executive management as it is designated to consider
- Approve the design of, and determine targets for, any performance-related pay schemes and approve the total annual payments made under such schemes
- Approve all long-term incentive scheme structures and option schemes
- Approve all option grants prior to ratification by the Board
- Determine the base salary, performance related remuneration package of each Executive Directors including, where appropriate, bonus and share options
- Review the remuneration packages of Senior Management Team

The Remuneration Committee's report for the 2024 financial year is set out on page 60.

Corporate Governance Statement

Continued

Nomination Committee

The Nomination Committee identifies and nominates for the approval of the Board, candidates to fill Board vacancies as and when they arise.

The Committee comprises independent directors Elaine Sullivan as Chair with Martin Gouldstone as the other member of the committee. The Committee meets at the same time as the remuneration committee.

The terms of reference of the Nomination Committee include the following responsibilities:

- Ensure the Board has a balanced mix of skills, experience, and diversity to effectively govern the Group
- Identify and recommend candidates for Board positions
- Conduct assessments of Board and individual Director performance to maintain high standards of governance
- Monitor independence of Non-Executive Directors and ensures compliance with governance standards
- Review the structure and effectiveness of Board committees, making recommendations for improvements as needed

Internal control

The Directors are responsible for ensuring that the Group maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication, and also that the assets of the Group are safeguarded. There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, but not absolute, assurance with respect to the preparation of financial reporting and the safeguarding of assets.

The Group, in administering its business has put in place strict authorisation, approval and control levels within which senior management operates. These controls reflect the Group's organisational structure and business objectives. The control system includes clear lines of accountability and covers all areas of the organisation. The Board operates procedures which include an appropriate control environment through the definition of the above organisation structure and authority levels and the identification of the major business risks.

Internal financial reporting

The Directors are responsible for establishing and maintaining the Group's system of internal reporting and as such have put in place a framework of controls to ensure that the on-going financial performance is measured in a timely and correct manner and that risks are identified as early as is practicably possible. There is a comprehensive budgeting system and monthly management accounts are prepared which compare actual results against both the budget and the previous year. The budget is presented to the board annually and approved. Quarterly updates on performance and updated forecasts are reviewed by the board on a timely basis.

Maintaining a dialogue with shareholders and other relevant stakeholders

The Board attaches great importance to communication with both institutional and private shareholders and engages in regular shareholder communication via Company RNS announcements, the Company website www.hvivo.com, investor presentations, and shareholder meetings as appropriate. The Company works with a PR and IR consultancy and using its own internal IR Team to ensure that all enquiries from investors are dealt with effectively and that shareholder communications maintain the principles of disclosure as set out in the AIM Rules for Companies.

The Group's focus on investor relations and the growing interest from equity market participants is evidenced by the growing number of equity analysts providing research coverage on the Group. Engaging with the analyst community is a key part of how hVIVO communicates with the capital markets.

The Board views the Annual Report, as well as its Interim Results, as key communication channels through which to update shareholders as to the Group's progress and objectives. The Group dispatches the notice of its Annual General Meeting, together with a description of the items of special business, at least 21 days before the meeting. Each substantially separate issue is the subject of a separate resolution, and all shareholders have the opportunity to put questions to the Board at the Annual General Meeting. The Board uses the AGM as a primary mechanism to engage with Shareholders and both to give information and receive feedback about the Company and its progress. The Chair advises the meeting of the details of proxy votes cast on each of the individual resolutions after they have been voted on in the meeting.

The Chief Executive Officer and the Chief Financial Officer undertake meetings with key shareholders and analysts following publication of full and half year results in order to answer questions and ensure that the key messages are properly understood and effectively communicated onward. In addition, the Chief Executive Officer and Chief Financial Officer regularly provide presentations via the Investor Meet Company platform. These presentations are available for all to join and allow shareholders to submit questions. The presentations are available to play back and the Q&A sessions are published and available for all to review after the event. hVIVO is committed to holding further investor access events, such as Capital Markets Days and Investor Open Days, on an ongoing basis as appropriate. The Company shares its key communications with Shareholders with its advisers in draft form before publication to ensure that they are accurate and effective. The Chair and the Non-Executive Directors intend to maintain a good and continuing understanding of the objectives and views of the shareholders.

The Company's website Investor Relations | hVIVO, 'X' feed (previously known as Twitter) @hVIVO_UK and LinkedIn page contain details of its services, promotional activities, investor relations events, share price details and Regulatory News Service (RNS) announcements.

Report of the Remuneration Committee

For the year ended 31 December 2024

The Remuneration Committee is responsible for setting the remuneration policy of the Executive Directors, including terms of employment, salaries, any performance bonuses and share option awards. It also reviews the remuneration for the senior management team to ensure these are reasonable and in line with industry standards.

This report sets out the Group policy on Directors' remuneration, including emoluments, benefits and other share-based awards made to each Director.

Policy on Executive Directors' remuneration

Remuneration packages are designed to motivate and retain Executive Directors to ensure the continued development of the Group and to reward them for enhancing value to stakeholders through execution of the business model and strategy. The main elements of the remuneration package for Executive Directors are basic salary, performance related bonuses, pensions and share option incentives.

The Group's remuneration structure has been designed to ensure the alignment of senior leadership with shareholder interests, thereby supporting future value creation. The Committee's aim is that the total remuneration package provides a competitive level of incentive and is appropriate for a company of comparable size and complexity at each level of performance. To this end, the Committee considers appropriate goals from time to time which it believes will best ensure delivery of the Group's short- and long-term objectives and ensure alignment with stakeholder interests.

In setting the remuneration of the Executive Directors, the Remuneration Committee has sought external advice from independent compensation and benefits consultants to ensure that the level of remuneration across all aspects is competitive and aligns with the Group strategy.

Directors' remuneration

The remuneration of the Directors serving for the year ended 31 December 2024 is shown below and in Note 7 to the financial statements:

	Salary		Annual Bonus		Pension		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Executive Directors:								
Yamin 'Mo' Khan	347	304	310	283	40	34	697	621
Stephen Pinkerton	197	176	135	83	17	15	349	274
Sub-Total	**544**	**480**	**445**	**366**	**57**	**49**	**1,046**	**895**
Non-Executive Directors:								
Cathal Friel	157	139	–	69	10	8	167	216
Brendan Buckley	45	45	–	–	–	–	45	45
Elaine Sullivan	45	45	–	–	–	–	45	45
Martin Gouldstone	45	45	–	–	–	–	45	45
Sub-Total	**292**	**274**	–	**69**	**10**	**8**	**302**	**351**
Total	**836**	**754**	**445**	**435**	**67**	**57**	**1,348**	**1,246**

Salaries

Base salaries are reviewed annually, and consequently for 2024, net increases of 14% in salary for Yamin 'Mo' Khan and 12% increase in salary for Stephen Pinkerton were awarded. This increase took into account the performance of the Group, individual performance, additional responsibilities and external indicators such as inflation and industry comparatives.

In addition to base salary the Executive Directors receive a travel allowance paid in cash which is included as salary in the table above, but does not form part of base salary when calculating bonuses. In 2024 and 2023 the travel allowances of Yamin 'Mo' Khan and Stephen Pinkerton were £17,500 and £12,000 respectively.

Annual bonus

The Remuneration Committee considered the performance of the Executive Directors in the financial year against criteria set by the Remuneration Committee.

Yamin 'Mo' Khan achieved a bonus of 94% of base salary out of a maximum of 125%. Of the total bonus target, 59% was based on revenue and EBITDA targets, and 41% was based on sales and new service targets.

Stephen Pinkerton achieved a bonus of 73% of base salary out of a maximum of 100%. Of the total bonus target, 58% was based on revenue and EBITDA targets, and 42% was based on sales and new service targets.

Long-term incentives

In order to achieve the objective of aligning senior leadership with shareholder interests, the Company has awarded share options under a Long-Term Incentive Plan (LTIP) to the Executive Directors.

Details of awards held by Executive Directors under the LTIP schemes are shown below:

	Year of grant	Number of shares under option at 31 December 2023	Number of awards granted in the year	Vesting date	Number of shares under option at 31 December 2024	Exercise price
Yamin 'Mo' Khan	2022	7,227,273	–	23/02/2025	7,227,273	0.1p
Yamin 'Mo' Khan	2024	–	4,606,794	30/06/2027	4,606,794	0.1p
Stephen Pinkerton	2017	67,364	–	20/12/2020	67,364	2p
Stephen Pinkerton	2024	–	2,433,824	31/01/2026	2,433,824	0.1p

In February 2024, in connection with his appointment as Chief Financial Officer, Stephen Pinkerton was awarded options of up to 2,433,824 shares under the LTIP scheme. The vesting is conditional upon a three-year total shareholder return (TSR) performance ending 31 January 2026, against an initial 17p reference price. The LTIP options will vest subject to the achievement of a minimum 10% CAGR TSR performance increasing on a straight-line basis to vesting in full subject to the achievement of a 22.5% CAGR TSR performance, and an exercise price of 0.1p.

Report of the Remuneration Committee

Continued

In October 2024, Yamin ‘Mo’ Khan was awarded options of up to 4,606,794 shares under the LTIP scheme. 75% of Yamin ‘Mo’ Khan's award is subject to three performance conditions for the three-year period ending 31 December 2026:

- 30% is subject to an absolute three-year total shareholder return (TSR) performance subject to the achievement of a minimum 10% CAGR TSR performance increasing on a straight-line basis to full vesting on achievement of a 18% CAGR TSR performance;
- 30% is subject to the achievement of 8.3% EBITDA CAGR increasing on a straight-line basis to full vesting on achievement of a 10.4% EBITDA CAGR; and
- 15% is subject to effectively implementing the Company's ESG and sustainability strategy.

The remaining 25% of Yamin ‘Mo’ Khan’s options are subject to a service condition. The options, regardless of conditions, have an exercise price of 0.1p.

In February 2025, Yamin ‘Mo’ Khan’s 2022 LTIP awards vested. Of the total 7,227,273 awards, 1,806,818 vested based on a service condition, 4,633,301 vested based on achievement of TSR performance targets, and 787,154 lapsed due to non-achievement of TSR performance targets.

Long-term incentives – Senior Management

In order to align certain members of senior management with the interests of the shareholders, and to ensure they are sufficiently incentivised, a long-term incentive plan was opened to certain members of senior management in October 2024. A total of 350,833 options were awarded with an exercise price of 0.1p. Fifty percent of the options are subject to an absolute three-year total shareholder return (TSR) performance subject to the achievement of a minimum 10% CAGR TSR performance increasing on a straight-line basis to full vesting on achievement of a 18% CAGR TSR performance. Fifty percent of the options are subject to the achievement of 8.3% EBITDA CAGR increasing on a straight-line basis to full vesting on achievement of a 10.4% EBITDA CAGR.

Other transactions with Directors

For details of other, non-remuneration related transactions with Directors, see note 29 of the financial statements.

Report of the Directors

For the year ended 31 December 2024

The Directors are pleased to submit this report together with the audited financial statements of hVIVO plc for the year ended 31 December 2024.

Directors

The Directors who held office during the year and as at the date of signing the financial statements were as follows:

Cathal Friel
Dr Yamin 'Mo' Khan
Stephen Pinkerton
Dr Elaine Sullivan
Prof. Brendan Buckley
Martin Gouldstone

Principal activities

hVIVO is a rapidly growing specialist contract research organisation (CRO) providing end-to-end early clinical development services to the biopharmaceutical industry, including phase I capabilities and world leading human challenge trial services.

Specific information, including key risks, financial risk management, and future developments are shown in the Strategic Report, Chair Statement and CEO Statement as permitted by section 414C (11) of the Companies Act.

Going concern

The Directors have considered the applicability of the going concern basis in the preparation of these financial statements. This included the review of internal budgets and financial performance which show that the Group will be able to operate within the level of its current financing position. For more detail refer to Note 1.

The Group had a cash balance of £44.2m at 31 December 2024, is cash generative and debt-free, meaning it is able to benefit from interest rates on its cash reserves without any exposure to increased costs of debt.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis of preparation for its consolidated financial statements.

Directors' interests

The interests of those Directors serving at 31 December 2024 and as at the date of signing of these financial statements, all of which are beneficial, in the Ordinary Share Capital of the Company hVIVO plc of 0.1p each were as follows:

	% holding (9 April 2025 / 31 December 2024)	9 April 2025	31 December 2024	1 January 2024
Cathal Friel*	-/-	–	–	47,097,086
Yamin 'Mo' Khan	0.57%/0.08%	3,901,603	523,730	523,730
Prof. Brendan Buckley	0.59%/0.59%	4,017,270	4,017,270	8,034,539

*Held via Raglan Road Capital Ltd, Horizon Medical Technologies Ltd, a nominee account and/or through a family member

Report of the Directors

Continued

Substantial shareholdings

The Company has been notified of the following holdings of 3% or more of the issued Ordinary Share capital as at 31 March 2025:

Shareholder	Number of shares	Percentage of issued share capital
Octopus Investments Limited	95,834,744	13.95%
Rathbones Investment Ltd	87,847,709	12.79%
Canaccord Genuity Wealth Management	27,099,500	3.95%

Dividend

A final dividend for the year ended 31 December 2024 of £1,374,000 (0.20p per ordinary share) is recommended by the Directors and is to be paid to all ordinary shareholders on the register at the close of business on 16 May 2025 with payment being made on 11 June 2025, subject to shareholder approval at the Annual General Meeting.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Parent Company financial statements in accordance with UK adopted international accounting standards (IFRS). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the United Kingdom have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website (www.hvivo.com). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' liability insurance

The Group has entered into deeds of indemnity for the benefit of each Director of the Group in respect of liabilities to which they may become liable in their capacity as Director of the Group and of any company in the Group. Those indemnities are qualifying third party indemnity provisions for the purposes of Section 234 of the Companies Act 2006 and have been in force during the whole of the financial year and up to the date of approval of the financial statements.

Auditor

The auditor, Gravita Audit Ltd, is being proposed for reappointment at the forthcoming Annual General Meeting of the Company.

Disclosure of information to the Auditor

The Directors who hold office at the date of approval of this report confirm that so far as they are each aware, there is no relevant audit information of which the Group and Company's auditor is unaware, and each Director has taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

Annual General Meeting

The resolutions to be proposed at the forthcoming Annual General Meeting are set out in the formal notice of the meeting which has been posted to you together with this Annual Report.

Recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and it is unanimously recommended that shareholders support these proposals as the Board intends to do in respect of their own holdings.

The Directors' report was approved by the Board on 9 April 2025 and signed on its behalf by

Dr Yamin 'Mo' Khan
CEO

Independent Auditor's Report

to the members of hVIVO Plc

Opinion

We have audited the financial statements of HVIVO Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated and company statements of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted International Accounting Standards (IFRS). The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom adopted International Accounting Standards (IFRS), as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- 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 profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom adopted International Accounting Standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006;

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included a detailed review of cashflow forecasts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Further explanation on the work we have performed for the evaluation of the director's assessment of the entity's ability to adopt the going concern basis of accounting is included in the Key Audit Matters section of this report.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

- Carrying value of intangibles
- Revenue recognition
- Going concern assumption
- Carrying value of Investments in subsidiary undertakings and recoverability of inter-company debtors (Company only risk)

These are explained in more detail below.

Key audit matter	How our audit addressed the key audit matter
Carrying value of intangibles All intangibles are held at cost less impairment. The Group had intangible assets of £5.7m (2023: £5.7m) at 31 December 2024. Of this, £5.6m relates to capitalised goodwill recognised on acquisitions and £101k relates to software.	Our audit procedures: • we have tested items which were not capitalised as additions to intellectual property and checked that the conditions for capitalisation had not been met; • Intangibles are only assessed for impairment when indicators of impairment exist; • where an impairment test was necessary, we audited management's assumptions and sensitivities; • we considered whether management had exercised any bias in assumptions used or the outputs produced in the forecasts prepared; and • we performed an analytical review to compare the profitability of components and discussed the findings with management. The analysis work undertaken by the directors shows that the Group is expected to remain cash generative for the foreseeable future. We have understood and assessed the methodology used by directors in this analysis and determined it to be reasonable.

Independent Auditor's Report

Continued

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The amount of revenue recognised by the Group was £62.7m (2022: £56.0m). The Group recognises revenue from clinical trial services provided to customers, incrementally as work is performed, using service milestones noted in the contracts and percentage of completion of contract when recognising revenue over time. The percentage of completion is determined using level of work completed to date in respect of each individual milestones assigned to the clinical services contract. The milestones are measured using metrics assigned to the individual contracts. These metrics determines how the progress of each milestone can be measured. This requires management to estimate both the allocation of revenue to milestones in the contract at contract inception date, and the percentage of completion of each milestone at each reporting date. Contract assets and liabilities have been reviewed by the board in detail including each contract with all major customers and revenue has been recognised in accordance with IFRS 15. We identified a risk of inaccurate or incomplete recognition of revenue due to the incorrect allocation of milestones to service contracts and percentages of completion in calculating revenue and cost of sales. The assumptions and judgements made in estimating the percentage of completion require a significant degree of management judgement and are susceptible to management override and represent a fraud risk. We therefore determined this to be a key audit matter.	Our audit approach: • assessed the appropriateness of the Group's revenue recognition accounting policies; • reviewed a sample of contracts with customers and tested that the Group has correctly accounted for the revenue arising from these contracts in accordance with the accounting policies and reviewed management's judgement on the contract price and the allocation to performance obligations; • performed detailed testing on individually significant contracts, including substantiating a sample of transactions with underlying documents such as contracts, progress metrics data, internal forecasts and project completion reports, as well as discussions with project managers; • we checked a sample of time sheets and supporting information which were used to calculate the postings to the revenue account; • we reviewed the calculation of revenue to be accrued and tested a sample of items for the hours and rates applied from the time sheet system and agreed contract rates to the amount posted in the nominal ledger; • where appropriate we considered the remaining amount of accrued revenue which still required to be invoiced including calculations of that revenue and considered the recoverability of a sample of balances; • we performed a walk-through of the process followed and related controls with regard to the recognition of revenue; and • evaluated whether revenue has been appropriately presented and disclosed in the financial statements. Based on the audit work performed, we are satisfied that management have appropriately accounted for revenue in line with their accounting policy and in accordance with the requirements of IFRS 15. We are also satisfied that all necessary disclosures have been made in the consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Going concern assumption The Group's cash balance at the year ended 31 December 2024 was £44.2m (2023: £37.0m) and profit after tax of £10.7m (2023: £16.1m). The Group is dependent upon its ability to generate sufficient cash flows to meet continued operational costs and hence continue trading. Due to global trade, and the wider Group structure, foreign exchange risk continues to be a key risk which can affect results. The management of employee and contractor costs is also key to profitability of the Group. The key assumptions that impact the conclusions are the levels of future revenue, the ability to control the operating costs and the cash levels of the Group. There are, therefore, inherent risks that the forecasts may overstate future revenue due to the timing of closure of future contracts, or understate future costs, and that the Group will not be able to operate within its cash resources and continue to operate as a going concern. There is a risk that the use of the going concern basis is inappropriate.	Our audit procedures: • obtained management's forecasts and cash flow analysis, and their going concern assessment; • assessed the reliability of forecasts to date by agreeing historical actuals to budgets, and challenging the current forecasts; • tested the clerical accuracy of management's forecast; • reviewed the directors' assessment, including challenging the liquidity position; • agreeing the assumed cash flows to the business plan and walking through the business planning process and testing the central assumptions and external data; • challenged management's forecast assumptions, including reviewing the forecast revenue and corroborated the assumptions over the conversion of new contracts and the levels of costs that are forecast through observation of correspondence with potential customers to assess the likelihood of contracts being awarded; • assessing the sensitivities of the underlying assumptions; • comparing future cashflows with historical data; and • considered the appropriateness of the Group's disclosures in relation to going concern in the financial statements. • reviewed post year end RNS announcements made by the Group to ensure that these have been accurately considered in the going concern assessment. Based on the audit work performed we are satisfied that although there are inherent uncertainties associated with the forecast, the Group's revenue pipeline, contracts won post year end and current cash position will provide required support to the business. In addition, we are satisfied that post year end acquisitions will not affect the going concern assessment and will support future growth in the business and its revenue streams. We are also satisfied that all necessary disclosures have been made in the consolidated financial statements.

Independent Auditor's Report

Continued

Key audit matter	How our audit addressed the key audit matter
Carrying value of investment in subsidiaries and recoverability of inter-company debtors (Company only risk) The Company had investments of £22.4m (2023: £22.4m) at the year ended 31 December 2024. The Directors have confirmed that all investments were correctly calculated and relate exclusively to the investments in subsidiary undertakings. The amount due from subsidiaries amounts to £9.0m (2023: £11.9m). We identified a risk that the investments of the parent company (HVIVO Plc) in its subsidiaries, and amounts receivable, may be impaired. Management's assessment of the recoverable amount of investments in subsidiaries requires estimation and judgement around assumptions used, including the cash flows to be generated from continuing operations. Changes to assumptions could lead to material changes in the estimated recoverable amount, impacting the value of investment in the subsidiary and impairment charges. There were no impairments to intercompany balances during the year.	We have performed the following audit procedures: • reviewed management's assessment of future operating cashflows and indicators of impairment; • assessed the methodology used by management to estimate the future profitability of its subsidiaries and recoverable value of the investments, in conjunction with any intra-group balances, to ensure that the method used is appropriate; • assessed the reasonableness of the key assumptions used in management's estimates of recoverable value, in line with the economic and industry statistics relevant to the business; • challenged cash inflows from revenue generating activities and the key assumptions applied in arriving at these, including the milestones achieved in research programmes; the number and monetary value of clinical studies in the foreseeable future, and the market share of studies in key areas of disease focus; • assessed the reasonability of cash outflows, including contracted delivery costs, and research and capital spend; • assessed the appropriateness and applicability of discount rate applied to the current business performance; • confirmed that any adverse change in key assumptions would not materially increase the impairment loss; • considered the appropriateness of the Parent Company's disclosures in relation to any impairment in the Company only financial statements; and • ensured that disclosures of the key judgements and assumptions, and sensitivity of the impairment loss recognised was appropriately disclosed. Based on the audit work performed, we are satisfied with management's assertion that no further impairment exists and that these are appropriately accounted for and disclosed in the Parent Company financial statements.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company financial statements
Overall materiality	£627,000 (2023: £587,000)	£240,000 (2023: £262,000)
How we determined it	Based on 1% of revenue (2023: Based on 1% of revenue)	Based on 1% of gross assets (2023: Based on 1% of gross assets)
Rationale for benchmark applied	We believe that revenue is a primary measure used by shareholders in assessing the Group's performance. This is considered a standard industry benchmark.	We believe that Gross Assets is the primary measure used by shareholders in assessing the Company's performance given that this is a Holding Company with Recharges from Group entities. This is considered a standard industry benchmark.
Performance materiality	£470,000 (2023: £440,000)	£180,000 (2023: £196,000)

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £113,000 and £551,000.

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial Statements as a whole. The Performance materiality was set at £470,000 for the Consolidated Group and £180,000 for the Parent company.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £12,000 (Parent Co.) and £31,000 (Group) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of 8 reporting units (2023: 8 reporting units), comprising the Group's operating businesses and holding companies. This includes a dormant subsidiary, VLS Ltd, which remains a reporting unit in 2024.

Independent Auditor's Report

Continued

We performed audits of the complete financial information of HVIVO Plc, hVIVO Holdings Limited and hVIVO Services Limited. Two further reporting units, hVIVO Inc (US) and Venn Life Sciences EDS (Netherlands), were audited by Gravita for Group purposes only. We also performed specified audit procedures over goodwill and other intangible assets, as well as certain account balances and transaction classes that we regarded as material to the Group at the 8 reporting units.

The Group engagement team performed all audit procedures, with the exception of the audit of Venn Life Sciences Biometry Services SAS (France) and Open Orphan DAC (Ireland). These components were audited by component auditors and we reviewed and controlled the audit work undertaken in those components.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 23, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the group through discussions with directors and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and

Independent Auditor's Report

Continued

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 of the Group financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of this report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jan Charlesworth (Senior Statutory Auditor)

For and on behalf of
Gravita Audit Limited, (Statutory Auditor)
Aldgate Tower
2 Leman Street,
London
E1 8FA

9 April 2025

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Operations			
Revenue, from contracts with customers	4	**62,725**	56,043
Other operating income	5	**3,492**	2,623
Direct project and administrative costs	6	**(49,802)**	(45,629)
EBITDA before exceptional items		**16,415**	13,037
Depreciation & amortisation	13, 14, 16	**(3,559)**	(2,716)
Exceptional items	6	**–**	(219)
Operating profit		**12,856**	10,102
Net finance income	10	**462**	1,055
Share of loss of associate using equity method		**(29)**	(10)
Profit before income tax		**13,289**	11,147
Income tax (charge)/credit	11	**(2,637)**	4,968
Profit for the year		**10,652**	16,115
Profit for the year is attributable to:			
Shareholders		**10,652**	16,115
Other comprehensive income			
Items that will not be subsequently reclassified to income statement:			
Currency translation differences		**219**	(49)
Total comprehensive income for the year		**10,871**	16,066
Earnings per share attributable to shareholders during the year:			
Basic earnings per share	12	**1.57p**	2.38p
Diluted earnings per share	12	**1.55p**	2.35p
Adjusted earnings per share attributable to shareholders during the year:			
Basic adjusted earnings per share	12	**1.69p**	1.27p
Diluted adjusted earnings per share	12	**1.67p**	1.25p

All activities relate to continuing operations.

The notes on pages 80 to 104 are an integral part of these financial statements.

Consolidated and Company Statements of Financial Position

As at 31 December 2024

	Note	**Group 2024 £'000**	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
Assets					
Non-current assets					
Intangible assets	13	**5,701**	5,667	**–**	–
Property, plant and equipment	14	**7,500**	6,203	**–**	–
Investments in subsidiaries	15	**–**	–	**22,377**	22,377
Right of use asset	16	**11,801**	13,835	**–**	–
Deferred Tax Asset	11	**3,662**	5,519	**–**	–
Total non-current assets		**28,664**	31,224	**22,377**	22,377
Current assets					
Inventories	17	**804**	426	**–**	–
Trade and other receivables	18	**15,245**	14,605	**1,573**	1,527
Cash and cash equivalents	19	**44,180**	36,973	**42**	2,281
Total current assets		**60,229**	52,004	**1,615**	3,808
Total assets		**88,893**	83,228	**23,992**	26,185
Equity attributable to owners					
Share capital	25	**680**	680	**680**	680
Share premium account	26	**516**	516	**516**	516
Merger reserves	26	**(6,856)**	(6,856)	**(2,241)**	(2,241)
Foreign currency reserves	26	**1,528**	1,309	**2,014**	2,014
Retained earnings		**48,807**	38,677	**19,570**	21,970
Total equity		**44,675**	34,326	**20,539**	22,939
Liabilities					
Non-current liabilities					
Lease liabilities	16	**10,391**	12,163	**–**	–
Leasehold provision	21	**1,912**	1,559	**–**	–
Total non-current liabilities		**12,303**	13,722	**–**	–
Current liabilities					
Trade and other payables	20	**29,405**	34,228	**3,453**	3,246
Lease liabilities	16	**2,510**	367	**–**	–
Leasehold provision	21	**–**	585	**–**	–
Total current liabilities		**31,915**	35,180	**3,453**	3,246
Total liabilities		**44,218**	48,902	**3,453**	3,246
Total equity and liabilities		**88,893**	83,228	**23,992**	26,185

The notes on pages 80 to 104 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 9 April 2025.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent Company's Statement of Comprehensive Income. The loss for the parent Company for the year was £1,878,000 (2023: loss of £11,567,000).

Dr Yamin Mo Khan – CEO

hVIVO plc
Registered no: 07514939

Consolidated and Company Statement of Changes in Shareholders' Equity

For the year ended 31 December 2024

Group	Share capital £'000	Share premium £'000	Merger reserve £'000	Foreign currency reserve £'000	Retained earnings £'000	Total £'000
At 1 January 2023	**671**	**4**	**(6,856)**	**1,358**	**25,041**	**20,218**
Changes in equity for the year ended 31 December 2023						
Profit for the year	–	–	–	–	16,115	16,115
Currency differences	–	–	–	(49)	–	(49)
Total comprehensive income for the year	**–**	**–**	**–**	**(49)**	**16,115**	**16,066**
Transactions with the owners						
Share based payments (note 27)	–	–	–	–	575	575
Shares issued	9	512	–	–	–	521
Dividends paid	–	–	–	–	(3,054)	(3,054)
Total contributions by and distributions to owners	**9**	**512**	**–**	**–**	**(2,479)**	**(1,958)**
At 31 December 2023	**680**	**516**	**(6,856)**	**1,309**	**38,677**	**34,326**
Changes in equity for the year ended 31 December 2024						
Profit for the year	–	–	–	–	10,652	10,652
Currency differences	–	–	–	219	–	219
Total comprehensive income for the year	**–**	**–**	**–**	**219**	**10,652**	**10,871**
Transactions with the owners						
Share based payments (note 27)	–	–	–	–	836	836
Dividends paid	–	–	–	–	(1,358)	(1,358)
Total contributions by and distributions to owners	**–**	**–**	**–**	**–**	**(522)**	**(522)**
At 31 December 2024	**680**	**516**	**(6,856)**	**1,528**	**48,807**	**44,675**

Company	Share capital £'000	Share premium £'000	Merger reserve £'000	Foreign currency reserve £'000	Retained earnings £'000	Total £'000
At 1 January 2023	**671**	**4**	**(2,241)**	**2,014**	**36,016**	**36,464**
Changes in equity for the year ended 31 December 2023						
Loss for the year	–	–	–	–	(11,567)	(11,567)
Share based payments (note 27)	–	–	–	–	575	575
Shares issued	9	512	–	–	–	521
Dividends paid	–	–	–	–	(3,054)	(3,054)
Total contributions by and distributions to owners	**9**	**512**	**–**	**–**	**(14,046)**	**(13,525)**
At 31 December 2023	**680**	**516**	**(2,241)**	**2,014**	**21,970**	**22,939**
Changes in equity for the year ended 31 December 2024						
Loss for the year	–	–	–	–	(1,878)	(1,878)
Share based payments (note 27)	–	–	–	–	836	836
Dividends paid	–	–	–	–	(1,358)	(1,358)
Total contributions by and distributions to owners	**–**	**–**	**–**	**–**	**(2,400)**	**(2,400)**
At 31 December 2024	**680**	**516**	**(2,241)**	**2,014**	**19,570**	**20,539**

Consolidated and Company Statement of Cash Flows

For the year ended 31 December 2024

	Note	**Group 2024 £'000**	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
Cash used in operations					
Profit/(loss) before income tax		**13,289**	11,147	**(1,651)**	(11,565)
Adjustments for:					
– Depreciation & amortisation	6	**3,559**	2,716	**–**	–
– Impairment of intangible assets	13	**–**	254	**–**	–
– Exceptional items	6	**–**	219	**–**	–
– Net finance income	10	**(462)**	(1,055)	**226**	(182)
– Share based payment charge	27	**836**	575	**–**	–
– R&D credit incl. in other income	5	**(3,356)**	(2,432)	**–**	–
– Share of associate loss		**29**	10	**–**	–
– Impairment of intercompany balances		**–**	–	**–**	10,428
Changes in working capital:					
– (Decrease)/increase in provisions		**(326)**	155	**–**	–
– Decrease/(increase) in trade and other receivables		**1,745**	(1,158)	**336**	3,325
– (Increase)/decrease in inventories		**(378)**	73	**–**	–
– (Decrease)/increase in trade and other payables		**(4,755)**	5,187	**206**	15
Cash generated from/(used in) operating activities		**10,181**	15,691	**(883)**	2,021
Income tax (R&D credit) received/(paid)		**155**	1,548	**–**	(24)
Net cash generated from/(used in) operating activities		**10,336**	17,239	**(883)**	1,997
Cash flow from investing activities					
Purchase of property, plant and equipment	14	**(2,416)**	(5,177)	**–**	–
Purchase of intangible assets	13	**(44)**	–	**–**	–
Interest received		**1,800**	1,181	**2**	21
Net cash used in investing activities		**(660)**	(3,996)	**2**	21
Cash flow from financing activities					
Lease payments	16	**(984)**	(2,044)	**–**	–
Dividends paid	28	**(1,358)**	(3,054)	**(1,358)**	(3,054)
Proceeds from issue of shares	25	**–**	521	**–**	521
Finance costs		**(63)**	(127)	**–**	–
Net cash used in financing activities		**(2,405)**	(4,704)	**(1,358)**	(2,533)
Net increase/(decrease) in cash and cash equivalents		**7,271**	8,539	**(2,239)**	(515)
Cash and cash equivalents at beginning of year		**36,973**	28,444	**2,281**	2,799
FX translation		**(64)**	(10)	**–**	(3)
Cash and cash equivalents at end of year	19	**44,180**	36,973	**42**	2,281

Notes to the Financial Statements

For the year ended 31 December 2024

1. Presentation of the financial statements

Description of business

The hVIVO plc Group is a rapidly growing specialist CRO pharmaceutical services group which is the world leader in the testing of vaccines and antivirals using human challenge clinical trials.

hVIVO plc (the "Company") is a company incorporated in England and Wales. The Company is a public limited company, limited by shares, listed on the AIM market of the London Stock Exchange.

Basis of preparation

The financial statements have been prepared in accordance with the Group's accounting policies approved by the Board and described in Note 2, 'Summary of significant accounting policies'. Information on the application of these accounting policies, including areas of estimation and judgement is given in Note 3, 'Critical accounting estimates and judgements'. The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The financial statements have been prepared in accordance with UK adopted international accounting standards (IFRS), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. Figures are presented in thousands of pounds sterling (£'000), unless otherwise indicated.

These financial statements comprise the accounts of hVIVO plc and its subsidiaries (the "Group") for the year ended 31 December 2024. A list of subsidiaries is set out in note 15.

Parent company financial statement

The financial statements of the parent company, hVIVO plc, have been prepared in accordance with UK adopted international accounting standards (IFRS), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Company's Statement of Financial Position is presented on page 77 with accompanying notes where applicable on pages 80 to 104.

Going concern

The financial statements have been prepared using the historical cost convention modified by the revaluation of certain items, as stated in the accounting policies, and on a going concern basis. The Directors consider the use of the going concern basis to be appropriate given the significant cash reserves at year end and strong contracted order book. The Directors have prepared working capital projections which show that the Group and Company will be able to continue as a going concern for the foreseeable future.

2. Summary of significant accounting policies

Consolidation

Entities over which the Group has the power to direct the relevant activities so as to affect the returns to the Group, generally through control over the financial and operating policies, are accounted for as subsidiaries. Where the Group has the ability to exercise significant influence over entities, they are accounted for as associates. Interests acquired in entities are consolidated from the date the Group acquires control and interests sold are de-consolidated from the date control ceases.

Transactions and balances between subsidiaries are eliminated and no profit before tax is taken on sales between subsidiaries until the products are sold to customers outside the Group. The relevant proportion of profits on transactions with associates is also deferred until the products are sold to third parties.

Associates

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost less any fair value adjustment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

New accounting requirements

Amendments to accounting standards issued by the IASB and adopted in the year ended 31 December 2024 did not have a material impact on the results or financial position of the Group. Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been adopted early by the Group. These standards, amendments and interpretations are not expected to have a material impact on the results or financial position of the Group in future reporting periods.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in pounds sterling, which is the functional and presentation currency of the main operating entities.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions where items are re-measured. 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 Statement of Comprehensive Income within 'direct project and administrative expenses', except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentational currency as follows:

- assets and liabilities presented are translated at the closing rate at the date of that reporting period;
- income and expenses are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the Statement of Comprehensive Income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.-

Segmental reporting

Operating segments are reported in a manner consistent with the internal monthly management reporting provided to the chief operating decision-makers (CODM). The CODM have been identified as the Executive Directors and Non-Executive Chair.

Internal management reporting provided to the CODM is on a consolidated basis. Management therefore considers the Group to be one business unit and therefore one reporting segment for disclosure in these financial statements.

Notes to the Financial Statements

Continued

Revenue from contracts with customers

The Group enters into fixed-price and multi-service contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods or services and is shown net of Value Added Tax. Revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Payment terms tend to vary between 30 and 90 days.

Provisions for losses to be incurred on contracts are recognised in full in the period in which it is determined that a loss will result from the performance of the contractual arrangement.

The difference between the amount of revenue from contracts with customers recognised and the amount invoiced on a particular contract is included in the Statement of Financial Position as either deferred income or accrued income. Amounts become billable in advance upon the achievement of certain milestones, in accordance with pre-agreed invoicing schedules included in the contract or on submission of appropriate detail. Any cash payments received as a result of this advance billing are not representative of revenue earned on the contract as revenues are recognised over the period during which the specified contractual obligations are fulfilled. Amounts included in deferred income are expected to be recognised within one year and are included within current liabilities.

In the event of contract termination, if the value of work performed and recognised as revenue from contracts with customers is greater than aggregate milestone billings at the date of termination, cancellation clauses provide for the Group to be paid for all work performed to the termination date.

Other operating income (mainly research & development tax credits)

R&D tax credits are government backed tax incentives that allows companies to claim back some of the costs they have incurred on research, development and innovation. Credits which are taxable receipts are shown in other operating income. Credits which reduce the amount of income tax due are included in the income tax charge/(credit).

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Exceptional items

These are items of an unusual or non-recurring nature incurred by the Group and include transactional costs and one-off items relating to business combinations, such as acquisition expenses, restructuring and redundancy costs.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any provision for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the asset and bringing the asset to its working condition for its intended use.

All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate asset cost to its residual value over its estimated economic useful life, as follows:

- Leasehold improvements — the expected life of the lease, three to ten years
- Plant & machinery — four years
- Fixtures & fittings — three to ten years

The assets' residual values and useful economic lives are reviewed annually, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on the disposal of assets are determined by comparing the sale proceeds with the carrying amount and are recognised in direct project and administrative costs in the Statement of Comprehensive Income.

Intangible assets

Goodwill

Goodwill is stated at cost less impairments. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually.

Other intangible assets

Intangible assets are stated at cost less provisions for amortisation and impairments.

Development costs are capitalised when the related products meet the recognition criteria of an internally generated intangible asset, the key criteria being as follows:

- technical feasibility of the completed intangible asset has been established;
- it can be demonstrated that the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources are available to complete the development;
- the expenditure attributable to the intangible asset can be reliably measured; and
- management has the ability and intention to use or sell the intangible asset.

Development costs recognised as assets are amortised over their expected useful life.

Impairment of non-financial assets

Assets that have an indefinite life such as Goodwill are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment of goodwill is not reversed. For other intangible assets, where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised.

Leases

The Group recognises right of use assets under lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, which are charged to the Statement of Comprehensive Income as incurred. Right of use assets owned by third parties under lease agreements are capitalised at the inception of the lease and recognised in the Statement of Financial Position. The corresponding liability to the lessor is recognised as a lease liability. The carrying amount is subsequently increased to reflect interest on the lease liability and reduced by lease payments made.

Notes to the Financial Statements

Continued

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Finance costs are charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the remaining balance of the lease liabilities for each accounting period.

If modifications or reassessments of lease obligations occur, the lease liability and right of use asset are remeasured.

Inventories

Inventories are reported at the lower of cost (purchase price and/or production cost) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and applicable variable selling expenses.

The Group recognises specific costs of developing a new challenge model virus as Virus inventory once technical and commercial feasibility are certain. Costs of development prior to confirmed feasibility are expensed as incurred.

Financial instruments

Financial assets

The financial assets of the Group consist of trade receivables, other receivables, accrued income and cash and cash equivalents. The Group's financial assets are measured at amortised cost. The measurement basis is determined by reference to both the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. A lifetime expected credit loss (ECL) allowance is recorded on initial recognition of a financial asset. If there is subsequent evidence of a significant increase in the credit risk of an asset, the allowance is increased to reflect the full lifetime ECL. If there is no realistic prospect of recovery, the asset is written off. ECLs are recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of less than three months.

Financial liabilities

The financial liabilities of the Group consist of trade payables, other payables, accrued expenses and lease liabilities. The Group's financial liabilities are measured at amortised cost.

Fair value hierarchy

Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items.
- Level 2: Observable direct or indirect inputs other than Level 1 inputs.
- Level 3: Unobservable inputs (i.e. not derived from market data).

The level of fair value hierarchy for the Group's financial assets and liabilities is shown below:

Financial assets:	
Trade receivables	Level 3
Other receivables	Level 3
Accrued income	Level 3
Cash and cash equivalents	Level 1
Financial liabilities:	
Trade payables	Level 3
Other payables	Level 3
Accrued expenses	Level 3
Lease liabilities	Level 3

Current and deferred income tax

The tax expense comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income where the associated tax is also recognised in other comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted at the reporting period date in the countries where the Company and its subsidiaries operate and generate taxable income. Management evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and tax losses, to the extent that they are regarded as recoverable. They are regarded as recoverable where, on the basis of available evidence, there will be sufficient taxable profits against which the future reversal of the underlying temporary differences can be deducted.

The carrying value of the amount of deferred tax assets is reviewed at each reporting period date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all, or part, of the tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been substantively enacted at the reporting period date.

Share capital

Ordinary Shares and Deferred Shares are classified as equity. Proceeds in excess of the nominal value of shares issued are allocated to the share premium account and are also classified as equity. Incremental costs directly attributable to the issue of new Ordinary Shares or options are deducted from the share premium account.

Merger reserve

The reserve represents a premium on the issue of the Ordinary Shares for the acquisition of subsidiary undertakings. Merger reserve is non-distributable.

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Employee benefits

Pension obligations

Group companies operate a pension scheme with defined contribution plans, under which the Group pays fixed contributions into a separate entity with the pension cost charged to the Statement of Comprehensive Income as incurred.

The Group has no further obligations once the contributions have been paid.

Share-based payment

Where equity-settled share options and warrants are awarded to Directors and employees, the fair value of the options and warrants at the date of grant is charged to the Statement of Comprehensive Income over the vesting period and the corresponding entry recorded in the share-based payment reserve. Non-market vesting conditions are reflected by adjusting the number of equity instruments expected to vest at each reporting date so that, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

3. Critical accounting estimates and judgements

In the process of applying the Group's accounting policies, management has made accounting judgements in the determination of the carrying value of certain assets and liabilities. Due to the inherent uncertainty involved in making assumptions and estimates, actual outcomes may differ from those assumptions and estimates. The following judgements have the most significant effect on the amounts recognised in the financial statements.

(a) Impairment of goodwill and cost of investments and associates

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amount of the cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of estimates as set out in note 13. In addition, the Group has also considered the impairment of the investments in subsidiary undertakings and associates as set out in note 15. No impairments of subsidiaries or associates were recognised in the current or prior years.

(b) Impairment of receivables

Trade and other receivables are carried at the contractual amount due less any estimated provision for non-recovery. Provision is made based on a number of factors including the age of the receivable, previous collection experience and the financial circumstances of the counterparty. In the prior year, an impairment was recognised in the Company accounts for receivables from subsidiaries that are no longer trading. The impairment will only be reversed if the amounts are later paid.

(c) Deferred tax assets

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. See note 11. In the current and prior years, only losses relating to hVIVO Services Ltd have been recognised as a deferred tax asset.

(d) Revenue

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. At each period end, management reviews each material individual contract to assess whether any anticipated losses should be recognised immediately.

(e) Virus inventory

In valuing virus inventory, management is required to make assumptions in relation to the future commercial use of the inventory, which is primarily for external client revenue engagements. This includes consideration of both the current business pipeline and management's estimates of the future virus requirements, based on its significant knowledge and experience in the field of virology.

(f) Research and development tax credits

The Group's research and development tax credits claims in its various jurisdictions are complex and require management to make assumptions, with appropriate external tax advice, in building the methodology for the claim, interpreting research and development tax legislation in relation to the Group's specific circumstances, and agreeing the basis of the Group's tax computations with relevant Tax Authorities.

(g) Leasehold provisions

Provisions for dilapidations and onerous lease commitments are recognised when the Group has a present or constructive obligation as a result of past events. The recognition of provision requires management to make best estimates of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. There is reasonable uncertainty around the likelihood and timing of the exit of the lease. The provision is discounted for the time value of money.

4. Segmental analysis

The Directors are responsible for resource allocation and the assessment of performance. In the performance of this role, the Directors review the Group's activities, in the aggregate. The Group has therefore determined that it has only one reportable segment under IFRS 8 Operating Segments, which is 'medical and scientific research services'.

The following table summarises the external revenue generated from customers and information about the Group's segment assets (non-current assets excluding financial instruments, deferred tax assets and other financial assets) by geographical location. The Group has identified its geographical segments for revenue from external customers based on the regions in which its customers are incorporated.

	Revenue from external customers		Non current assets	
	2024	2023	**2024**	2023
Geographical Region	**£'000**	£'000	**£'000**	£'000
UK	**2,277**	5,896	**24,649**	25,199
Europe	**17,394**	9,663	**354**	506
North America	**43,054**	40,484	**–**	–
Total	**62,725**	56,043	**25,003**	25,705

During the year ended 31 December 2024, the Group had four customers who each generated revenue greater than 10% of total revenue (2023: two customers). These customers generated 31%, 16%, 14% and 13% of revenue (2023: 34% and 21% of revenue).

5. Other operating income

Other operating income mainly represents research and development tax credits (R&D tax credits) received to fund research and development activities around the Group.

	2024	2023
	£'000	£'000
Gross RDEC credits	**3,044**	2,267
Other R&D related credits	**312**	165
Recharge of staff to third parties	**136**	191
	3,492	2,623

hVIVO Services Limited, can claim UK R&D incentives under both the RDEC scheme and the SME scheme in the UK. Venn Life Sciences Biometry Services S.A.S. can claim Credit Tax Research ('CIR') payments in France and Venn Life Sciences ED B.V. can claim R&D credits against payroll taxes in the Netherlands.

Notes to the Financial Statements

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6. Expenses – analysis by nature

The following items have been included in operating profit:

	2024 £'000	2023 £'000
Employment benefit expense (note 8)	**22,838**	20,884
Share based payments (note 27)	**836**	575
Other expenses	**26,128**	24,170
Total direct project and administrative costs	**49,802**	45,629
Also included within operating profit are the below depreciation and amortisation charges:		
PPE depreciation (note 14) and amortisation (note 13)	**1,128**	827
Depreciation related to right of use assets (note 16)	**2,434**	1,889

Also included within operating profit are exceptional items as shown below:

	2024 £'000	2023 £'000
Exceptional items include:		
– Write off of receivables from associates	**–**	219
Total exceptional items	**–**	219

Services provided by the Company's auditor and its associates. During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor and its associates:

	2024 £'000	2023 £'000
Fees payable to Company's auditor for the audit of the parent Company and consolidated financial statements	**62**	53
Fees payable to Company's auditor for the audit of subsidiaries and their consolidated financial statements	**65**	42
Total paid to the Company auditor	**127**	95
Fees payable to the auditors of subsidiaries for services:		
– The audit of Company's subsidiaries pursuant to legislation paid to other auditors	**21**	55
– Tax services paid to other auditors	**2**	2
Total paid to other auditors	**23**	57
Total auditor's remuneration	**150**	152

7. Directors' emoluments

	Group 2024 £'000	Group 2023 £'000
Aggregate emoluments	**1,282**	1,189
Social security costs	**203**	154
Contribution to defined contribution pension scheme	**66**	57
Total directors' remuneration	**1,551**	1,400

See further disclosures within the Report of the Remuneration Committee.

Highest paid director	Group 2024 £'000	Group 2023 £'000
Total emoluments received	**657**	587
Defined contribution pension scheme	**40**	34
	697	621

8. Staff costs

	Group 2024 £'000	Group 2023 £'000
Wages and salaries	**19,056**	17,447
Social security costs	**2,757**	2,520
Pension costs	**1,024**	917
Employee benefits expense	**22,838**	20,884
Share based payments	**836**	575
Total staff costs	**23,674**	21,459

	Group 2024 £'000	Group 2023 £'000
Average number of people (including Executive Directors) employed was:		
Administration	**50**	48
Clinical research	**237**	218
Sales and marketing	**14**	8
Total average number of people employed	**301**	274

Notes to the Financial Statements

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9. Pensions

The Group operates a number of defined contribution pension schemes whose assets are independently administered. The charge for the year in respect of these defined contribution schemes was £1,024,000 (2023: £917,000). Contributions of £85,000 were payable to the funds at the year end and are included within trade and other payables (2023: £100,000).

10. Finance income and costs

	2024	2023
	£'000	£'000
Interest expense:		
Interest on Lease liabilities	**(955)**	(155)
Foreign exchange loss	**(259)**	–
Other finance costs	**(157)**	(21)
Finance costs	**(1,371)**	(176)
Finance income:		
Foreign exchange gain	**–**	50
Interest income on cash and short-term deposits	**1,833**	1,181
Finance income	**1,833**	1,231
Net finance income	**462**	1,055

11. Taxation

	2024	2023
Group	**£'000**	£'000
Current tax:		
Current year research and development tax charge	**747**	537
Current year tax in foreign jurisdictions	**33**	14
Current tax charge	**780**	551
Deferred tax:		
Current year	**1,857**	2,588
Adjustment in respect of prior years	**–**	(8,107)
Deferred tax charge/(credit)	**1,857**	(5,519)
Income tax charge/(credit)	**2,637**	(4,968)

The income tax charge on the Group's results before tax differs from the theoretical amount that would arise using the standard tax rate applicable to the profits of the consolidated entities as follows:

Group	2024 £'000	2023 £'000
Profit before tax	**13,289**	11,147
Tax calculated at domestic tax rates applicable to UK standard rate of tax of 25% (2023: 23.5%)	**3,322**	2,620
Tax effects of:		
– Expenses not deductible for tax purposes	**230**	236
– Current Year R&D Tax credit	**(519)**	(190)
– Temporary timing differences	**(364)**	565
– Effect of tax rates in foreign jurisdiction	**(8)**	–
– Utilisation of losses not previously recognised	**(127)**	–
– Adjustments in respect of prior year	**–**	(8,107)
– Losses carried forward	**–**	(92)
– Current year losses for which no deferred tax asset is recognised	**103**	–
Income tax charge/(credit)	**2,637**	(4,968)

Management only recognises a deferred tax asset when there is evidence that recoverability of the asset is probable, taking into account business forecasts and tax regulations. The Group, and entity in which losses are recognised, has seen underlying profitability for both the current and prior year, and expects to continue to be profit making. Therefore, management considers it appropriate to recognise a deferred tax asset.

Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances on a net basis.

The reconciliation of the deferred tax asset is shown below:

Group	Tax losses £'000	Accelerated capital allowances £'000	Total £'000
At 1 January 2023	8,251	(144)	8,107
Statement of Comprehensive Income movement	(2,213)	(375)	(2,588)
At 31 December 2023	6,038	(519)	5,519
Statement of Comprehensive Income movement	(535)	(1,322)	(1,857)
At 31 December 2024	**5,503**	**(1,841)**	**3,662**

The current portion of the deferred tax asset cannot be reliably estimated.

Notes to the Financial Statements

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12. Earnings per share

Basic earnings per share has been calculated by dividing the profit attributable to shareholders by the weighted average number of shares in issue during the year.

	2024	2023
Basic earnings per share (p)	**1.57p**	2.38p
Basic adjusted earnings per share (p)	**1.69p**	1.27p
Diluted earnings per share (p)	**1.55p**	2.35p
Diluted adjusted earnings per share (p)	**1.67p**	1.25p

Diluted earnings per share has been calculated after adjusting the weighted average number of shares used in the basic calculation to assume the conversion of all potentially dilutive shares. A potentially dilutive share is a warrant or option where its exercise price is below the average market price of hVIVO shares during the year and any performance conditions attaching to the scheme have been met at the Statement of Financial Position date. The adjusted profit is used in the calculation of adjusted earnings per share as reconciled below:

	2024	2023
	£'000	£'000
Profit for the year	**10,652**	16,115
Initial recognition of deferred tax assets	**–**	(8,107)
Share based payments	**836**	575
Adjusted profit for the year	**11,488**	8,583

The numbers of shares used in calculating basic and diluted earnings per share are reconciled below.

	2024	2023
Weighted average number of shares in issue	**No.**	No.
Basic	**680,371,877**	677,444,133
Dilution for share options and warrants	**7,883,099**	8,403,182
Diluted	**688,254,976**	685,847,315

13. Intangible assets

	Goodwill £'000	Software £'000	Other Intangible Assets £'000	Total £'000
Cost				
At 1 January 2023	7,228	2,286	685	10,199
Additions	–	–	–	–
At 31 December 2023	7,228	2,286	685	10,199
Transfer from property plant and equipment	–	63	–	63
Additions	–	44	–	44
Disposals	–	–	(685)	(685)
At 31 December 2024	**7,228**	**2,393**	**–**	**9,621**
Amortisation and impairment				**–**
At 1 January 2023	1,628	2,192	356	4,176
Charge for the year	–	27	75	102
Impairment	–	–	254	254
At 31 December 2023	1,628	2,219	685	4,532
Charge for the year	–	30	–	30
Transfer from property plant and equipment	–	43	–	43
Disposals	–	–	(685)	(685)
At 31 December 2024	**1,628**	**2,292**	**–**	**3,920**
Net book value				
At 1 January 2023	5,600	94	329	6,023
At 31 December 2023	5,600	101	–	5,667
At 31 December 2024	**5,600**	**101**	**–**	**5,701**

Goodwill was allocated to the Group's single cash-generating unit (CGU) identified according to a single operating segment.

	2024 £'000	2023 £'000
hVIVO Group	**5,600**	5,600

Goodwill is tested for impairment at the Statement of Financial Position date. Management considers that there is adequate headroom when comparing the net present value of the cash flows to the carrying value of goodwill to conclude that no impairment of Goodwill is necessary.

The key assumptions in the calculation to assess value in use are the future revenues and the ability to generate future cash flows. The most recent financial results and forecast approved by management for the next two years were used followed by an extrapolation of expected cash flows at a constant growth rate for a further seven years. The projected results were discounted at a rate which is a prudent evaluation of the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the cash-generating units.

The key assumptions used for value in use calculations in 2024 were as follows:

Longer-term growth rate (from 2025 onwards)	5%
Discount rate	10%

The impairment review is prepared on the Group basis rather than a single unit basis.

Notes to the Financial Statements

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The Directors have performed a sensitivity analysis to assess the impact of downside risk of the key assumptions underpinning the projected results of the Group. The projections and associated headroom used for the Group is sensitive to the EBITDA growth assumptions that have been applied.

The Company had no intangible assets at 31 December 2024 (2023: nil).

14. Property plant and equipment

	Leasehold improvements £'000	Plant & Machinery £'000	Computer Equipment £'000	Total £'000
Cost				
At 1 January 2023	1,292	2,957	1,441	5,690
Additions	4,808	414	194	5,416
Disposals	–	–	(58)	(58)
Exchange differences	–	(1)	(10)	(11)
At 31 December 2023	6,100	3,370	1,567	11,037
Additions	1,428	817	171	2,416
Disposals	(725)	(713)	(268)	(1,706)
Transfer to intangible assets	–	–	(63)	(63)
Exchange differences	–	–	(21)	(21)
At 31 December 2024	**6,803**	**3,474**	**1,386**	**11,663**
Depreciation				
At 1 January 2023	1,039	2,217	921	4,177
Charge for the year	189	292	244	725
Elimination on disposal	–	–	(58)	(58)
Exchange differences	–	–	(10)	(10)
At 31 December 2023	1,228	2,509	1,097	4,834
Charge for the year	451	436	211	1,098
Elimination on disposal	(725)	(713)	(268)	(1,706)
Transfer to intangible assets	–	–	(43)	(43)
Exchange differences	–	–	(18)	(18)
At 31 December 2024	**954**	**2,231**	**980**	**4,165**
Net book value				
At 1 January 2023	253	740	520	1,513
At 31 December 2023	4,872	861	470	6,203
At 31 December 2024	**5,849**	**1,243**	**406**	**7,500**

The Company had no property plant and equipment at 31 December 2024 (2023: nil).

15. Investments in subsidiaries and associates

Company	2024 £'000	2023 £'000
Shares in Group undertakings		
At 1 January and 31 December	**22,377**	22,377

Investments in Group undertakings are recorded at cost, which is the fair value of the consideration paid. Following review an impairment provision of nil (2023: nil) has been made to the investment in subsidiaries.

The subsidiaries of hVIVO plc are as follows:

Name of Company	Country of Registration	Principal activities	Proportion of ordinary shares and voting rights held (%) 2024	2023
hVIVO Holdings Limited*^	England & Wales	Intermediate holding company	**100**	100
hVIVO Services Limited*	England & Wales	Viral challenge and related laboratory services	**100**	100
hVIVO Inc.	USA	Sales & marketing services	**100**	100
Venn Life Sciences ED B.V^	Netherlands	Pre-clinical & early clinical research services	**100**	100
Venn Life Science Biometry Services S.A.S^	France	Data management & statistics services	**100**	100
Open Orphan DAC^	Ireland	Group services company	**100**	100
Venn Life Sciences Limited^	Ireland	Dormant	**100**	100
Venn Life Sciences (Germany) GmbH^	Germany	In liquidation	**100**	100
Venn Life Sciences (France) S.A.S^	France	Liquidated in 2024	**–**	100

*Registered address 40 Bank Street, Floor 24, London, E14 5NR
^Directly owned by hVIVO plc

These consolidated financial statements incorporate the financial statements of all entities controlled by the Company at 31 December 2024.

The Group, via its holding in hVIVO Holdings Limited, has investments in two associated companies as follows:

Name of Company	Country of Registration	Principal activities	Proportion of ordinary shares held/voting rights held (%)
Imutex Limited[1]	England & Wales	Clinical development	49/49
PrEP Biopharm Limited[2]	England & Wales	In liquidation	62.62/49.98

(1) Carrying value of nil at 31 December 2024 (2023: nil). The registered office address is The Walbrook Building, 25 Walbrook, London, England, EC4N 8AF.
(2) Carrying value of nil at 31 December 2024 (2023: nil). The registered office address is Unit 2 Spinnaker Court 1c Becketts Place, Hampton Wick, Kingston Upon Thames, KT1 4EQ.

Notes to the Financial Statements

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16. Leases and right of use assets

	Right of use assets		Lease Liabilities	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
As at 1 January	**13,835**	1,610	**12,530**	1,563
Additions	**417**	14,149	**417**	12,890
Leases exited	**–**	(22)	**–**	(24)
Depreciation expense	**(2,434)**	(1,889)	**–**	–
Interest expense	**–**	–	**955**	155
Payments	**–**	–	**(984)**	(2,044)
Exchange differences	**(17)**	(13)	**(17)**	(10)
As at 31 December	**11,801**	13,835	**12,901**	12,530
Current			**2,510**	367
Non-current			**10,391**	12,163

Maturity of lease liabilities:

	31 December 2024	31 December 2023
Contractual undiscounted cash flows	**£'000**	£'000
Within one year	**2,510**	367
Between one to two years	**2,088**	2,457
Between two to five years	**12,883**	9,706
Total undiscounted lease liability at 31 December	**17,481**	12,530

Short-term lease payments expensed during the year ended 31 December 2024 were £2,000 (2023: £19,000).

17. Inventories

	Group 2024	Group 2023	**Company 2024**	Company 2023
	£'000	£'000	**£'000**	£'000
Virus inventory	**641**	286	**–**	–
Consumables	**163**	140	**–**	–
Total inventories	**804**	426	**–**	–

Inventories expensed in the Consolidated Statement of Comprehensive Income are £800,000 (2023: 685,000) and are shown within direct project and administrative costs. No provision against inventories was required during 2024.

18. Trade and other receivables

	Group 2024 £'000	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
Trade receivables	**4,467**	9,117	**–**	–
Prepayments	**1,288**	1,405	**286**	72
Accrued income	**4,843**	760	**–**	–
Amounts owed by subsidiary undertakings	**–**	–	**1,025**	1,445
Other receivables (incl. R&D tax credits)	**4,647**	3,323	**262**	10
	15,245	14,605	**1,573**	1,527

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

The majority of the Group's contracts are based on milestone payments and the Group seeks to ensure that contract milestones are timed to result in invoicing occurring in advance where at all possible, prior to the satisfaction of performance obligations. Therefore, projects that are in progress are typically in a deferred income position. However, some smaller contracts are on a time and materials basis and consequently work is undertaken initially and invoiced subsequently, and this gives rise to an accrued income balance. The costs incurred to obtain or fulfil a contract which has been recognised as accrued income have been determined with reference to labour hours incurred to the period end as a percentage of the total estimated labour hours to complete specified performance obligations as stipulated by the relevant contracts. Accrued income is not amortised as it is of a short-term nature.

Contractual payment terms are typically 30 to 60 days from date of invoice.

The carrying amounts of the Group's trade and other receivables denominated in all currencies were as follows:

	Group 2024 £'000	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
GBP£	**13,900**	13,167	**548**	90
Euro	**1,345**	1,438	**1,025**	1,437
Total	**15,245**	14,605	**1,573**	1,527

19. Cash and cash equivalents

	Group 2024 £'000	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
Cash at bank and on hand	**44,180**	36,973	**42**	2,281

The Directors consider that the carrying amount of cash and cash equivalents approximates to its fair value.

Notes to the Financial Statements

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20. Trade and other payables

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade payables	**1,884**	2,088	**22**	51
Amounts due to subsidiary undertakings	**–**	–	**3,101**	2,890
Social security and other taxes	**851**	814	**28**	28
Other payables	**503**	525	**–**	–
Accrued expenses	**6,610**	5,857	**303**	277
Deferred income	**19,557**	24,944	**–**	–
	29,405	34,228	**3,453**	3,246

All balances are due within 1 year.

The Group seeks to ensure that study contract milestones are timed to result in invoicing occurring in advance where at all possible, prior to the satisfaction of performance obligations. Therefore, projects that are in progress are typically in a contract liability position which gives rise to a deferred income balance. Performance obligations of contracts with customers are satisfied on the delivery of study data to the customer along with a final study report. Due to the nature of the business, there are no warranties or refunds expected or provided for.

The Group is using the practical expedient not to adjust the amount of consideration for the effects of any financing component as the period between when the promised services are transferred and when the customer pays for the service is less than twelve months.

21. Leasehold provision

	2024 £'000	2023 £'000
As at 1 January	**2,144**	730
Additional provisions	**259**	1,484
Discount unwind	**94**	–
Utilisation of provisions	**(585)**	(70)
As at 31 December	**1,912**	2,144
Current	**–**	585
Non-Current	**1,912**	1,559
	1,912	2,144

Leasehold provisions relate to dilapidation provisions for the Group's various property leases.

22. Capital commitments

Group

The Group had capital commitments of £240,000 relating to the facility build in Canary Wharf at 31 December 2024 (2023: £1,248,000).

Company

The Company has agreed to act as surety to a lease agreement for its subsidiary, hVIVO Services Ltd. No liability has been recognised in the Company Statement of Financial Position.

23. Financial instruments

a) Assets

	Group 2024 £'000	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
31 December				
Assets				
Trade and other receivables	**9,946**	11,486	**1,287**	1,455
Cash and cash equivalents	**44,180**	36,973	**42**	2,281
Total	**54,126**	48,459	**1,329**	3,736

Assets in the analysis above are all categorised as 'other financial assets at amortised cost' for the Group and Company.

b) Liabilities

	Group 2024 £'000	Group 2023 £'000	**Company 2024 £'000**	Company 2023 £'000
31 December				
Liabilities				
Lease liabilities (note 16)	**12,901**	12,530	**–**	–
Trade and other payables	**8,999**	8,470	**3,425**	3,218
Total	**21,900**	21,000	**3,425**	3,218

Liabilities in the analysis above are all categorised as 'other financial liabilities at amortised cost' for the Group and Company.

c) Credit quality of financial assets

The Group is exposed to credit risk from its operating activities (primarily for trade receivables and other receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group's maximum exposure to credit risk, due to the failure of counter parties to perform their obligations as at 31 December 2024 and 31 December 2023, in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the accompanying Statement of Financial Position.

Notes to the Financial Statements

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Trade receivables

The credit quality of trade receivables that are neither past due date nor impaired have been assessed based on historical information about the counterparty default rate. The Group does not hold any other receivable balances with customers, whose past default has resulted in the non-recovery of the receivables balances.

Cash at bank

The Company gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk. The Company seeks to limit the level of credit risk on cash and cash equivalents by only depositing surplus liquid funds with counterparty banks that have high credit ratings.

24. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (foreign exchange risk and cash flow interest rate risk), credit risk, liquidity risk and capital risk. The Group's risk management programme focuses on the unpredictability of the financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group does use derivative financial instruments to hedge specific client contracted currency risk exposures.

Risk management is carried out by the head office finance team. It evaluates and mitigates financial risks in close cooperation with the Group's operating units. The Board provides principles for overall risk management whilst the head office finance team provides specific policy guidance for the operating units in terms of managing foreign exchange risk, credit risk and cash and liquidity management.

(a) Market risk

(i) Foreign exchange – cash flow risk

The Group's presentation currency is pounds sterling (GBP) although it operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily between euro, US dollars and GBP such that the Group's cash flows are affected by fluctuations in the rate of exchange between GBP and the aforementioned foreign currencies.

The Group does not speculate in foreign currencies and no operating Company is permitted to take unmatched positions in any foreign currency.

(ii) Foreign exchange – fair value risk

Translation exposures that arise on converting the results of overseas subsidiaries are not hedged. Net assets held in foreign currencies are hedged wherever practical by matching liabilities in the same currency. The principal exchange rates used by the Group in translating overseas profits and net assets into GBP are set out in the table below.

	Average rate	Average rate	**Year end rate**	Year end rate
Rate compared to GBP£	**2024**	2023	**2024**	2023
Euro	**1.18**	1.15	**1.21**	1.15
USD$	**1.28**	1.25	**1.25**	1.27

As a guide to the sensitivity of the Group's results to movements in foreign currency exchange rates, a one penny movement in the GBP to euro rate would impact profit for the year by approximately £24,000 (2023: £21,000).

(iii) Cash flow and fair value interest rate risk

The Group has assets in the form of cash and cash equivalents. Where possible, the Group earns market interest rates on cash and cash equivalents on deposit. The Group does not speculate on future changes in interest rates.

The Group does not use interest rate swaps.

(b) Credit risk

Credit risk is managed at the operating business unit level and monitored at the Group level to ensure adherence to Group policies. Each local subsidiary and operating business unit is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. It is the Group policy to obtain prepayment deposits from customers where possible. If there is no independent rating, local management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored.

Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers. The Group manages this credit risk by holding deposits across multiple institutions.

(c) Liquidity risk

Cash flow forecasting is performed in the individual operating entities of the Group and is aggregated by the Head of Finance team. The Head of Finance team monitors cash and cash flow forecasts and it is the Group's liquidity risk management policy to maintain sufficient cash and available funding through an adequate amount of cash and cash equivalents.

The Group's policy in relation to the finance of its overseas operations requires that sufficient liquid funds be maintained in each of its territory subsidiaries to support short and medium-term operational plans. Where necessary, short-term funding is provided by the Company. Excess funds are placed as short-term deposits, to provide a balance between interest earnings and flexibility.

The maturity groupings of the Group's non-derivative financial liabilities, namely trade and other payables and lease liabilities, are disclosed in notes 20 and 16 respectively.

(d) Capital risk management

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group has no borrowings at 31 December 2024.

25. Share capital

	Group	Group	**Company**	Company
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
680,371,877 (2023 – 680,371,877) Ordinary shares of £0.001	**680**	680	**680**	680

During the year the Company did not issue any shares. During the prior year the Company issued 9,324,106 shares @ £0.056 per share resulting in an increase of £9,000 to share capital and £512,000 to share premium as a result of share options and warrants being exercised (see note 27).

Notes to the Financial Statements

Continued

26. Other reserves

Group and Company

Share premium

Share premium is the difference between the nominal value of shares issued and the actual cash received for the issued shares.

Merger reserve

This includes reverse acquisition reserve which resulted from the reverse takeover of Venn Life Sciences Holdings Plc by Open Orphan DAC on 28 June 2019. Also included is a Group re-organisation reserve relating to previous re-organisation of the Venn Group.

Foreign currency reserve

The foreign currency reserve arises from a one off transition of the Group from a presentational currency of euro to pounds sterling, and from the translation of subsidiaries' results on consolidation which have a functional currency other than pounds sterling.

27. Share options and warrants

Share options

The Group has various share option plans under which it has granted share options to certain Directors and senior management of the Group under its Long-Term Incentive Plan.

The number of outstanding share options remaining at 31 December 2024, along with the comparative period are as follows:

2024:

Date of issue	Exercise price	Vesting date	# of options at 01/01/2024	# of options granted	# of options exercised	# of options lapsed	# of options at 31/12/2024
2015	13p	2025	280,000	–	–	(280,000)	–
2020	2p	2024	277,792	–	–	–	277,792
2022	0.1p	2025	7,227,273	–	–	–	7,227,273
2024	0.1p	2026-2027	–	7,391,451	–	–	7,391,451
			7,785,065	**7,391,451**	**–**	**(280,000)**	**14,896,516**

2023:

Date of issue	Exercise price	Vesting date	# of options at 01/01/2023	# of options granted	# of options exercised	# of options lapsed	# of options at 31/12/2023
2015	13p	2025	280,000	–	–	–	280,000
2019	5.6p	2024	7,716,964	–	(7,716,964)	–	–
2020	2p	2024	277,792	–	–	–	277,792
2022	0.1p	2025	7,227,273	–	–	–	7,227,273
			15,502,029	**–**	**(7,716,964)**	**–**	**7,785,065**

The weighted-average exercise price of all options outstanding at year end is 0.14p (2023: 0.63p) and the weighted-average remaining contractual life is 6.8 years (2023: 1.0 years).

Share based payment charge for the year was £836,000 included in direct project and administration costs (2023: £575,000).

New share options granted during the year relate to grants to senior employees in the Long-Term Incentive Plan (LTIP). The weighted average fair value of the options at measurement date was 22.9p per option (2023: 14.7p). The Company used the Black Scholes model to value the options. The following key assumptions were factored into the model when valuing these options at the date of grant (weighted average across all grants):

	2024	2023
Share price at grant date	**27.2p**	19.1p
Exercise price	**0.1p**	0.1p
Risk free rate	**4.0%**	3.1%
Expected volatility	**60%**	74%
Expected life	**3 years**	3 years
Dividend yield	**0.8%**	0.0%

A discount has been applied to the fair values to reflect market conditions contained in the option agreements.

Warrants

There were no warrants outstanding at 31 December 2024, or 31 December 2023. Movements in the number of warrants outstanding for the prior period are as follows:

2023:

Date of issue	Exercise price	Expiry date	# of warrants at 01/01/2023	# of warrants expired	# of warrants exercised	# of warrants at 31/12/2023
11/12/2018	0.1p	10/12/2023	232,696	(232,696)	–	–
11/12/2018	2.2p	10/12/2023	424,589	(424,589)	–	–
28/06/2019	0.1p	27/06/2024	1,607,142	–	(1,607,142)	–
			2,264,427	**(657,285)**	**(1,607,142)**	**–**

28. Dividends

	2024	2023
Equity dividends	**£'000**	£'000
Final dividend for 2023: 0.20p per ordinary share	**1,358**	–
Special dividend for 2022: 0.45p per ordinary share	**–**	3,054

A final dividend for the year ended 31 December 2024 of £1,374,000 (0.20p per ordinary share) is recommended by the Directors and is to be paid to all ordinary shareholders on the register at the close of business on 16 May 2025 with payment being made on 11 June 2025, subject to shareholder approval at the Annual General Meeting.

29. Related party disclosures

Directors

Directors' emoluments are set out in the Report of the Remuneration Committee Report.

Key management compensation for the year was as follows:

	2024	2023
	£'000	£'000
Aggregate emoluments	**1,295**	1,189
Employer contribution to pension scheme	**66**	57
	1,361	1,246

Key management includes the Directors only.

Notes to the Financial Statements

Continued

Other transactions with Directors

Prior period disclosure:

As disclosed in the 2023 report, in December 2018, Venn Life Sciences Holdings plc completed a £1 million financing from private individuals, including Cathal Friel who participated via his pension fund, the CMF Pension Fund. The financing was completed via the issue of a two-year loan note and as part of their investment, the holders of the loan notes received warrants to purchase shares in the Group with an expiry date in December 2023. Cathal Friel was unable to exercise these warrants prior to their expiry due to his knowledge of insider information for extended periods of time. As such, the Board agreed that the Group would pay 19.95p per warrant share (being the closing price on 8 December 2023, the last trading day prior to the Final Date of the Warrant Instrument) minus the subscription price of £9,573.65 to the CMF Pension Fund for a total of £121,554 in lieu of the unexercised warrants.

Group

Non-Executive Group Chair, Cathal Friel, is a Director of Raglan Professional Services Limited which has provided advisory and administrative services to the Group (2024 charge £61,000; 2023 charge £4,000). The balance owed by the Group to Raglan Professional Services Limited at year end 2024 was nil (2023: £1,000).

There were no other related party transactions during the year.

Company

During the year the Company absorbed net management charges of £343,000 (2023: £344,000) from its subsidiaries. At 31 December 2024 the Company was owed £8,825,000 (2023: £11,874,000) by its subsidiaries, and the Company owed £3,101,000 (2023: £2,890,000) to its subsidiaries. The Company holds a provision of £7,800,000 against the receivable.

30. Post balance sheet events

In January 2025, the Company acquired 100% of the share capital of CRS Clinical Research Services Kiel GmbH and CRS Clinical Research Services Mannheim GmbH, which comprise a German full-service early-phase CRO providing early clinical development services, including first-in-human and proof-of-concept trials. The acquisition was completed for a cash consideration of €10.0 million. The acquired companies recorded unaudited revenues of €19.9 million in the financial year ended 31 December 2024, with an adjusted EBITDA loss of €1.8 million.

In February 2025, the Company acquired 100% of the share capital of Cryo Store Limited, a UK specialist provider of high industry standard, temperature-controlled storage solutions for biological and clinical materials. The acquisition has been completed for consideration of up to £3.2 million, comprising £2.7 million funded from the Group's existing cash resources and up to £0.5 million in equity subject to certain terms. Cryo Store Limited recorded unaudited revenues of £0.89 million in the financial year ended 31 December 2024, with an EBITDA of £0.52 million.

In March 2025, in order to satisfy the exercise of Yamin ‘Mo’ Khan’s 2022 LTIP awards the Company issued 6,440,119 ordinary shares for a total consideration of £6,440.12.

In April 2025, hVIVO Holdings Ltd entered into a share exchange agreement with Conserv Bioscience Ltd to sell all of its shareholding in Imutex Ltd in exchange for 100 ordinary shares, representing 10% of the total share capital, of Conserv Bioscience Ltd.

Company Information

Directors

Cathal Friel (Non-Executive Chair)
Dr Yamin 'Mo' Khan (Chief Executive Officer)
Stephen Pinkerton (Chief Financial Officer)
Prof. Brendan Buckley (Non-Executive Director)
Dr Elaine Sullivan (Non-Executive Director)
Martin Gouldstone (Non-Executive Director)

Company Secretary

Beach Secretaries Limited

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