Diaceutics

Better Testing, Better Treatment®

# 2024 Annual Report

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*US headquarters, Jersey City*

# Strategic report

# Financial and commercial highlights

**"2024 has been a year of successful execution, commercial acceleration, and strong financial performance and growth for our business."**

*— Ryan Keeling, CEO*

## FINANCIAL HIGHLIGHTS

Very strong financial and commercial momentum delivered in FY 2024 including successful launch of PMx solution, which has continued into 2025

Order book of £24.9 million at 31 December 2024 (£26.5 million at 31 December 2023) and Annual Recurring Revenue (ARR) of £16.8 million at 31 December 2024 (£13.7 million at 31 December 2023) provides good revenue visibility to support continued strong growth in 2025

Revenue grew 36% to £32.2 million in FY 2024 (FY 2023: £23.7 million)

Strong growth in Adjusted EBITDA to £4.2 million (FY 2023: £2.8 million)

Strong balance sheet with cash of £12.7 million at 31 December 2024 and £15.8 million at 31 March 2025

Financial and commercial highlights *(continued)*

# Financial highlights

£000's

## Revenue

| | | |
|---|---|---|
| 2024 | 32,158 | +36% |
| 2023 | 23,699 | |

## Revenue growth constant currency basis

| | | |
|---|---|---|
| 2024 | 39% | +20 ppts |
| 2023 | 19% | |

## Annual Recurring Revenue (ARR)**

| | | |
|---|---|---|
| 2024 | 16,801 | +23% |
| 2023 | 13,662 | |

## Net Revenue Retention (NRR)**

| | | |
|---|---|---|
| 2024 | 109% | |

2023: not reported

## Order book

| | | |
|---|---|---|
| 2024 | 24,930 | -6% |
| 2023 | 26,517 | |

## Order book visibility for next 12 months

| | | |
|---|---|---|
| 2024 | 17,715 | +44% |
| 2023 | 12,334 | |

## Gross profit

| | | |
|---|---|---|
| 2024 | 28,270 | +43% |
| 2023 | 19,706 | |

## Gross profit margin

| | | |
|---|---|---|
| 2024 | 88% | +5 ppts |
| 2023 | 83% | |

## Adjusted EBITDA*

| | | |
|---|---|---|
| 2024 | 4,206 | +50% |
| 2023 | 2,802 | |

## Adjusted EBITDA margin

| | | |
|---|---|---|
| 2024 | 13% | +1 ppt |
| 2023 | 12% | |

## EBITDA*

| | | |
|---|---|---|
| 2024 | 2,259 | +29% |
| 2023 | 1,754 | |

## EBITDA margin

| | | |
|---|---|---|
| 2024 | 7% | |
| 2023 | 7% | |

## Loss before tax

| | | |
|---|---|---|
| 2024 | (1,908) | +22% |
| 2023 | (2,438) | |

## Cash and cash equivalents

| | | |
|---|---|---|
| 2024 | 12,744 | -24% |
| 2023 | 16,667 | |

* EBITDA is earnings before interest, tax, depreciation and amortization. Adjusted EBITDA removes share-based payment charges and once-off exceptional items.

** Annual Recurring Revenue (ARR) is the value of recurring subscription revenue at a specific point in time that is expected to be recognized from contracts over the next twelve months.
Net Revenue Retention (NRR) is the net percentage increase in customer ARR over twelve months.

Financial and commercial highlights *(continued)*

# Commercial highlights

Continued progress across our key value drivers and expansion of our team

Secured three new multi-year enterprise-wide engagements in FY 2024 with a total ARR of £4.3 million

Total of seven enterprise-wide engagement customers working with Diaceutics during 2024 across 32 therapeutic brands, with a total ARR of £10.6 million as at 31 December 2024 (four enterprises with a total ARR of £7.0 million at 31 December 2023).

First commercialization partner engagement (PMx) signed and worth £4.3 million over first 18 months to December 2025. This was subsequently superseded in March 2025 where the total contract value was enhanced up to £13.0 million including autorenewal extensions to September 2028.

DXRX Signal identified more than 600,000 patients in 2024 across the US

Enhanced platform scale and capabilities, including cutting edge AI continues to improve customer experience and service

Diaceutics is working with 18 of the top 20 global pharma companies (FY 2023: 17 of top 20)

Diaceutics worked with a total of 52 customers and 85 therapeutic brands in FY 2024, an increase of 18% and 23% respectively (FY 2023: 44 customers and 69 therapeutic brands)

Increased sales presence in US during FY 2024 including opening US HQ in January 2025 to accelerate future growth plans

# April 2025 YTD Trading & Outlook

Strong commercial momentum delivered in FY 2024 has continued into 2025 with the Total Contract Value of sales for April 2025 YTD up 93% to £18.7 million, revenue up 35% to £8.4 million and cash of £13.7 million as at 30 April 2025

Trading in 2025 to date is on track to deliver the Company's return to profitability in FY 2025

The precision medicine market opportunity is significant and growing, with 48 new therapeutic brands receiving FDA approval in 2024, up 71% on 28 in 2023***

We are closely monitoring the current macro-economic uncertainty in the US and how this could impact our customers

The success of the Company's current strategy and financial strength provide the Board with confidence that the growth & profitability targets for 2025 are on track to be delivered

*** Source: Precision Medicine Online – Precision Medicine in 2024: Field at a 'Tipping Point' From Niche to Mainstream.

*US headquarters, Jersey City*

# Growing **with purpose**

> "The most sophisticated, potentially **life-changing therapy** will not help a single patient if it does not have a **diagnostic and commercialization pathway** to deliver it to **those who need it**."
>
> *—Ryan Keeling, CEO*

In 2025, just as in 2005 when Diaceutics was founded, patients need three things: the right diagnostic to identify the specifics of their condition, a well-matched therapy to treat it, and a smart way to ensure that these come together at the moment of need.

Diaceutics was built on the belief that better integration between diagnostics and therapy development will transform patient outcomes. Over the past two decades our team has sought to blend science, technology and data to better connect diagnostics with innovative pharma companies providing therapies, and the physicians prescribing them.

This approach has set Diaceutics on a trajectory that is redefining therapy commercialization – delivering more of the right treatments to the right people at the right time and enhancing patient outcomes.

It's been a mission with measurable results – helping more patients access life-changing treatments while fueling growth year after year. Since 2005, with the support of its investors, Diaceutics has evolved from a niche consulting service provider to a trusted commercialization partner, with a data and technology-led offering delivering high recurring revenue growth with an ever expanding number of biopharma customers and therapy brand teams.

Meanwhile, the industry landscape continues to change. We're seeing a major shift away from one-size-fits-all treatment towards personalized and other diagnostically-informed therapies. With these changes comes increasing demand for integrated diagnostic data that enables segmentation of patient populations for more tailored treatments.

## Our unique advantage

With AI accelerating progress, our deep industry expertise and twenty years of trust established with the world's top biopharma, diagnostics and healthcare leaders, we're ready to meet this demand. We're uniquely positioned to help our global customers bring therapies to market with greater speed, efficiency, and accuracy than ever before.

We're built differently to our competitors, and we truly understand the people we serve. We're mission-based, relentless, and proudly unconventional; an international team of commercialization strategists, scientists, researchers, data analysts, and technologists armed with a proprietary suite of products and services.

Diaceutics has evolved from a niche consulting service provider to a trusted commercialization partner, with a data and technology-led offering delivering high recurring revenue growth.

Unparalleled diagnostic data. A unique global lab network. World-class commercialization expertise. All carefully delivered as a proprietary, end-to-end range of powerful, integrated commercialization solutions which upend legacy models and approaches.

As we celebrate our milestone twenty years, we're primed to support our customers as a fully-fledged, end-to-end and integrated commercialization partner; turning complexity into clarity, maximizing commercial potential, and ultimately, unlocking more life for patients.

As ever, this work demands a careful focus on the right activities. 2025 will see us conclude a period of planned investment with some notable exceptions: continued investment in AI technology and sales; an increased presence in the US market, and the launch of a bold new brand identity that's designed to communicate our full value to customers – in the precision era and beyond. Stay close by following us on LinkedIn.

# Overview of our services

## Aligned precisely to the needs of the commercialization path

With a twenty-year track record of supporting the world's top pharma companies with market-leading services and technology, Diaceutics is well positioned for further growth. Our impact so far has been focused on streamlining commercialization and optimizing therapy uptake. We've helped countless pharma and biopharma leaders navigate complex commercial challenges, maximize the success of their therapies and ensure more patients receive life-changing treatments. We've done this by combining science, technology, and data and by staying close to our customers.

### Focusing on our customers

As the healthcare landscape continues to evolve, with increasing reliance on precision medicines and other diagnostically-informed treatments, we remain committed to anticipating the needs of our customers.

At the end of 2024, we undertook an external research initiative led by our marketing team. The findings revealed that while our capabilities are highly valued, many customers are unaware of their full breadth and potential. In response, and as part of our ongoing brand development work, we have taken a strategic step to evolve how we communicate our offering to the market that will strengthen our position as a client-centric and innovative end-to-end commercialization partner.

At the heart of this is our new integrated commercialization model, PMx, a tailored suite of solutions that's designed to support every stage of drug commercialization, from clinical trial success and pre-launch strategy all the way to post-market optimization. It's informed by our extensive market knowledge and carefully structured around customer needs to optimize engagement and accelerate therapy adoption.

Our AI-driven technology, unparalleled diagnostic data, unique global lab network, and world-class commercialization expertise remain core. This approach makes it easier for clients to tap into the right support – wherever they are on the commercialization journey.

### Commercialization reimagined

**PMx is an insight-led and expert-built precision commercialization model that reshapes how therapies reach market – because yesterday's approach won't unlock tomorrow's potential.**

From identifying gaps in testing practices to analyzing prescriber patterns and engaging optimally, PMx brings together the essential components to ensure therapies reach patients faster, more cost-effectively, and with measurable impact.

Overview of our services *(continued)*

At the heart of PMx is our proprietary multi-modal data. Created to inform smarter, faster decisions at every step. With this intelligence, strategy, expertise, and delivery are aligned precisely to the needs of the commercialization path – no more, no less.

Built for therapies that demand more than a one-size-fits-all approach, PMx is modular, responsive, and structured to flex across scope – delivering the right level of support for commercialization across the US market. And with a range of commercial models – from milestone-based to outcome-driven – it reflects a true partnership approach.

Using our personalized integrated commercialization model:

**We fix testing** – We have unique data expertise and engagement solutions to fix inefficiencies in the testing landscape.

**We find patients** – Our data-first approach enables us to help our customers find patients at precisely the right time to positively impact testing and treatment decisions.

**We engage physicians** – Through digital and expert exchange outreach we can reach physicians with "just in time" educational messages within 24 hours of a positive testing event.

Our integrated commercialization model can consist of some or all of the following solution-oriented offerings, each contributing to faster, smarter and more scalable routes to peak market share.

- **Accelerate** establish clinical foundations for therapy success
- **Map** the testing and healthcare landscape
- **Build** internal launch readiness
- **Navigate** regulatory and market access complexity resolution
- **Optimize** the market for launch
- **Target** precision targeting of physicians and patients
- **Drive** treatment adoption and deepen engagement
- **Maximize** commercial performance.

## Accelerate

**The readiness phase establishing the foundation for therapeutic success**

Designed to drive success at the earliest and most critical stages of therapeutic development.

## Map

**Replacing uncertainty with clarity through real-world intelligence**

By turning data into actionable insights, MAP removes the guesswork from market entry, ensuring every therapy is positioned for success before it even reaches the starting line.

## Build

**Empowering commercial teams to lead with confidence**

With a focus on internal alignment and capability, BUILD ensures that commercialization teams are fully prepared – scientifically, strategically, and operationally - before a therapy enters the market.

## Navigate

**Clearing the path from regulatory approval to patient access**

Equips biopharma teams with the intelligence, strategy, and regulatory insight needed to accelerate access, secure reimbursement, and optimize market positioning.

## Optimize

**Making sure therapies thrive from day one**

By combining go-to-market planning, lab and physician enablement, and precision execution tactics, OPTIMIZE ensures the market is fully primed for therapy launch, removing last-mile barriers, and ensuring that commercial execution strategies align with real-world adoption dynamics.

## Target

**Supporting the right activities in the right place at the right time**

Using real-time Signal triggers and our multi-modal data engine, TARGET helps identify and prioritize the highest-value market segments at speed, ensuring therapy adoption efforts are directed where they will have the greatest impact.

## Drive

**Ensuring therapies continue to thrive, scale and reach patients who need them**

Ensures therapy adoption momentum is sustained post-launch, focusing on ongoing physician and lab engagement, education, refinement and optimization strategies.

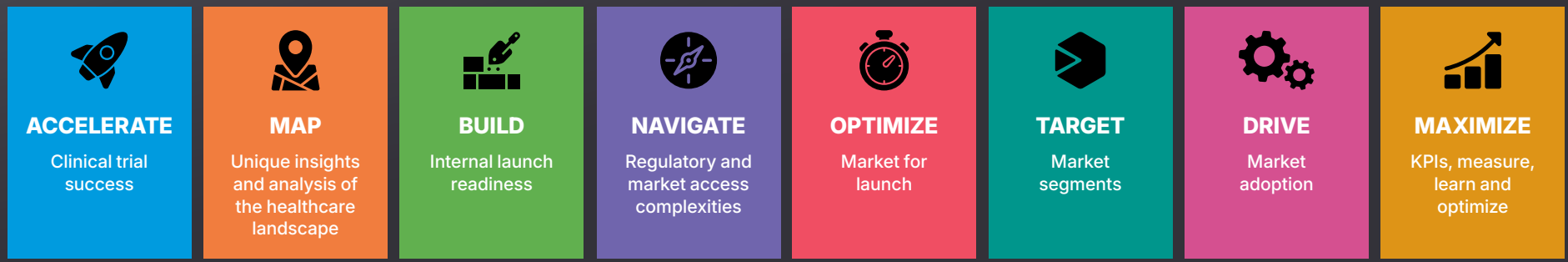
## Maximize

**The never-off switch for commercial performance**

Equips pharma and biotech teams with the intelligence, tools, and tactical frameworks to refine what's working, fix what isn't, and keep therapies front-of-mind long after launch.

Overview of our services *(continued)*

# Integrated Commercialization Solution (PMx)



BOARD CHAIR REVIEW

# Leading with purpose. Delivering with impact.

## Credibility: the foundation of our success

I'm delighted to reflect on another year, our twentieth as a business, where our team has delivered on our financial and strategic goals, with passion, purpose and diligence. Given the exceptionally high expectations of our customers, trust and credibility are not just buzzwords for Diaceutics; they are deeply embedded in our culture and critical to our continued success.

By continuing to create innovative solutions that simplify the complex challenges our customers face and by navigating geopolitical and global health crises, we have earned our reputation as an honest, resilient and insightful partner – not just another service provider.

I'm confident that our ability to adapt, evolve and anticipate customer needs, while staying true to our mission – to give more patients access to the right tests and therapies when they need them – will remain a cornerstone of our future success for the next twenty years and beyond.

### Our commitment to governance and social responsibility

Our credibility is fundamentally rooted in strong governance and a deep sense of social responsibility. Since our inception, we've worked diligently to align our governance structures with the high standards expected by our diverse stakeholders – from customers and shareholders to the entire Diaceutics team. This alignment has brought a high level of transparency and accountability that reinforces our position as a trusted and reliable partner.

Our approach to governance is anchored in effective risk management, ensuring that we remain resilient in an ever-changing world. Initiatives such as recent Board changes, monthly Town Halls, all-company meetings, and robust leadership structures contribute to decision-making that is purposeful, transparent, and inclusive across the organization.

During 2023 and 2024, we made several strategic leadership enhancements to support our continued growth. I transitioned from CEO to Chair of the Board. To further strengthen the Board, Cheryl MacDiarmid joined with significant frontline experience in Pharma commercialization, Jordan Clark, Chief Data Officer, was promoted to the Board, adding deep expertise in AI-driven data insights, and Graham Paterson was appointed Senior Independent Director (SID). Together, the team's collective experience ensures we are well-equipped to meet the evolving needs of our Pharma customers and Lab partners while continuing to nurture our unique company culture.

## From vision to expanded ambition

Over the past two decades, as our expertise and credibility have grown, so too has our ambition. We realized early on that we could do more than simply advise pharma on how diagnostics can bring value through better data, improve return on investment, and deliver more effective treatments to patients. The real opportunity to make the biggest impact was in building and managing the solutions ourselves.

A turning point towards this opportunity came when a significant cohort of pharma companies – faced with the task of fixing the gaps in patient testing – began asking, "Who is actually going to fix this?" At that moment, we saw that Diaceutics wasn't just an informed voice in the conversation – we were best placed to lead the change. The trust we had built became our capital; we had earned permission to think bigger.

These initial conversations with leaders from the heart of pharma and diagnostics have ultimately led to Diaceutics' defining offering; a powerful integrated commercialization solution that has the needs of our customers, their patients, and the wider evolving industry at its core. It demonstrates not only the scale of our ambition but also our readiness to lead a movement that is reinventing drug commercialization for the benefit of all.

## Built for what's next

Looking ahead, I feel both confident and energized about the long-term future. As the industry increasingly recognizes the essential role diagnostics play in guiding treatment decisions and expanding access to therapies, Diaceutics stands uniquely prepared – not by chance, but by design – to lead this transformation.

From the very beginning, Diaceutics was purposefully structured to anticipate and enable a future where every patient benefits from a tailored diagnostic journey. While our leadership in oncology and rare diseases is well established, we are already expanding this impact across neurology, cardiovascular disease, and infectious diseases; helping unlock diagnostic pathways that have, until now, been underdeveloped.

Innovation has always been embedded in our DNA. Over the next five years, our mission is clear: to continue innovating at the cutting edge of precision medicine as it becomes the predominant commercialization model, delivering greater value to our customers and, most importantly, improving outcomes for patients. We will do so while protecting the strong governance and financial discipline that have underpinned our success for the past two decades.

At Diaceutics, innovation at the front line of our customer needs is not just a goal – it's a culture. It's a space where bold thinking is encouraged, creativity is nurtured, and our team is empowered to push boundaries. We've spent the last twenty years building the capabilities, credibility, and culture to reshape therapy commercialization – putting the Company in the right place at the right time. Now we begin to unlock what's *really* possible.

We recognize that the first few months of 2025 have introduced some significant economic uncertainties as policies and historical norms shift, particularly for the pharmaceutical industry and in the US which represents the Company's biggest customer and geographical concentration. The Board and management team do not currently expect a direct impact from the recent tariff announcements. That said, the degree to which tariffs or other regulatory changes increase uncertainty and impact global business confidence negatively, is likely to be more important than any direct consequences of the tariffs themselves. However, we continue to monitor the risks and opportunities that may arise from economic changes, and we are confident we have the ability and agility to manage all eventualities. We remain confident in the unique and differentiated value we bring to our customers – unlocking more life for patients. The Board believes that the current strategy and financial strength of the Company is robust and can sustain any short-term disruptions to established market conditions and that the Company's growth prospects remain strong.

**Peter Keeling**
Chair
13 May 2025

# The next three years

## Our strategic goal

As ever, our strategy for the next three years is guided by our purpose. At Diaceutics we strive to ensure that every patient, regardless of the therapeutic area, gets the opportunity to receive the right diagnostic test and the right therapy at the right time, to positively impact their disease outcome.

Over the next three years, we'll support this aim by forging closer partnerships with Biopharma companies so that we are the best-in-class choice to help them commercialize their therapies.

In addition, we'll leverage our core expertise in finding patients who are eligible for personalized therapeutic interventions. Together, these activities disrupt established drug commercialization routes and will enhance returns on capital invested for those developing new therapeutics.

Our work will be focused over the next three years, as follows:

### Repositioning as a full commercialization partner

70%

of our activities will focus on repositioning Diaceutics as a commercialization partner to the pharma industry.

Our key areas of focus will include retaining existing customers, scaling data analytics, improving productivity, expanding our lab network, and increasing revenue per brand.

### Solidifying our role

20%

of our activities will be focused on cementing Diaceutics' role as an integrated commercialization partner for forward-thinking pharma leaders.

To do this, we'll work to expand our commercialization portfolio, grow our revenue streams, and drive innovation through strategic incubators and partnerships.

### Patient engagement

10%

of our activities will be focused on expanding our reach to engage more of the patients who need diagnostically-enabled therapies.

Engagement will be driven by the launch of a pioneering direct-to-patient product that serves the needs of three key patient pathway stakeholders; labs, physicians, and patients.

CHIEF EXECUTIVE OFFICER REVIEW

# Powering ahead

## Our transformational journey continues...

### Delivering on our promises

After my first full year as CEO, I'm pleased to report that we've made significant progress against plan and are recording our fourth consecutive year of hitting, or exceeding, our ambitious targets.

Thanks to our extraordinary people, 2024 has been a year of successful execution, commercial acceleration, and strong financial performance and growth for our business. With a clear focus and a commitment to our purpose – accelerating access to innovative treatments for those who need them most – we have made significant progress during 2024, with the investments to date clearly positioning us as a tech-driven business with high recurring revenues.

While we continue to invest with prudence, the progress in 2024 sees our intensive investment phase in the rearview mirror as we target a return to profitability in 2025.

A standout milestone was the launch of our integrated commercialization partner agreement (PMx), and the signing of our first contract, the culmination of years of dedicated effort.

This achievement underscores our ability to provide customers with end-to-end commercialization solutions that address unmet needs, while continuing to perform and driving our future growth.

Our first PMx contract was signed in August 2024 and was worth £4.3 million over the first 18 months. This was subsequently superseded in March 2025 when the therapy was licensed to Partner Therapeutics, who retained our PMx commercialization solution and extended the term. The new contract saw the total contract value increase to £13.0 million, including £1.5m realized under the previous contract, and the end date including auto renewal clauses extended out to September 2028.

We are excited about being able to offer our customers this fundamentally better way to commercialize their innovative treatments so that more patients can benefit from the right testing and the most appropriate therapy for their needs. In 2024, our DXRX Signal solution identified over 600,000 patients who could be treated by our pharma customer therapies.

2024 also saw significant investments in our sales and marketing functions. I'm delighted to see that these efforts, which will continue into 2025, are already delivering results. Early commercial traction has exceeded expectations, translating into immediate top-line growth.

Another crucial advancement has been the diversification of our sales channels, including a series of successful commercial data partnerships that pave the way for an accelerated and scalable route to market. This initiative has enabled us to supplement our core sector growth with strategic collaborations that expand Diaceutics' US commercial reach through data marketplaces and partner sales channels in a co-selling model. In 2024 these sales channels delivered £1.1 million of new revenue, to new customers, and commercializing previously untapped segments of our data asset. We continue to incubate and grow these channels in 2025 and beyond.

## Strong leadership

The exceptional performance and dedication of our leadership team has been instrumental in driving our success. In 2024, we financially outperformed our peers and the market, proving the resilience of our strategy in a challenging macroeconomic environment. Our Board and senior leadership's strategic direction, laser-focused on maintaining proximity to customers and deep market understanding, has allowed us to remain agile, make well-informed investments, and maintain our strong performance and growth trajectory.

## Investment in talent and culture

As we approach our milestone twentieth anniversary, our people remain at the heart of our success and 2024 was a year of significant investment in talent. We welcomed Sandra Blake as our Chief People Officer, a key addition that reflects our commitment to maintaining our purpose-driven culture and leveraging the skills and passion of our people. Additionally, we made strategic hires – particularly in the US – to enhance our commercial capabilities and also opened the doors at our new US office, in New Jersey. The rapid and decisive recruitment of key VP-level executives in 2024 had a tangible impact on our performance, enabling us to execute our commercial strategy more effectively and putting us in a strong position to accelerate and grow in the US market.

## Meet our new senior managers

- Sandra Blake, Chief People Officer
- Kerri Donaldson, promoted to VP Customer Operations
- Amie McNeice, VP Marketing
- Ken Ruppel, VP Scientific & Medical Services
- Marianna Sciortino, promoted to VP Sales
- Madeline Brown, promoted to VP Chief of Staff
- Gosia Leitch, VP Engagement Solutions
- Scott Phillips, VP Real World Data.

A focus on our purpose continues to be a core strength that drives engagement and performance. Our ongoing investment in culture, consistent communication of our strategic goals and KPIs, and sound leadership, ensure that every team member understands how their contributions ladder up to our broader success.

A key structural enhancement at the beginning of my tenure as CEO was the establishment of the CEO Office, including the appointment of a VP Chief of Staff. This move has been a significant enabler for both strategic execution and organizational agility, allowing me to remain deeply connected to the operational and commercial realities of the business as we grow and scale.

## Performing and growing in a dynamic market

The healthcare and diagnostics landscape continues to evolve, presenting significant opportunities for our business, particularly in the US. Our research tells us that up to 60 per cent of therapies being developed are precision medicines or diagnostically-informed treatments. Our unique capabilities, including our AI-driven technology and platform, proprietary global lab network and targeted physician engagement, integrate to give us a powerful commercialization solution. We stand positioned to capture an expanding market opportunity. By leveraging these assets and capabilities effectively, we are continuously driving greater adoption of our solutions and strengthening our competitive edge.

This is most readily demonstrated in the three enterprise-wide engagements secured in 2024, one of which was a PMx contract, taking the number of enterprise-wide engagements to seven and the ARR of these to £10.6 million.

## Precision Medicine → Diagnostically Powered Therapies

The therapy market currently described by pharma and biotech as *precision medicine* is both significant and expanding, with 48 new precision therapeutic brands receiving FDA approval in 2024 – up 71% from 28 approvals in 2023. Within this category, we are proud to count 18 of the world's top 20 pharma companies as clients, having supported 56 of their brand teams to successfully commercialize innovative treatments during 2024 alone. In total, we work with 85 "on-market" brands currently labeled as precision medicines – approximately a third of the total precision medicine portfolio.

Yet this is only the beginning.

While the continued growth of labeled precision medicine offers meaningful expansion potential, an even greater opportunity lies in the broader universe of *diagnostically powered therapies* – those therapies whose success depends on diagnostic insight, even if not currently classified under the precision medicine banner. We are actively expanding into this larger market, supporting both "on-market" and clinical-stage therapies across central nervous system, cardiovascular, autoimmune, and infectious disease areas – where diagnostic intelligence is fast becoming critical to treatment access, reimbursement, and patient outcomes. We believe that this market could consist of up to 1,000 diagnostically powered therapies by 2030.

## Maximizing our lab network

Our lab network remains a key differentiator, both as a source of valuable data and as a critical enabler of our products and services. While historically the focus has been on expanding the number of laboratories in the network, we have now reached a point of stability that allows us to optimize and maximize its value. Moving forward, we expect a strategic refinement of the network, with a particular emphasis on strengthening our presence in the US, where we see the greatest growth potential.

## Scaling and enhancing our capabilities

One of the most significant investments we made in 2023 and 2024 has been the scaling of our data capabilities. We are particularly excited about the potential of multi-modal data insights to further strengthen our ability to integrate disparate datasets. Our unique multi-modal data insights engine transforms fragmented, siloed data into actionable intelligence that drives commercialization success for our customers. Unlike traditional data sources that capture only part of the patient journey, this approach integrates diagnostic, insurance claims, laboratory, and electronic medical record data to capture the full patient journey – from biomarker testing through to treatment decisions.

## Developing our tech platform: seamless integration and enhanced user experience

> *"It's not just about giving our customers data, it's about how we bring it together so they can derive insight and directionality from it. It's now less about data wrangling and more about customers using data to really drive their businesses."*

We have successfully built an infrastructure that allows us to provide data-driven insights at scale without adding significant resource burdens. The strategic application of AI in 2024 has played a pivotal role in enhancing our ability to automate processes, innovate products, and deliver superior service to our customers. Our unique, AI-driven tech platform has continued to evolve through 2024, with a strong emphasis on customer-led development, including the integration of our platform into customer tech stacks, which delivers significant resource economies to our customers and enhances our "stickiness" as a trusted partner.

Our team continues to provide expert insights and enable customers to derive new value from our data. Our advisory team has proven to be a key differentiator for Diaceutics in the marketplace and we continue to benefit from the analysis they provide.

Additionally, we have made significant progress in data visualization and dashboarding capabilities, making it easier for customers to extract actionable insights from multi-modal data. We remain committed to the idea that our business is not just about giving customers data, it's about how our proprietary AI tech stack brings it together so that they can derive insight and directionality from it. The latest enhancements not only improve user experience but also reinforce our unique value proposition in the market; transforming complexity and unlocking possibility for those we serve at every stage of therapy development, right to the last and most important; the patient.

By providing our customers with access via our tech platform to a uniquely unified and powerful data engine, we create the ideal conditions to achieve a successful transition to a high recurring revenue model.

## Balancing growth and financial discipline

As we look ahead, we remain committed to accelerating growth – both through organic expansion and strategic mergers, acquisitions and/or partnerships. We see significant untapped potential in our business and recognize the opportunities that selective inorganic growth can bring.

At the same time, we are mindful of maintaining a disciplined approach and are committed to striking a careful balance between investing for future growth and delivering strong financial results to our shareholders. As ever, this requires prudent decision-making to ensure we meet our commitments while seizing opportunities that will create sustainable long-term value.

## 2025 and beyond

*"Much like the path walked so far, the roadmap ahead is one of disciplined execution"*

### *A continued focus on performance, growth and profitability*

As we look to 2025, our primary objectives remain clear: from delivering sales and revenue targets and growing our bottom line, to accelerating commercial success, further embedding our technology and expertise into customer workflows, fostering strategic partnerships and ensuring patients get the right tests and treatments.

AI is playing an increasingly significant role in the business and we are seeing considerable benefits from our agentic AI solution and our emerging multimodal data offering. With all of this we remain focused on our recurring revenue model, and our US expansion, which will remain key priorities, supported by continued investment in talent and infrastructure.

### *April 2025 YTD trading*

The first four months of 2025 have seen us carry over the very strong momentum from 2024 and capitalize on the expanding opportunity in front of us.

Strong demand for our DXRX insight and engagement solution products is driven by customer success. Total contract value of sales closed in April 2025 YTD grew 93% to £18.7 million, revenue grew 35% to £8.4 million and cash was £13.7 million as at 30 April 2025. Our 2025 YTD Adjusted EBITDA is performing in line with management expectations.

## Looking to the future

*"With a clear vision, a dynamic team, and a commitment to staying close to our customers, we are well-positioned to unlock the opportunities that lie ahead."*

We have started 2025 with good momentum despite the uncertain economic climate. The leadership team is highly focused on delivering against our strategic objectives and we are confident in our ability to drive continued performance and growth. With a clear strategic vision, a dynamic team, and a strong focus in staying close to our customers, we remain well-positioned to unlock the opportunities ahead.

We recognize that the first few months of 2025 have introduced some significant economic uncertainties, especially in our key US market. We remain vigilant to these, actively seeking market intelligence from our people, customers, suppliers and other stakeholders, and are ready to quickly react to any risks or opportunities that may materialize.

We are closely monitoring the current macro-economic uncertainty in the US and how this could impact our customers. The success of the Company's current strategy and financial strength, and the sustained positive momentum in 2025 to date, serve to validate the Group's growth strategy and provide the Board with confidence that the growth and profitability targets for 2025 are on track to be delivered.

We are focused on 2025 and the delivery of:

- **Continued revenue expansion,** particularly in high-margin recurring revenue solutions. Notwithstanding the current US pharma economic uncertainties, we will target 25% year-on-year revenue and annual recurring revenue growth.
- **Discipline and focus,** ensuring that investment is targeted at high-return opportunities, AI technology is continually deployed to allow rapid innovation at scale, and costs are managed through strong processes.
- **Operational scalability,** leveraging the AI and technology infrastructure we built in 2023–2024 to deliver increasing returns and margins, targeting growth in EBITDA and breakeven profit before tax.

Our strategy remains unchanged. It's about execution; getting out, continuing to scale efficiently, and using our world class commercialization expertise to bring a highly differentiated offering to an increasing number of customers, *at scale*.

**Ryan Keeling**
Chief Executive Officer
13 May 2025

CHIEF FINANCIAL OFFICER REVIEW

# Unlocking the next phase of success

## 2024: A year of growth, transformation, and continued financial discipline

2024 has been a defining year for our financial performance, marked by sustained revenue performance and growth, an increasingly robust recurring revenue model, and a continued commitment to financial discipline. This success has been achieved against a backdrop of a complex and changing macroeconomic landscape.

Despite these external pressures, our financial results have outperformed our peers and the market, demonstrating our continuing ability to execute on our strategy with precision and reliability. We strive for consistency; setting clear expectations, whether strategic or financial, and ensure we deliver on them. Looking ahead to 2025, we aim to maintain our growth, balancing careful investment in future growth with a sharp focus on profitability and cash flow management.

### Alternative Performance Measures ('APMs')

In measuring and reporting financial information, the management team reviews APMs such as EBITDA, adjusted EBITDA, revenue growth on a constant currency basis, annual recurring revenue, and net revenue retention – all of which are not defined measures under financial reporting standards.

## Strong results in a dynamic market

### KPIs and Alternative Performance Measures (APMs)

| | 2024 £000's | 2023 £000's | Change |
|---|---|---|---|
| Revenue | 32,158 | 23,699 | +36% |
| Revenue growth constant currency basis* | 39% | 19% | +20 ppts |
| Annual Recurring Revenue (ARR)* | 16,801 | 13,662 | +23% |
| Net Revenue Retention (NRR)* | 109% | not reported | – |
| Order book | 24,930 | 26,517 | –6% |
| Order book visibility for next 12 months | 17,715 | 12,334 | +44% |
| Gross profit | 28,270 | 19,706 | +43% |
| Gross profit margin | 88% | 83% | +5 ppts |
| Adjusted EBITDA* | 4,206 | 2,802 | +50% |
| Adjusted EBITDA margin* | 13% | 12% | +1 ppt |
| EBITDA* | 2,259 | 1,754 | +29% |
| EBITDA margin* | 7% | 7% | – |
| Loss before tax | (1,908) | (2,438) | +22% |
| Cash and cash equivalents | 12,744 | 16,667 | -24% |

*Alternative Performance Measure

We believe that these measures, when considered in conjunction with defined financial reporting measures, provide management and stakeholders with a broader understanding of the performance of the business.

Operating profit is the financial reporting measure under IFRS most comparable to EBITDA and adjusted EBITDA. EBITDA is defined as earnings before interest, tax, depreciation and amortization. The Directors may make certain adjustments to EBITDA, for nonrecurring or noncash items, to derive adjusted EBITDA, both measures of which they consider more readily reflect the Group's underlying trading performance, enabling better comparisons to be made with prior periods and industry peers. A reconciliation of operating profit to EBITDA and Adjusted EBITDA are included below.

Annual Recurring Revenue (ARR) is the value of recurring subscription revenue at a specific point in time that is expected to be recognized from contracts over the next twelve months.

Net Revenue Retention (NRR) is the net percentage increase in customer ARR over a period of time and helps to measure cumulative revenue retained from existing customers by examining revenue added due to expansions and contractions for a given period.

The Directors consider ARR and NRR to be key metrics when measuring the strength and visibility of the Group's forward revenue, and of the Group's progress towards realizing its near-term strategy of transitioning to a platform-based recurring revenue model.

The Directors consider and report revenue and revenue growth in the current reporting period on a constant currency basis. This approach is used because the majority of the Group's customer contracts are written in US Dollars and this can result in significant fluctuations in the Group's performance – relative to the comparative period – based on the prevailing exchange rate.

Reporting the current period revenue on a constant currency basis allows stakeholders to better understand the underlying growth of the Group's activities, before the influence of foreign currency movements.

'Order book' is defined under financial reporting standards as the aggregate amount of the revenue transaction price allocated to customer contracts that are partially or fully unsatisfied as at the year end and are not considered an APM. Order book is disclosed in the notes to the financial statements.

We continue to evolve our KPIs and APMs to highlight and evidence the financial and operational performance of the Group and its progress against strategy.

## Scaling the business while strengthening predictability

One of our most significant achievements for 2024 is the sustained expansion of our revenue base. This year, revenue increased from **£23.7 million to £32.2 million**, representing an impressive **39% organic (constant currency) growth**. This performance extends a three-year trend of consistent expansion, with a **compound annual growth rate of 32%** since 2021.

However, growth for Diaceutics is not just about increasing revenue. Over the last three years, we have successfully transitioned from a business that relied on one-off revenues to one that is increasingly underpinned by high quality, predictable, recurring revenue streams. In 2021, only 3% of our revenue fell into this category; by the end of 2024, that figure had grown to 53%. The shift to a recurring revenue model, underpinned by our end-to-end integrated commercialization solution (PMx) and subscription-based data license model, strengthens customer relationships and embeds us more deeply into their operations as a long-term commercialization partner. It also enhances the quality and visibility of our revenues. In other key metrics, ARR grew 23% from £13.7 million at December 2023 to £16.8 million at December 2024, and for the first time, the Group published a NRR which was 109% at December 2024.

> *"The shift to a recurring revenue model embeds us more deeply into customer operations as a long-term commercialization partner and enhances the quality and visibility of our revenues."*

Our recurring revenue transformation naturally affects how revenue is recognized, with more income now spread across multiple quarters rather than all captured upfront. While this typically delays the initial recognition of some revenue, it creates a more robust and scalable foundation for the future and greater revenue visibility. We are focused on building a business that is not only growing rapidly, but doing so in a way that ensures sustainability and predictability.

The Total Contract Value (TCV) of sales secured in the year was £30.6 million, a slight decrease on the value of contracts secured in the prior year of £35.9 million. The lower TCV growth in 2024 highlights the importance of the Company's accelerated growth strategy, specifically the need to invest in more sales and marketing capacity and establish additional sales channels with our existing and new customers. The Group continues to see and expect a higher weighting of revenue, and therefore profitability, in the second half of the financial year. In 2024 the H1/H2 weighting was 38:62 compared to 42:58 in 2023. This weighting is driven by the pharma industry's propensity to spend more of its budget in the second half of the year, particularly the fourth quarter, as it reaches the end of its own budget and financial year.

## EBITDA and profitability: building a sustainable growth model

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Operating loss** | **(2,455)** | **(3,018)** |
| • Depreciation & Amortization | 4,714 | 4,772 |
| **EBITDA** | **2,259** | **1,754** |
| EBITDA margin | 7% | 7% |
| | | |
| Adjustments for: | | |
| • US sales tax liability | 439 | 603 |
| • Redundancy costs | 450 | – |
| • Legal fees for capital reduction | 20 | – |
| • Share based payment charge | 1,038 | 445 |
| **Adjusted EBITDA** | **4,206** | **2,802** |
| Adjusted EBITDA margin | 13% | 12% |

Our adjusted EBITDA for 2024 is **£4.2 million**. This represents an **adjusted EBITDA margin of 13% and growth of 50% from £2.8 million in 2023**, a level that aligns with market expectations while reflecting our commitment to investing in commercial and technological capabilities through 2023 and 2024. The adjusted EBITDA in 2024 includes the add back of £0.5 million of costs related to historic US sales tax costs, now all fully resolved and settled, £0.5 million as a result of some targeted redundancies in 2024, and share-based payment charges.

While growth remains a priority, we are keenly focused on profitability. We expect 2025 will mark an inflection point, where we shift from an investment-heavy phase, to driving operational efficiency and profit at an increasing scale.

The transition to **a stronger adjusted EBITDA margin** in 2025 and beyond will be driven by:

- **Continued revenue expansion,** particularly in high-margin recurring revenue solutions. Notwithstanding the current US pharma economic uncertainties, we will target 25% year-on-year revenue and annual recurring revenue growth.
- **Discipline and focus,** ensuring that investment is targeted at high-return opportunities, AI technology is continually deployed to allow rapid innovation at scale, and costs are managed through strong processes.
- **Operational scalability,** leveraging the AI and technology infrastructure we built in 2023–2024 to deliver increasing returns and margins, targeting growth in EBITDA and breakeven profit before tax.

This approach to financial management should allow us to achieve profitability while maintaining our growth momentum.

## Navigating uncertainty while delivering results

The broader market environment in 2024 presented a series of challenges, including regulatory shifts, evolving pharmaceutical budgets, and macroeconomic uncertainty. These challenges have continued into 2025.

While the US healthcare sector in particular saw disruptions due to the changing political and regulatory landscapes, our focus on pharmaceutical commercialization largely insulated us in 2024 from the budgetary tightening seen in the clinical setting. That said, while the

precision and personalized medicine sectors grew, wider caution in pharmaceutical investment decisions as we enter 2025 has created a more measured market environment which we have observed in recent reports from some of the largest pharmaceutical service companies in the US.

The Group's customer base is heavily weighted towards blue-chip pharma companies, with 92% of revenue generated by customers based in the US (2023: 88%). The Group worked with a total of 52 customers during the year (2023: 44) across 85 therapies (2023: 69). The Group has increased its average revenue per customer 18% to £0.62 million, up from £0.54 million in 2023, and increased its average revenue per brand 23% to £0.42 million, up from £0.38 million in 2023.

Our historic ability to deliver strong financial performance despite these challenges underscores the resilience of our business model and the market opportunity for our solutions. We have consistently hit our financial targets, as we seek to establish a reputation as a disciplined, execution-focused business.

## Maintaining financial discipline while investing for growth

### *From investment-led growth to profitability*

Over the past two years, we embarked on a deliberate and measured investment cycle, designed to enhance our technological capabilities, expand our commercial footprint, and automate key business functions. This investment has featured a significant focus on AI and positioned us for long-term scale and efficiency, ensuring that we can grow profitably and sustainably.

By the end of 2024, this investment phase has been successfully executed, enabling a strategic shift back towards delivering profitability in 2025. We do not plan to stop our investment activities, in fact, we must continue to innovate to maintain leadership and unlock new growth opportunities, but we plan to significantly reduce the pace of investment spend growth, ensuring that our revenue growth translates into profitability and increasing shareholder value.

## AI and platform investment: A transparent approach to innovation

Our commitment to innovation remains strong, with AI and platform investment totaling £3.6 million in 2024 (2023: £2.0 million). As you would expect for a technology-led company like Diaceutics, the value of development investment continues to grow as the Company continues to innovate. However, the increased investment has materialized as an expense, rather than a capital item, with only £0.4 million capitalized in 2024 vs. £1.0 million in FY 2023.

This underscores the reality that our technology has reached a high level of maturity, reducing the need for large-scale capitalization and giving our investors an accurate reflection of our robust financial position. We feel that expensing AI and platform development costs in real time provides greater visibility of our operational priorities, reinforcing our commitment to financial clarity. The Group continues to invest in data from its laboratory network, insurance claims providers, electronic health record providers and other data sources, expending £4.2 million in 2024, an increase of 18% (2023: £3.6 million).

## Cash management: unlocking a new era of growth

### *Cash conservation and conversion as growth enablers*

Cash flow is a crucial pillar of our financial strategy, and our disciplined approach to cash management has been instrumental in unlocking the company's future growth potential. In 2023 and 2024, we followed through on our commitment to a carefully managed investment cycle, with a free cash outflow of £8.0 million, in line with management's projections, and maintaining a minimum cash position of at least £12.0 million throughout this period.

At the end of 2024, our **cash balance stood at £12.7 million (2023: £16.7 million)**, exactly in line with expectations. This approach to cash conservation sets the stage for 2025, a year in which we will focus on further scaling our business while achieving profitability and maintaining financial stability.

Cash conversion will be key in this next phase. It means we'll be focused on carefully managing our working capital, ensuring timely recovery of receivables, maintaining disciplined efficiency in payment cycles and managing foreign exchange exposures. In doing so we will ensure that we can fund future growth without relying on external financing, preserving our cash assets and potential strategic access to capital.

## Investing in people to strengthen our commercial capabilities

It seems entirely right at such an important stage in our corporate story that one of the largest areas of investment in 2024 has been in our people. Our team remains the single most important driver of our success, and we have continued to recruit strategically to support our long-term ambitions.

Over the course of the year, we increased our headcount from **184 to 199 employees**, with a strong emphasis on commercial roles, particularly in the US. This recruitment drive was a deliberate move to strengthen our sales and marketing capabilities, ensuring that we're able to maximize the impact of our expanding offering, and continues into 2025. Additionally, we have made key VP-level hires, further strengthening our leadership team and reinforcing our ability to execute at scale.

Our investment in people extends beyond recruitment. Training, development, compensation, and performance-based incentives all play a crucial role in ensuring that we continue to attract, retain, and develop top-tier talent. As we move into 2025, this commitment will remain central, with a particular emphasis on expanding our commercial footprint in the US market, as supported by our new US office in New Jersey.

*US headquarters, Jersey City*

## Looking ahead to 2025: execution and profitability

As we enter 2025, our financial priorities are clear. We will continue to drive top-line growth, targeting **25% year-on-year**. However, 2025 is not just about revenue growth, it's about translating our performance and growth into profitability.

The focus on our return to profitability following our accelerated investment phase over the past two years is a central financial goal for 2025, alongside preserving our cash resources, as we move from a period of investment-led expansion to one of scalable, sustainable financial performance.

At the same time, we will continue to explore opportunities for strategic acquisitions and partnerships, to supplement organic growth where they align with our long-term vision. As always, we will pursue these opportunities in a measured way, ensuring that we maintain a clear focus on execution and financial stability.

## Meeting targets, driving progress

2024 has been a year of strong financial performance, considered investment, and strategic growth. We have demonstrated our ability to execute against plan, adapt to market challenges, and build a scalable, profitable business model.

As we move into 2025, our focus remains the same: set clear targets, execute against them, and continue delivering value for investors, customers, and employees alike. Through a combination of financial discipline, strong leadership, operational excellence, and strategic investment, we are well-positioned to drive the next phase of our growth journey – one that is not just about expansion but about sustained profitability and long-term success. Across the Company, there is a real sense of momentum, with our team energized by the opportunities ahead and committed to delivering lasting impact in line with our shared purpose – to help every patient get the opportunity to get the right test and most appropriate treatment as fast as possible.

**Nick Roberts**
Chief Financial Officer
13 May 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

# Leading with integrity

Through our purpose, Diaceutics is committed to helping patients get the right treatment at the right time, while minimizing the carbon impact we have on the world around us and promoting sustainability across every area of our business. These principles are baked into our environmental, social and governance (ESG) policies and our values alike.

*US headquarters, Jersey City*

# Environmental

## Objectives and practices

We set and maintain clear objectives aimed at reducing our environmental footprint and prioritize engagement with suppliers who share our vision and aspirations. These objectives are regularly reviewed to ensure their consistent application throughout our operational activities and strategic plans.

During 2024, in collaboration with our key customers, Diaceutics formulated and submitted targets to significantly reduce its near-term emissions and reduce net emissions to zero by 2050. The Company is working with the Science Based Targets initiative (SBTi) to have these targets officially validated and published in 2025.

## Sustainable headquarters

In 2021, we established our new UK Company headquarters at Dataworks in the Kings Hall Health and Wellbeing Park in Belfast. Our building boasts an "A" rated energy certificate and utilizes renewable energy sources for 63.8% of its electricity consumption. This location provides direct proximity to Belfast's major hospitals, universities and innovative medical research facilities, and we are already seeing the benefits of the location as a thriving data hub, enabling data analytics companies, medical professionals and patient-centric groups to collaborate in a shared space.

Research groups and healthcare companies have the option to co-locate alongside Diaceutics or collaborate with our team of highly qualified experts. Through a joint collaboration agreement, they can gain access to our global data repository. Accumulated over the last decade, Diaceutics precision medicine data repository provides unparalleled access to in-depth analysis of a vast array of data.

In January 2025, the Company took a lease on a 4,000 square foot office space in Newport, New Jersey – our new US headquarters – facilitating our planned US sales and marketing expansion plans.

We are promoting sustainability across every area of our business.

## Waste recycling initiatives

We actively promote recycling initiatives within our UK headquarters, providing resources such as DXRX reusable drinking flasks, boiling hot water taps, and low flush toilets. We have food waste and recycling waste bins in our kitchens. Our UK facilities management partner facilitates regular recycling of confidential wastepaper with secure recycling bins located externally. This year Diaceutics has saved 21,257 trees through recycling shredded paper.

## Reducing our operational carbon footprint – Science Based Targets initiative (SBTi)

During 2024, Diaceutics formulated and submitted its targets to reduce its near-term emissions and reduce net emissions to zero by 2050. The Company is working with the SBTi and will have its near-term and net zero targets validated in 2025 at which point the targets will be made publicly available on its website.

While we recognize the importance of minimizing our environmental impact, we also acknowledge the necessity of face-to-face interactions with our clients and other key stakeholders. We strive to balance environmental responsibility with meeting client and other stakeholder needs, promoting digital communication channels and virtual meetings where possible while recognizing the value of in-person engagements.

In January 2025, the Company took a lease on a 4,000 square foot office space in Newport, New Jersey, which will help us reach our near-term and net zero targets by:

- Allowing the planned expansion and recruitment of our US sales and marketing team, thereby reducing the requirement for our UK-based sales team to travel to the US in the medium term, and
- Taking advantage of an underutilized existing, and fully fit-out office space via a sub-lease from a company which could no longer utilize the space.

## Ecovadis Award

The ESG expectations of our global pharma customers are expectedly high. On winning our largest enterprise-wide engagement in June 2023, we have embarked on a journey of active participation in webinars, comprehensive questionnaires, and gap analysis to assess our ESG performance relative to industry peers and our customers' desired benchmarks. This effort has enabled us to better understand the expectations set by our global pharma customers and strengthens the progression of our overall strategic direction.

Diaceutics achieved an Ecovadis Commitment Badge in 2024 in recognition of its sustainability achievement and is looking to build on improving this benchmark over the coming years, particularly in relation to sustainability and environmental matters. Subsequent to the Ecovadis award Diaceutics has defined, set, and is awaiting validation of its SBTi near-term and net zero emission targets.

The Company is dedicated to improving its ESG credentials to ensure it has sustainable practices and is a responsible corporate citizen. This is not just about the recognition of our ESG efforts; it is also about the tangible impact on our business and society as a whole. By undergoing rigorous assessments and benchmarking, we have gained a clearer understanding of our strengths and identified areas where improvement is needed. This insight empowers us to make informed decisions and channel resources towards initiatives that align with our values and corporate goals.

As we continue on our ESG journey, we are not only enhancing our reputation, but also making a positive impact on the environment, society, and the economy. Our ESG initiatives and progress have taken significant strides forward in the past two years and we are committed to ensuring that, as a company, we follow responsible corporate practices. We will continue to build upon the momentum that we have started in 2023, continually raising the bar for our ESG endeavors.

## Future reporting and targets

We remain committed to tracking and reporting our energy consumption and carbon emissions through initiatives such as the Streamlined Energy and Carbon Reporting (SECR) and the setting of near-term science based targets on the SBTi platform. These efforts reflect our ongoing commitment to environmental stewardship and sustainability, aiming for continuous improvement year upon year. As of February 2025, we are proud to announce our commitment to 100% Green Renewable Energy for our UK headquarters in Belfast. This initiative will be in effect for the next two years, reflecting our dedication to sustainability and environmental responsibility. By transitioning to renewable energy sources, we aim to significantly reduce our carbon footprint and contribute to a cleaner, greener future. This move aligns with our broader corporate social responsibility goals and demonstrates our leadership in promoting sustainable practices within our industry.

## Streamlined Energy and Carbon Reporting (SECR) 2024

Diaceutics has reported scope 1, 2 and 3 greenhouse gas (GHG) emissions in accordance with the requirements of Streamlined Energy and Carbon Reporting (SECR).

This includes Diaceutics' stated emissions for the most recent reporting year – the 12 months starting 01/01/2024 and ending 31/12/2024 – and the comparative period.

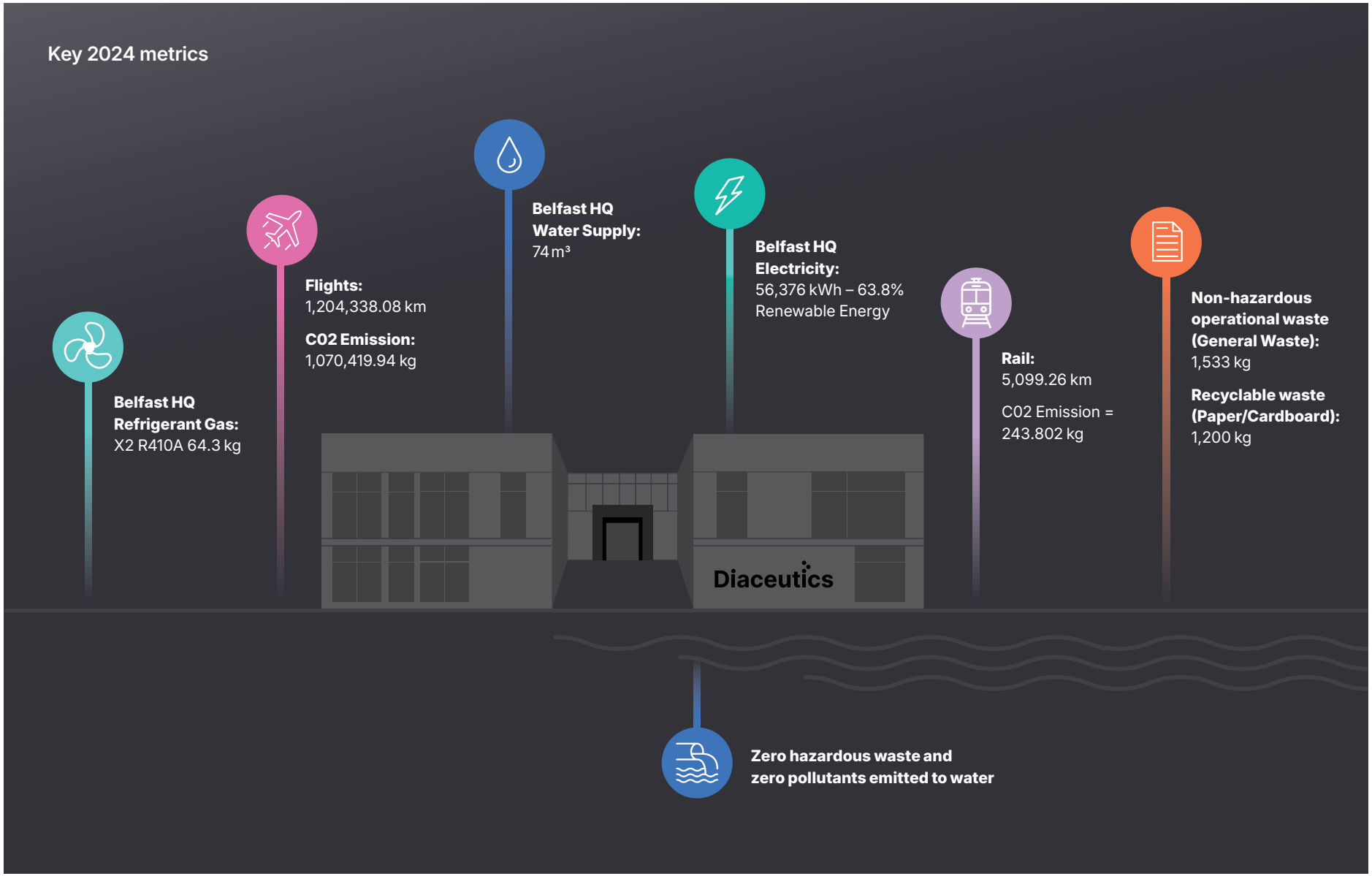
### *Methodology*

**Responsibilities of Diaceutics, Green Element and Compare Your Footprint**
Diaceutics was responsible for the internal management controls governing the data collection process and any estimations or extrapolations. Green Element was responsible for the GHG calculations and the resultant emissions statements.

Greenhouse gas emissions were calculated according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. This standard is internationally accepted as best practice.

**Scope and Subject Matter**
The boundary of the report includes all UK-based sites which were operational during the reporting period.

Environmental, social and governance *(continued)*



SECR 2024 *(continued)*

**Energy and GHG Sources Included in the Process**
Diaceutics' following activities and associated GHG emissions have been included:

*Scope 1:*

- Site consumption of natural gas.

*Scope 2:*

- Purchased electricity (location-based* and market-based** methods included – this way of dual reporting is outlined in the GHG Protocol Corporate Accounting and Reporting Standard.)

*Scope 3:*

- Business Travel in employee-owned or hired vehicles.
- Indirect emissions associated with the upstream production, processing and delivery of any fuel used, and losses due to the transmission and distribution of electricity.

Types of GHGs included, as applicable: $CO_2$, $N_2O$, $CH_4$, HFCs, PFCs, $SF_6$, and $NF_3$. The greenhouse gas emissions were calculated using UK government 2024 conversion factors, expressed as tons of carbon dioxide equivalent ($tCO_2e$).

* Location-based electricity (Scope 2) emissions use the average grid fuel mix in the region/country where the electricity was purchased and consumed. For SECR, location-based is mandatory.

** Market-based electricity (Scope 2) emissions use fuel mix that is specific to the purchased electricity's supplier and tariff. Where supplier-specific fuel mix data is absent, UK National Grid's residual fuel mix was used, in accordance with the GHG Protocol. For SECR, market-based is optional.

Methodology: GHG Protocol Corporate Accounting and Reporting Standard

Calculated and verified as accurate by Green Element Limited and Compare Your Footprint Limited, UK.

## Diaceutics' 2024 Streamlined Energy and Carbon Report

| UK Streamlined Energy and Carbon Reporting (SECR) | 2023 | 2024 | YoY % Change |
|---|---|---|---|
| **Energy consumption (kWh)** | | | |
| Electricity | 177,581.00 | 57,453.00 | -67.6% |
| Gas | 2,674.00 | 1,715.54 | -35.8% |
| Transport fuel | 32,284.13 | 24,457.04 | -24.2% |
| Other stationery fuels | – | – | – |
| **TOTAL ENERGY CONSUMPTION** | **212,539.13** | **83,625.59** | **-60.7%** |
| **GHG Emissions ($tCO_2e$)** | | | |
| **Scope 1** | | | |
| Combustion of gas in buildings | 0.49 | 0.31 | -36.0% |
| Combustion of fuel for transport purposes | – | – | – |
| Combustion of other stationary fuels | – | – | – |
| **Scope 2** | | | |
| Purchased electricity – Location-Based | 36.77 | 11.90 | -24.2% |
| Purchased electricity – Market-Based | 27.54 | 10.60 | -61.5% |
| **Scope 1 & 2** | | | |
| Total Scope 1+2 emissions – Location-Based | 37.26 | 12.21 | -67.2% |
| Total Scope 1+2 emissions – Market-Based | 28.03 | 10.91 | -61.1% |
| **Scope 3** | | | |
| Category 6: Business travel (in rental cars or employee vehicles where Diaceutics is responsible for purchasing the fuel) | 9.88 | 7.46 | -24.5% |
| Category 3: Upstream emissions from purchased fuel and energy – Location-Based (upstream transmission and distribution losses, and excavation and transport of fuels not included in Scopes 1 and 2) | 12.12 | 3.97 | -67.3% |
| Category 3: Upstream emissions from purchased fuel and energy – Market-Based (upstream transmission and distribution losses, and excavation and transport of fuels not included in Scopes 1 and 2) | 8.96 | 3.53 | -60.6% |
| **TOTAL EMISSIONS – Location-Based** | **59.26** | **23.64** | **-60.1%** |
| **TOTAL EMISSIONS – Market-Based** | **46.87** | **21.90** | **-53.3%** |
| **Intensity ($tCO_2e$/FTE)** | | | |
| FTE (full-time equivalent employees) | 184 | 199 | |
| **EMISSIONS PER FTE – Location-Based** | **0.32** | **0.12** | **-62.9%** |
| **EMISSIONS PER FTE – Market-Based** | **0.25** | **0.11** | **-56.0%** |
| **Intensity ($tCO_2e$/£m Revenue)** | | | |
| £ million revenue | 23.70 | 32.16 | |
| **EMISSIONS PER £M – Location-Based** | **2.5** | **0.73** | **-70.6%** |
| **EMISSIONS PER £M – Market-Based** | **1.98** | **0.68** | **-65.6%** |

Environmental, social and governance *(continued)*

SECR 2024 *(continued)*

## Energy efficiency and carbon-saving measures actions taken in 2024

- **Electric vehicle leasing scheme:** we were excited to announce the introduction of our Electric Vehicle Leasing Scheme, designed to encourage the adoption of eco-friendly transportation options.
- **Recycling initiatives:** several recycling initiatives have been implemented within our headquarters, including the provision of DXRX branded water bottles, boiling hot water taps, and low flush toilets. Confidential wastepaper recycling is also facilitated externally.
- **Future reporting and targets:** Diaceutics commits to tracking and reporting energy consumption and carbon emissions through initiatives such as SECR Reporting and setting near-term science-based targets on the SBTI platform.
- **Energy efficiency:** The UK office light bulbs were switched for energy-efficient LEDs and we have motion-censored lighting that turns on and off when users enter and leave the room.

## Actions planned for 2025

- We are planning to report on sustainable procurement through Inclusion and Diversity (I&D) within our supply chain, highlighting our commitment to fostering a more inclusive and equitable environment and reducing upstream emissions
- Monitor, and where possible, reduce business related travel
- Cycle to work scheme
- Transition to 100% renewable electricity sources in the UK

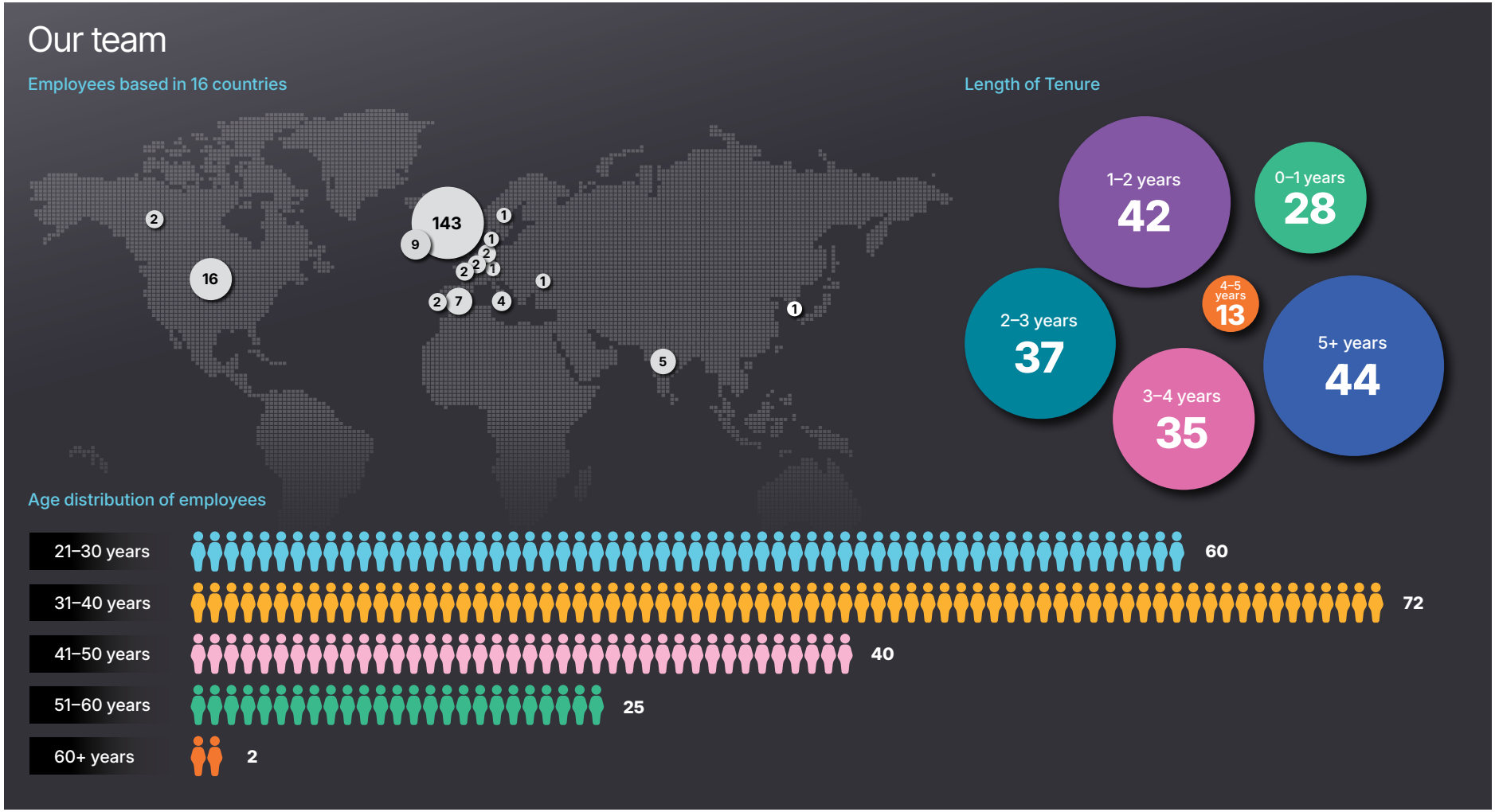
We set and maintain clear objectives to reduce our environmental footprint and prioritize engagement with suppliers who share our vision and aspirations.

*UK headquarters, Belfast*

Environmental, social and governance *(continued)*

# Social

**Our commitment to inclusion and diversity extends beyond policies, to fostering a positive working environment where all individuals are empowered to thrive and contribute.**



## Our focus on our people

A key enabler of our corporate purpose lies in the diverse skill sets brought together by the Diaceutics team. Our workforce encompasses various disciplines including data scientists, lab and diagnostic experts, precision medicine thought leaders and platform engineers. This diversity enables us to design and commercialize a platform which scales across diseases and countries to address the diagnostic practice gaps.

We place a high emphasis on the ongoing training and team development of our employees, with designated tools tracking training and compliance with company procedures and training on key development areas including Information Security, HIPAA and GDPR, Anti-Bribery and Anti-Corruption and Share Dealing and Insider Information. Our Learning, Training and Development Policy offers various learning options including:

- Job Shadowing
- Job Rotation
- EFFECTive Leaders Program (City and Guilds accredited)
- Career Coaching
- Mentoring
- Diaceutics Fly Higher Training Academy 2.0
- Udemy Training Platform
- MSc in Personalized Medicine in partnership with Ulster University
- External Training Opportunities

## Inclusion and diversity

In addition to overall training and development plans aimed at promoting personalized career growth and fostering leadership skills, Diaceutics places a strong emphasis on inclusion and diversity within its workforce.

We strive to cultivate a supportive and inclusive work environment that prioritizes wellbeing, equality, respect and human rights for all employees, collaborators, lab partners, clients, investors, and patients. Our commitment to equality extends to providing opportunities regardless of gender, gender identity and expression, religious belief, political opinion, marital or civil partnership status, race, age, sexual orientation, disability or dependent status.

We prioritize gender diversity, with a workforce reflecting a ratio of 40% male and 60% female employees, with 33% Male and 67% Females in middle and senior management positions. This balance underscores our commitment to fostering an inclusive workplace environment where all employees have equal opportunities for growth and advancement.

To formalize our dedication to inclusion and diversity, Diaceutics has devised a comprehensive three-year strategy with the aim of maintaining a diverse workforce and fostering an inclusive culture that empowers our community to fulfill our purpose.

To support this strategy, we have implemented workplace flexibility policies and programs, building on existing initiatives enabling employees to succeed at work while also fulfilling personal needs such as family obligations, managing health conditions or participating in educational pursuits.

Our enhanced family-friendly policies facilitate a more equitable sharing of work and childcare between parents, ensuring that both can realize their full potential at work.

Additionally, as a licensed sponsor under the UK Home Office's Skilled Worker Visa Scheme, Diaceutics has expanded its talent pool in areas facing skills shortages by sponsoring visas for 16 employees.

Given the global and diverse nature of our operations, all employees undergo a diversity training program, the "Global Diversity Module", to ensure an understanding and appreciation of diversity in the workplace. Furthermore, we have obtained the Northern Ireland "Diversity Mark" Bronze Award accreditation and incorporated equality and diversity modules into our leadership training program. Our Equality, Inclusion and Diversity policies are integral in the onboarding process for new employees, ensuring that our commitment to fostering an inclusive environment is embedded from the outset. This is also evidenced by the Group's support for various events throughout the year such as International Women's Day.

## Employee engagement

Our regular employee engagement and 'Pulse' surveys play a vital role in identifying the factors contributing to our success and pinpointing areas for improvement to enhance job satisfaction among our workforce. These surveys provide valuable insights into the sentiments and experiences of our employees.

We are pleased to report that we had a 96% response rate to our Employee Engagement survey and our overall engagement score for 2024 was 87%, a figure notably higher than benchmark data and an increase from 82% since our previous Employee Engagement survey. This achievement reflects our commitment to fostering a supportive and fulfilling work environment where employees feel valued, empowered, and motivated to contribute their best.

Divisional and company-wide action plans have been developed as an outcome to the survey results in order that further enhancements can be made to collaboration and communication.

Following the completion of our employee engagement and Pulse surveys, all recommendations are followed up by senior management and department leads. These discussions are instrumental in identifying actionable insights and formulating strategic responses to address the feedback provided by our employees.

Environmental, social and governance *(continued)*

In 2023, we introduced our Engagement Playbook, a comprehensive communication tool designed to empower all employees to actively embody our Company culture and contribute to a culture of engagement. This playbook serves as a guide, outlining best practices and strategies for fostering a positive and inclusive work environment. By equipping our team members with the necessary resources and guidance, we aim to cultivate a workplace culture where every individual feels valued, heard and motivated to thrive and work continues to ensure we maintain our culture throughout 2025 and beyond.

Through these initiatives we are committed to promoting open communication, transparency, and collaboration across all levels of the organization, reinforcing our collective efforts to drive employee engagement and enhance the overall employee experience.

## Recruitment and retention

Recognizing the pivotal role of recruitment, retention, development and motivation in achieving organizational success, Diaceutics has implemented a range of initiatives tailored to attract and retain top talent. These initiatives include a comprehensive global healthcare and benefits program to support the well-being of our employees. Additionally, we have established a multi-faceted recruitment process to ensure that we attract candidates who align with our purpose and goals.

To facilitate the onboarding process and integrate new employees seamlessly into our organization, we offer a residential onboarding program at our UK headquarters in Belfast. This program provides new hires with the necessary tools and resources to acclimatize to their roles and become valuable contributors to our team and is currently being refreshed for 2025.

Moreover, we have further enhanced our performance management process and relaunched this as “My Performance and Growth” in early 2025 to ensure individual objectives are even more closely aligned with business objectives with a shift from SMART to FAST goals with a focus on impact. This ensures greater agility, increased engagement and performance and enhanced collaboration, the combination of which makes such goals a powerful approach for driving performance and achieving success in a dynamic business like Diaceutics.

Training on the “My Performance and Growth” process was provided to employees in early 2025. In addition to this we have also introduced a calibration process to review performance outcomes at end of the 2024 performance year end to ensure consistency and to avoid unintended bias and this will continue for future years.

Our performance management process ensures individual objectives are even more closely aligned with business objectives.

## Training academy and graduate programs

Diaceutics has established a Training Academy for student placements and graduates, aiming to support the local community and provide career development opportunities. We are continuing to grow this by developing new relationships and building upon existing ones with local universities via 'lunch and learn' sessions and student presentations, aiming to support the local community and offering valuable careers advice. There is also a dedicated section on the Diaceutics website for graduate and placement opportunities which will be further enhanced with interview skills, CV and application tips.

Since the launch of Diaceutics Graduate Academy in 2022 we have taken on 16 graduates within our Data Graduate Academy, of whom eight are now permanent employees with a further three now participating in our 12-month graduate program for 2025. In 2024 we launched our Operations Graduate Program on which there are four participants as well as continuing to enhance our Data Graduate program with the introduction of a 'soft skills' development program, focusing on areas such as Emotional Intelligence and Self Awareness.

## Workplace initiatives

To support employee engagement and professional development, Diaceutics operates a senior management sponsorship scheme aimed at maximizing sales opportunities and success within our pharma and biotech customers.

We prioritize communication and engagement through monthly feedback sessions and Company-wide Town Hall meetings aimed at keeping staff up to date with the direction of the Group, and in April 2024 the Company had an all company in-person meeting in Belfast. This biennial meeting allows all employees to interact and re-energize as the company sets forth its near- and medium-term goals. These initiatives foster transparency, alignment, and collaboration across the organization.

To support employees' well-being, Diaceutics offers an Employee Assistance Program, providing access to counseling, legal information and services, bereavement support and medical and health risk assessments. All line managers have also been given guidance on how to support staff wellbeing in the workplace and the Group have rolled out several health and wellbeing sessions e.g. First Aid Training, Fire Warden Training, Mindfulness sessions and Mental Health First Aider training is scheduled for early 2025. We are pleased to report very low levels of sickness absence across the Group with only 1.62% of available working days lost due to sickness absence.

Our 'Flex days' program allows employees to enhance their work-life balance by taking every first and third Friday off work and has proven extremely popular, with 99% of the workforce currently opted in.

2025 will see the introduction of a Flexible Public / Bank Holidays Pilot whereby employees have the option to take the public / bank holidays at other days of their choosing. This creates a supportive and inclusive culture as introducing flexibility around Public / Bank Holiday within the leave year enables employees to celebrate their own faith, beliefs, culture, special occasions without having to take annual leave. It also allows for business continuity and further builds our Employee Value Proposition (EVP) and Employer Brand.

Furthermore, we incentivize employee ownership and engagement through our Share Incentive Plan ('SIP'), enabling employees to purchase shares up to a value of £1,800 in Diaceutics PLC which are matched by the Company on a one-for-one basis. As at 31 December 2024, 81 UK and 24 global employees are participating in the scheme representing 53% of total Group employees.

Diaceutics was shortlisted as finalist in a number of categories in the Belfast Chambers Business Awards 2024: Inclusion and Diversity, Employee of the Year, Young Business Person of the Year, Office Premises of the Year and Best Company to Work For, winning the Best Company to Work For, with Peter Keeling, Diaceutics' Chair, being awarded the Lifetime Achievement Award.

## Supporting communities and charities

Diaceutics is committed to making a positive impact in our communities through our Charity Working Group which targets local and global charities aligned with our purpose. Employees have the opportunity to support charitable causes through sponsorship activities and individual fundraising efforts, with company-matched donations further amplifying our impact.

Employees elected to channel sponsorship activities to multiple charities including the Children Cancer Unit, Macmillan and Transplant Sport NI. To further support this initiative, employee contributions were matched by donations from the Company and over £2,000 was raised throughout 2024 through numerous events held by Diaceutics.

## Customers and suppliers

At Diaceutics, we prioritize actively engaging with and listening to our customers to ensure that we meet their evolving needs and expectations.

Our customer base includes pharma and biotech companies across several geographical markets including Europe, Asia, and the US. These companies rely on our innovative insights and solutions to support their precision medicine commercialization requirements effectively.

We maintain regular communication with our customers to gather feedback and insights, allowing us to tailor our solutions to address their specific requirements and enhance the patient diagnostic and treatment journey. With the launch of the DXRX platform in October 2020, Diaceutics embarked on a transition toward a technology-led, recurring revenue model throughout 2023, and has significantly progressed in 2024. This strategic shift provides our customers with access to real-time data, analytics and enhanced Advisory and Engagement Solutions, empowering them to make informed decisions in the precision medicine landscape.

Customer feedback is a crucial component of our continuous improvement efforts. We collect feedback across the organization and collate it to ensure that we consider our customers' expectations and deliver projects to the highest quality standards.

Our commitment to gender balance in the workplace has been positively received by our customers, with several indicating that our inclusive approach played a role in their decision to choose Diaceutics over competitors in competitive tender processes.

In addition to nurturing strong relationships with our customers, we recognize the importance of maintaining mutually beneficial partnerships with our suppliers. During 2024, we made significant progress in negotiating and securing contracts with key suppliers, including data suppliers. These partnerships are instrumental in ensuring the stability of our market leading data insight solutions, while also delivering value for our investors. At Diaceutics, we strive to strike a balance between fostering strong business relationships with our suppliers and optimizing costs to maximize shareholder value.

Effective January 2025, we have implemented a new Supplier Inclusion & Diversity (I&D) Policy for all new vendors. This policy is designed to ensure that our supply chain is both diverse and inclusive, reflecting our commitment to fostering diversity, equity, and inclusion (DEI) across all aspects of our operations. Under this policy, new vendors are required to show their commitment to DEI principles, provide workforce diversity data, implement and maintain inclusive practices within their organizations. By enforcing these requirements, we aim to build a supply chain that not only meets our high standards of diversity and inclusion but also promotes these values within the broader business community. This initiative underscores our dedication to creating an equitable and inclusive environment for all stakeholders.

## Partners and labs

Over the years, Diaceutics has cultivated partnerships with a diverse range of organizations and labs, leveraging our DXRX platform to address real-world challenges encountered by labs. Specifically designed to cater to the needs of labs, the DXRX platform offers a secure online environment where labs can enhance their services, showcase their capabilities, obtain accreditation, and access benchmarking, analytics, and support services.

Through our partnerships, labs gain access to a global network of industry participants in the lab, diagnostic, and pharma sectors. These collaborations are built to foster growth and establish enduring relationships. We collaborate with organizations specializing in precision medicine diagnostics, covering various areas such as test access and reimbursement, pathology training, health economics, reference standards and External Quality Assessment (EQA).

# Governance

**Diaceutics is dedicated to having robust governance protocols and procedures throughout all aspects of its business. These help the business operate to high standards of conduct and best practice, and protect and grow the business for the benefit of all stakeholders.**

## Data privacy

At Diaceutics we strive to be a leader in data governance and stand out as a company who ethically cares about, and respects, patients' data. We embrace the challenge of complying with the evolving regulatory landscape around data and welcome the highest levels of data governance as an expectation for those operating with patient data in life sciences.

Central to this is our commitment to ensuring the security and protection of all personal data that we process. We have built a robust data compliance framework and continue to look for ways to improve our data governance efforts. In 2024 this included enhancements to our platform operational environment which integrates all aspects of data handling, and with our quality management processes.

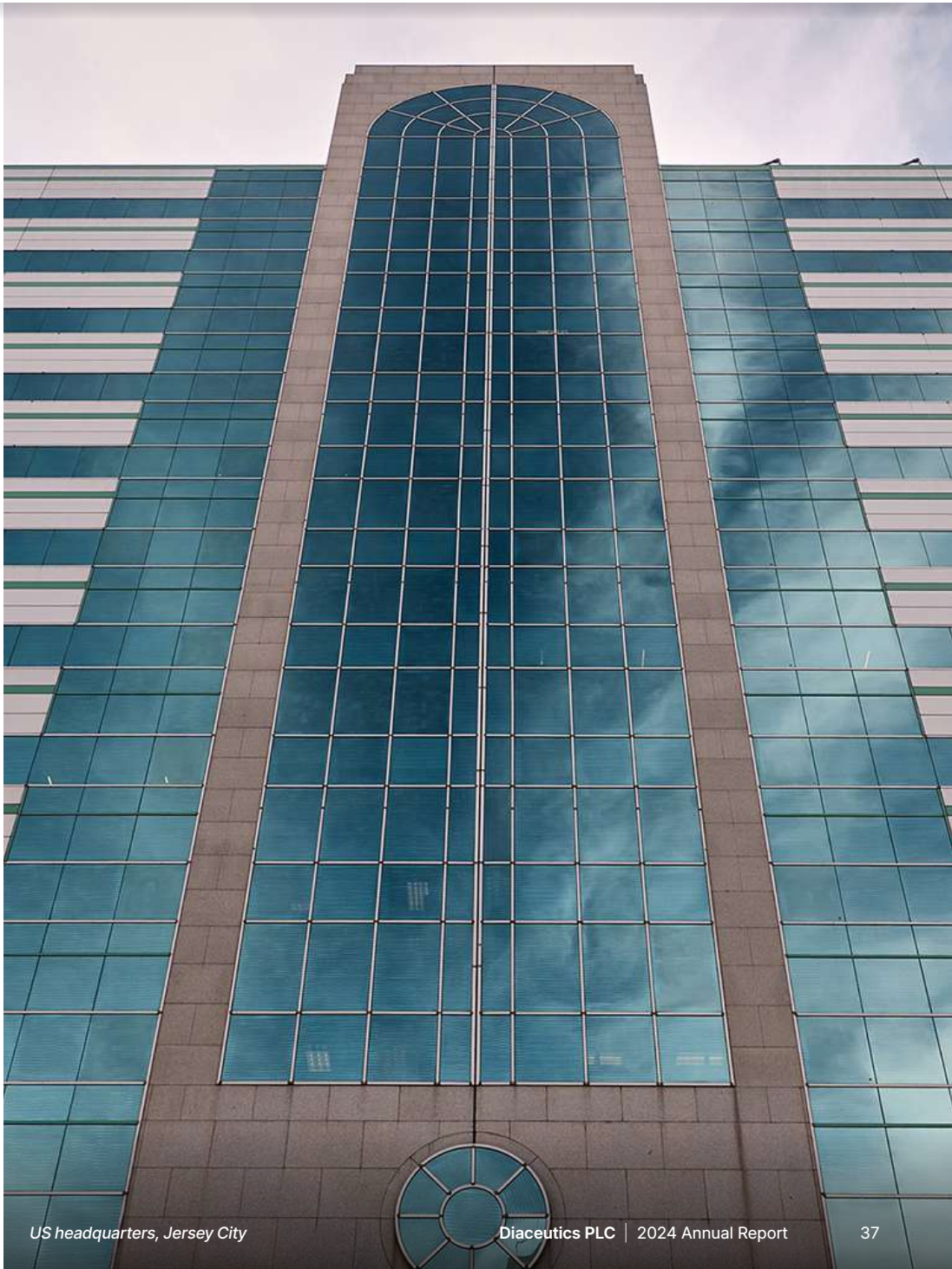
A vital part of Diaceutics' business is the development and evolution of our DXRX platform. We are excited to be part of a growing digital and data driven sector which is critical to the growth of the Company, but are equally committed to the safeguarding, access, privacy, ethical use, and security of all data.

## Regulators

Diaceutics' products utilize data obtained from various channels, and the company is committed to the security, protection and lawful treatment of personal data. We acknowledge that protecting the confidentiality and integrity of personal data is a critical responsibility that we must always take seriously.

Diaceutics has a data protection regime in place, which ensures that all personnel are sufficiently trained to handle any personal data in accordance with internal policies and standard operating procedures. This regime continues to evolve to keep abreast of regulatory developments across the globe.

Diaceutics' Legal and Regulatory departments play a key role in administering the data protection regime and ensuring Diaceutics' activities are fully compliant with relevant regulatory requirements across the globe, including GDPR in the UK and Europe, and HIPAA in the US.



*US headquarters, Jersey City*

## Governance framework and business practices

The Diaceutics Board has adopted the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). The Board is well balanced on all aspects of independence, knowledge of the Company's technology and sector, public company experience, professional standing, and this allows it to effectively discharge its duties and responsibilities; pursue the Company's strategic goals and address anticipated issues in the foreseeable future.

Diaceutics' financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), the UK Companies Act and AIM regulations, and on a going concern basis.

There are comprehensive internal procedures for the budgeting and planning, monitoring and reporting of business performance to the Board and over the financial year.

Regular risk review meetings take place with senior management to assess various aspects of risk to the business, with material findings reported to the Executive Directors on a regular basis, in accordance with the risk reporting framework in place.

Diaceutics has a dedicated Legal and Regulatory department which monitors regulatory developments and formulates and implements changes to Diaceutics' systems and processes to meet evolving regulatory requirements. The Quality and Compliance department has implemented a set of mandatory compliance training modules for employees which include, amongst other things, code of conduct, data protection, anti-bribery, cyber security, and remote working. Further department-specific and other appropriate Group-wide training sessions pertaining to various aspects of the Group's business and infrastructures are being developed and rolled out on an ongoing basis.

Systems and processes are in place to ensure compliance with applicable data regulations and to protect against data loss. The Company has recruited a Cyber Security Officer to lead information security projects, which will further strengthen the Group's IT measures as part of the Company's vision for information security.

Diaceutics is working towards robust practice models to minimize risk, combining prevention technology with the continuous monitoring of the security framework. Diaceutics is also in the process of implementing key elements of ISO 27001 (Information Security Management System).

### Key governance and business policies

We have in place several key governance and business policies which support the operation of our business including the following:

- Data Collection, Retention and Protection
- Data Protection Policy
- Risk Management
- Health and Safety
- Conflict of Interest
- Anti-Bribery and Anti-Corruption
- Code of Conduct and Ethics
- Share Dealing and Insider Information
- Equality, Diversity and Inclusion
- Human Rights
- Whistleblowing
- Anti-Slavery and Human Trafficking
- Supplier Onboarding (including a Supplier Inclusion & Diversity Policy)
- Internal Audit
- Matters reserved for the Board of Directors

Further governance information, including about how the directors are fulfilling their duties to promote the success of the Company, including the interests of our key stakeholders, is set out within the Section 172 section of the Annual Report and the Company's Corporate Governance Statement.

Our robust governance protocols and procedures help the business to protect and grow the business for the benefit of all stakeholders.

## Ongoing and future ESG workstreams

We comprehensively appraised our environmental impact in 2024 through our inaugural Streamlined Energy and Carbon Report (SECR). Our aim is to provide effective environmental awareness and controls, seeking to continually improve all aspects of our environmental performance, as far as economically feasible.

At our UK headquarters in Belfast there are several recycling initiatives which are in place and encouraged wherever possible and a similar initiative is being implemented in our US headquarters. The two other Group sites in the Republic of Ireland and Singapore are small, low occupancy offices, used for data and implementation services. Diaceutics is not a significant consumer of water in its business activities.

In January 2024, the Group's Code of Conduct and Ethics policy was introduced. This covers all our standard policies, procedures and how we expect our colleagues to conduct themselves in line with Company values. Our Graduate program continues to evolve with further links being established with educational institutions in addition to Queens University Belfast, University of Ulster and University College Dublin, we have ensured attendance at Careers Fairs and Student Placement Events, hosting and sponsoring Lunch and Learns.

In 2025 we were excited to announce the introduction of our Electric Vehicle Leasing Scheme, designed to encourage the adoption of eco-friendly transportation options. To date, the Scheme has been taken up by five employees. We are also exploring the introduction of a Cycle to Work scheme, along with potential carbon offsetting schemes with airlines via our travel agency.

## During 2025 and beyond we will strive to achieve the following:

### *Continuous improvement*

We will prioritize continuous improvement in our ESG practices, setting ambitious SBTi targets to reduce carbon emissions, enhance energy efficiency, and promote sustainable resource management. Through rigorous monitoring and evaluation, we aim to identify areas for enhancement and implement innovative solutions to drive positive change.

### *Stakeholder engagement*

Engaging with our stakeholders is paramount to our sustainability efforts. In 2025, we will conduct workshops, training sessions, and awareness campaigns to foster a culture of sustainability among employees, customers, suppliers, and investors. By cultivating meaningful partnerships and dialog, we aim to garner support and collaboration towards achieving our ESG goals.

### *Innovation and collaboration*

We recognize the power of collaboration and innovation in driving sustainable solutions. In the year ahead, we will actively seek out partnerships with industry peers to identify and implement best practices in sustainability. Through collective expertise and shared resources, we will accelerate progress towards our sustainability objectives.

### *Transparency and reporting*

Maintaining transparency in our operations and reporting remains a cornerstone of our sustainability strategy. In 2025, we will continue to provide regular updates on our ESG performance, including progress towards targets and initiatives undertaken. By upholding transparency and accountability, we aim to build trust with our stakeholders and demonstrate our commitment to responsible corporate citizenship.

### *Seeking external recognition*

We are dedicated to seeking external recognition and accreditation for our sustainability efforts. In addition to our Ecovadis accreditation, we will actively pursue industry-specific awards and certifications to showcase our achievements and align with globally recognized standards. By earning external validation, we aim to enhance our credibility and reputation as a leader in sustainability.

### *Continuous learning and adaptation*

As we navigate the evolving landscape of sustainability, we remain committed to continuous learning and adaptation. In 2025, we will conduct regular reviews and assessments of our ESG performance, soliciting feedback from stakeholders and adjusting our strategies accordingly. By remaining agile and responsive, we will stay ahead of the curve and drive meaningful impact.

# Risk management

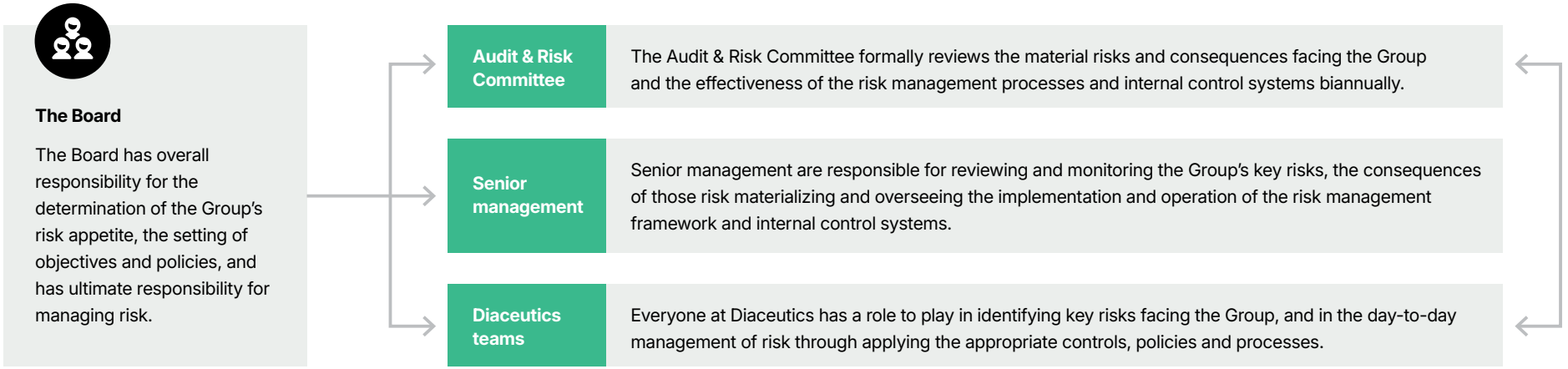
## Internal control and risk management

The Group identifies principal risks and consequences within the business and documents the mitigating controls to those risks and consequences. Where the level of risk or impact of consequence after mitigations is still deemed inappropriate, further actions will be designed and implemented to reduce the risk and consequence to a level which is aligned with the Board's risk appetite. Internal processes and controls are essential to mitigating and managing the overall level of risk.

## Risk management framework

The Group's risk management framework was developed during 2023 to provide the structure by which the principal risks are managed and reported to the Board. This was modified in 2024 to include the documenting of risks via the risk bow-tie method. The risk management framework ensures the business can assess the impact of key risks, has appropriate procedures in place to identify emerging and new risks, and can effectively report these risks to the Board.

Given the nature and size of the Group's operations and its continued organic growth, the Board will ensure that the risk management framework is kept under regular review.



Risk management *(continued)*

## Internal control systems

### Control environment and procedures

The control environment and procedures have been designed to reduce risks to a level where compliance procedures are not disproportionate to the impact, financial or otherwise, of the risk materializing.

### Identification and evaluation of risks

Business unit leaders are responsible for collating and maintaining a risk register of their department's risks. Risks are quantified by likelihood and potential impact. Departmental risk registers are reviewed by Diaceutics' Senior management team on a quarterly basis and collated into a Group risk register. Material risks from the Group risk register are reviewed by the Audit Committee bi-annually and raised with the Board as appropriate.

### Financial information

Financial information and reporting are overseen by the Chief Financial Officer (CFO). The CFO reports the financial results to the senior management team and Board on a regular basis. The financial information is subject to a high level of scrutiny both internally and externally.

# Principal risks and uncertainties

The risk factors that are most significant to the Group's operations are outlined below along with an explanation of how these are managed or mitigated. The risks described do not necessarily comprise all those associated with the Group and are not set out in any order of priority. Additional risks and uncertainties that are currently not known by the Directors, or that are currently deemed immaterial, may also have an adverse effect on the Group but are not included below.

## Risk 1: Sales

*Decrease in the volume/value of the sales pipeline, the velocity and conversion rate of the sales pipeline to contracted revenue and/or a significant decrease in the contracted order book, could all result in a reduction of the Group's projected revenue growth and overall financial performance.*

These risks could materialize as a result of poor customer service, product performance, competition and/or the loss of a major customer, macro-economic conditions impacting the Group's customers (specifically biopharma companies exposed to the US economy), a change in industry regulations or a shift in current biopharma industry trends and commercial models.

▲ **Movement of risk**
Increase in probability, impact remains similar

**Mitigation**
The sales pipeline, in terms of size, velocity and conversion to contract, is tracked using Salesforce and actively reviewed by senior management on live dashboards using both leading and lagging metrics. The Group has increasing visibility over its revenues which is driven by the Group's migration to multi-year, recurring revenue contracts. The key account management team and customer plans, provide foresight and momentum for project closure and create the ability to assess the products and capacity required going forward. The customer account team structure is supporting customer service levels along with proactive early engagement with customers around subscription renewals. All customer accounts have senior management oversight and review of the sales and delivery pipelines associated with these accounts, including primary risks and opportunities.

The Group has established a highly trusted and professional working relationship with all its major customers, and regularly seeks feedback to improve and maintain a high level of customer service. The Chief Commercial Officer is responsible for managing the sales and project management account teams and day-to-day customer brand team relationships.

The Group operates in a number of global precision medicine territories, but is predominately focused in the US (92% of revenue, 2023 88%) and with large pharmaceutical customers, of which the top 10 customers make up 69% of revenue (2023: 70%). Within the customer base, the revenue is well diversified due to the number of brand teams, both global and in-country, that Diaceutics engages with within each customer. Each brand team has its own individual budget allocations and autonomy around contracting.

The Group continues to expand the number of customers, brands and products/services it provides to customers, increasing its access to market opportunities, and diversifying risk across the number of geographical territories, brand teams, customers and solutions/services.

The Group has invested in transforming the customer experience and service over the past year to enhance the support, technology, and precision medicine expertise it brings to all customer interactions. In 2024, one customer contributed 14% of the overall Group revenue and all other customers contributed <10% of Group revenue (2023: three customers represented more than 10% of overall revenue with the largest contributing 16%).

The Group monitors external factors such as competition, macro-economic conditions impacting the Group's customers (specifically biopharma companies exposed to the US economy), changes in industry regulations and any indicators of shifts in the biopharma industry trends and commercial models. This is done through various means of market research and these are regularly reviewed and assessed by the senior management team.

Principal risks and uncertainties *(continued)*

## Risk 2: Human capital

*Restricted access to required human capital, including loss of, access to, retention or, productivity of, and reductions in skills and capability of the Group's employees.*

Diaceutics' people are key to its customer offering, technology advantage, scientific and industry expertise and growth prospects. Principal risks include lack of career development and opportunities, delays in recruiting key staff, inadequate recruitment and retention frameworks, misalignment of employee and Company purpose, poor incentive structures and climate/environment changes.

The materialization of these risks could result in the loss of knowledge or IP in the business, inability to build and maintain sufficient sales pipeline value and velocity, reduced organizational productivity, business continuity disruption, poor financial performance and substandard business decisions impacting the realization of the businesses strategic goals and enhanced stakeholder value.

▼ **Movement of risk**
Reducing probability and impact

**Mitigation**
The senior management team works together with the Board to review the business structure to ensure it continues to support the business model and strategic growth. Succession and retention planning are in place for senior management posts and key roles. In addition, steps to further enhance succession planning have been taken by implementing a program to identify employees who wish to undertake job shadowing or job rotation.

The Group remains committed to the recruitment, engagement, retention, continuing development and reward of experienced management, and highly skilled scientific, technical, marketing and sales personnel. The Group continues to review and improve its remuneration structure to incentivize and retain key personnel and as such expanded its leadership team.

Further details of the work and mitigations in this area are set out in the ESG and remuneration committee sections of this report.

## Risk 3: Data & Platform

*Restricted availability or disrupted continuity of the DXRX platform or/and platform data supply chains.*

The ongoing operational continuity and availability of the DXRX platform is critical to the Group's ability to service its customer and lab partner requirements and securely ingest, hold and utilize its data repository assets. Principal risks include loss of IP, loss of major data suppliers and disruption or damage to platform, data or systems. These risks could result in a breach of customer contract, breach of supplier engagement, reputational damage, poor financial performance or the loss of a financial asset.

▲ **Movement of risk**
Increase in probability, impact remains similar

**Mitigation**
The DXRX platform employs multiple layers of security and monitoring tools to keep the platform secure and monitor functionality. The Group utilizes standard industry cloud-based software and solutions and deploys the platform infrastructure as code, enabling the Company to restore or rebuild a part or all of our platforms and logic used to operate the business from scripts. Our data is versioned and backed up regularly across multiple platforms and cloud sites.

Diaceutics obtains data from multiple sources including governments, lab collaborators, commercial partners and providers and public domain sources. As the Group becomes more dependent upon data-related revenue and insights, the failure to provide timely, accurate or privacy compliant data is disruptive to the Group's operations and commercial reputation.

Diaceutics has made a significant investment in its data asset and has >1,000 global labs in its data supply network. The Group employs teams to support launch markets for the pharma industry and has an extensive network of data sources. The Group has identified key labs and data aggregators in key markets which it relies upon for data supply.

Moving labs onto the DXRX platform and establishing more formal data supply contracting terms helps to mitigate this risk over time. The Group continues to make improvements in its business continuity plan and risk procedures and is diversifying and securing its data supply chain to ensure continuity.

Principal risks and uncertainties *(continued)*

## Risk 4: Laws & Regulations

*Non-compliance with internal policies and procedures and external laws and regulations, including data privacy laws, industry and ethical regulations/standards and pharma commercial and clinical standards/laws.*

Laws and regulations are complex and evolve differently across the various countries the Group operates in, so too does the company evolve quickly in terms of the services/solutions it offers and geographies it operates in. Principal risks include new/untested products/solutions not complying with laws/standards/regulations, poor legal/regulatory oversight or by-passing of legal/regulatory safeguards and failure to protect, or loss of, IP/data.

These risks could result in a regulatory breach (HIPAA, GDPR, Anti-Kickback Statute, Sunshine Act, etc), reputational damage and financial penalties and/or reduced financial performance.

**▲ Movement of risk**
Increase in probability, impact reducing

**Mitigation**
Our patient data continues to be held by the Group on a de-identified basis. The Group's legal, compliance and regulatory affairs department monitors changes in data privacy laws, assesses and advises on the impact of regulations which are within the scope of the Group's existing, or potentially expanded, operations.

As the Group continues to leverage its technology and data to innovate in achieving its purpose, ultimately growing its product offerings in new geographies, the risk around data privacy and compliance equally increases. The Group engages with subject experts with specialist knowledge in required regulatory areas and is developing and updating internal frameworks to support ongoing commercial activities.

The Group has introduced Data and Regulatory Governance working groups with stakeholders from key internal departments to discuss the strategy of the Group and identify and overcome any governance and compliance issues.

The regulatory and ethical landscape that pharma operates in is subject to continued scrutiny and change. We continue to monitor the changing macro regulatory and ethical landscapes, especially in our key geographical regions, including our pharma and biotech customer responses, both public and private, to this changing landscape.

## Risk 5: Information Security

*The launch of the DXRX platform and the cloud-based technology solutions it enables, as well as the continued business reliance on and enablement of remote working, bring increased stakeholder connectivity and an increased exposure to cyber and information security breaches.*

Principal risks include back door attacks or security breaches via a customer or supplier/partner, failed or outdated security protocols and employee security credentials being compromised. These risks could result in reputational damage, disruption or damage to platform, data or systems and financial loss.

**▶ Movement of risk**
No change in risk or impact

**Mitigation**
A security framework has been developed and is in place, combining prevention technology and continuous threat monitoring. Two-factor identification controls have been implemented and organization-wide training on identification of threats continues to be updated. The incident management and breach response plan have been reviewed and updated. Robust penetration testing is undertaken covering the DXRX platform and Company operating systems and remains a core component of our security strategy.

The Group is developing an ISO 27001-compliant security framework and is continually reviewing and introducing new and improved policies and procedures (IT, Engineering and Compliance documents) bringing clear awareness to the business of employees' established roles and responsibilities in compliance. There has also been the introduction of threat detection and prevention tools and an upgrade to system operational licenses and security.

Principal risks and uncertainties *(continued)*

## Risk 6: Financial assets & performance

*The security and conservation of the Group financial assets, as well as its current and future financial performance, are core to its continued successful operation as a going concern.*

The principal risks include a decrease in sales pipeline and revenue, poor financial management (including loss of assets through fraud or error), macro-economic factors (recession or changes in regulatory landscape), foreign exchange volatility and disruption to the DXRX platform, supply chain or business operational continuity.

The materialization of these risks could result in a reduced share price as a result of missing or downgrading market expectations, reduced cash flow or loss of a financial asset resulting in a requirement to raise capital and reputational damage.

▲ **Movement of risk**
Increase in probability, impact remains similar

**Mitigation**
The Directors continue to consider the possible impact of another pandemic or other financial, political or macro-economic event which could impact business operational continuity and financial performance, including the current economic uncertainty in the US pharma market as a result of actual and potential regulatory changes. The Group's business model includes flexibility in both service offering and cost structure which allows the Group to react to changes in the operations to lessen the immediate impact.

The Group has adopted treasury policies to help mitigate and manage key external financial risks such as liquidity and cash flow, foreign exchange, interest rate and credit and counterparty. Financial controls continue to evolve and improve, to ensure the risk of fraud or error is mitigated.

Financial performance risk remains at the center of all the risks raised in this section and the mitigations for these risks are detailed earlier.

# Stakeholder engagement and S172

We believe that engagement with our principal stakeholders is key to enhancing the Group's value and long-term success. The various means of engagement are described in the table below.

## Section 172 statement

The Directors are aware of their duty under section 172(1) of the Companies Act 2006, to act in a way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard, among other matters, for:

a. the likely consequences of any decision in the long term;
b. the interests of the Company's employees;
c. the need to foster the Company's business relationships with suppliers, customers, and others;
d. the impact of the Company's operations on the community and the environment;
e. the desirability of the Company maintaining a reputation for high standards of business conduct; and
f. the need to act fairly between members of the Company.

Throughout the year, the Directors have fulfilled their duty to promote the success of the Company and their responsibilities outlined above (the 'Section 172 Principles'). These principles have been a consistent reference point in Board decision-making, with careful consideration given to the impact on the Company's wider stakeholders.

The Directors consider the following groups to be the Company's stakeholders and outline, in the table below, the key decisions made and stakeholder engagements undertaken during the year. All activities have been carried out with thoughtful consideration of the Company's wider stakeholders and the Section 172 Principles with the relevant principle/s identified alongside. The particular Section 172 Principle to which the engagement or decision relates is highlighted in the table below:

| Key stakeholders | Principal interests | How the business engages | How the Directors engaged under Section 172 |
|---|---|---|---|
| **Customers and suppliers** | • Professional expertise<br>• Open and transparent business arrangements<br>• Product awareness | • DXRX platform<br>• Our commercial arrangements – provide real time data, analytics, educational services and support<br>• Industry papers<br>• Regular customer surveys<br>• Ongoing feedback via dedicated customer account teams<br>• Strong product engagement and education | • Face-to-face conferences allowed immersive engagement with Senior management and Board representatives. (Principle (c))<br>• Direct customer and supplier contact and engagements by Board representatives (Principle (c) & (e))<br>• The important customer centric principles and key insights provided by an independent third party study into customer needs carried out in 2023 were incorporated within our strategy for 2024 (Principle (c))<br>• Our rigor around GDPR and HIPAA compliance and pursuit of ISO 27001 and CSA certification demonstrate our commitment to the highest of business standards (Principle (e)) |

Stakeholder engagement and S172 *(continued)*

| Key stakeholders | Principal interests | How the business engages | How the Directors engaged under Section 172 |
|---|---|---|---|
| **Lab network** | • Trusted partnerships<br>• Cyber security<br>• Global pharma industry access<br>• Diagnostic and precision medicine focus | • DXRX platform<br>• Our commercial arrangements – enabling real time data download and support<br>• Accreditation enabling<br>• Our virtual lab engagements and conferences | • Direct lab contact and engagements by Board representatives (Principle (c) & (e))<br>• Our landmark Practice Gaps study has identified important gaps in patient treatment practices, including lab testing, which impacts on patient care and outcomes (Principle (d))<br>• GDPR and HIPAA compliance and our pursuit of ISO 27001 and CSA certification provides assurance to our lab partners (Principle (e)) |
| **Precision medicine industry and thought leaders** | • Evidence-based industry/sector information<br>• Trusted engagement and collaboration | • DXRX Network Advisory Panel comprises a recruited group of scientific advisors mainly in the field of oncology and pathology who meet quarterly<br>• Industry papers (including the landmark Journal of Clinical Oncology – Practice Gaps study)<br>• Engagement with individual industry experts through webinars, conferences, key opinion leader work | • Direct thought leadership contact and engagement by Board representatives through webinars, conferences, key opinion leader work (Principle (c), (d) & (e))<br>• Our landmark Practice Gaps study has provided important data and information which impacts the precision medicine industry (Principle (d))<br>• Our early adoption of SECR is indicative of our commitment to our environmental responsibility (Principle (d)) |
| **Regulatory and government bodies** | • Industry compliance<br>• Understanding and legislating for changing environments | • Regulatory environment research and understanding<br>• Dedicated Regulatory Compliance team | • Chairing internal regulatory governance working groups to ensure data and regulatory compliance (Principle (d) & (e))<br>• In addition to ongoing SECR reporting, during 2024 the board worked with the Science Based Targets Initiative (SBTi) to have our near-term and net zero targets set in preparation for validated in 2025 (Principle (a), (d) & (e)) |

Stakeholder engagement and S172 *(continued)*

| Key stakeholders | Principal interests | How the business engages | How the Directors engaged under Section 172 |
|---|---|---|---|
| **Patients and communities** | • Access to improved testing and diagnosis<br>• Identification of better treatments<br>• Improved treatment outcomes<br>• Positive engagement and wider community benefits | • Through its pharma customers, the Group provides earlier and more accurate diagnosis for patients, accelerating patients' treatments pathways leading to better healthcare outcomes<br>• The Group engages in charity programs, graduate training, and life science engagement initiatives such as HIRANI, among other activities documented in our ESG report<br>• DXRX Signal solution across US markets identified over 600,000 patients in 2024 | • Publishing landmark studies, such as the Practice Gaps and the Economic Forum has identified crucial gaps and opportunities in patient testing which directly impact patient outcomes (Principle (a) & (d)).<br>• Our approach to our environmental responsibilities is set out in our ESG report and our SECR report (Principle (a) & (d))<br>• Compliance with GDPR and HIPAA is vital to patient data confidentiality (Principles (c) and (e)) |
| **Our people** | • Our purpose, strategy and progress<br>• Development and progression opportunities<br>• Employee wellbeing and welfare<br>• Diversity, inclusion and ethical behavior | • Regular Town Hall presentations held at least quarterly where employee feedback and interaction is encouraged<br>• Regular employee engagement surveys<br>• The Diaceutics "Employee Assistance Program" fosters and encourages wellbeing in the workplace and provides support in many areas including counseling, legal information and services, bereavement, and medical and health assistance<br>• The core structure of the business culture is based on the key values of Empowerment, Foresight, Fun, Empathy, Communication and Trust, together known as the Diaceutics EFFECT.<br>• Diaceutics has dedicated groups who lead our cultural activities, demonstrating our values throughout the organization and beyond. These EFFECT values are core to both our recruitment and annual Performance Management Framework and are the cornerstone on which our mandatory onboarding program is based. | • The Company holds regular Town Halls led by the CEO in which all employees are invited to communicate and discuss the Group's plans and goals. These sessions allow all employees to fully engage and align with the culture and strategic goals of the Group (Principles (a) and (b))<br>• We regularly complete job evaluation and benchmarking exercises to ensure that all employees are appropriately remunerated in terms of salary and benefits and that roles are classified and aligned across the organization to produce a framework which is fair and equitable for current and future use (Principles (a) and (b))<br>• In 2023 we announced our strategy acceleration with consideration given to all key stakeholders (Principle (a))<br>• Introduction of new training and development initiatives (Principle (b), (d) & (e)) |

Stakeholder engagement and S172 *(continued)*

| Key stakeholders | Principal interests | How the business engages | How the Directors engaged under Section 172 |
|---|---|---|---|
| **Investors** | • Financial performance<br>• Convergence of long-term goals<br>• Credible strategic direction<br>• Good governance and regulatory compliance | • The Board actively seeks dialog with its shareholders via investor roadshows, capital market days, one-to-one meetings and regular reporting<br>• The Executive Directors hold virtual or face to face meetings with most institutional shareholders, as well as facilitating meetings with private investors where practicable. Regular virtual and in-person forums facilitate agile and flexible communications with investors, enabling greater investor interaction<br>• The Senior Management Team at Diaceutics regularly present at investor and industry conferences attended by potential and current investors<br>• The Company communicates with all shareholders through a mix of formal and less formal communication tools and media, including the Annual Report and financial statements; the Annual General Meeting (AGM) and; the release of news via the London Stock Exchange Regulatory News Service (RNS).The AGM in 2024 was held in person, allowing all shareholders an opportunity to ask questions or represent their views formally to the Board during the meeting or with Directors after the meeting<br>• Corporate information, including Company announcements and presentations, is available to shareholders, investors and the public on the Group's website diaceutics.com. Contact details and the email address for investor queries are listed on our website, which offers a facility to sign up for email alert notifications of the Company's news and regulatory announcements<br>• Less formal communication methods utilized by the Group include webinars, social media such as LinkedIn and Twitter, and news articles made available through the Group's website. | • In 2024 progress against our accelerated investment strategy, which was communicated to investors in 2023, was further communicated and reported against throughout the year (Principles (a) and (f))<br>• The CEO, CFO and CDO have engaged with an increasingly diverse investor group and continue the development of messaging around Company activities and strategy (Principle (c) & (f)) |

# Corporate governance

# Meet the Board

## The Board of Directors

### Peter Keeling

**Non-Executive Chair**
(Remuneration Committee, Audit and Risk Committee)

### Ryan Keeling

**Chief Executive Officer**

### Graham Paterson

**Senior Independent Director**
(Remuneration Committee Chair, Audit and Risk Committee Chair, Insider Committee)

### Jordan Clark

**Chief Data Officer**

### Nick Roberts

**Chief Financial Officer**
(Insider Committee)

### Cheryl MacDiarmid

**Non-Executive Director**
(Remuneration Committee, Audit and Risk Committee, Insider Committee)

## Peter Keeling

**Non-Executive Chair** (Remuneration Committee, Audit and Risk Committee)

Peter stepped down as Chief Executive Officer on 1 January 2024 and became an Executive Director. He replaced Deborah Davis as Non-Executive Chair with effect from 1 October 2024. Peter has over 36 years' experience as a leader, entrepreneur and strategist in the Pharma industry. He has led international companies and teams with a focus on novel business models and product launches, including therapies, diagnostics and FMCG products.

Peter started his career at the Wellcome Foundation where he held various operational roles internationally for over 11 years. Subsequently he founded and was Chief Executive Officer of Diagnology Inc, a US/Irish based diagnostics company which specialized in the development and commercialization of point of care diagnostics. Peter founded and has led Diaceutics from its inception in 2005 to become a leader in precision medicine commercialization which currently supports the principal medicine commercialization programs for the world's largest pharma companies.

Peter holds a degree in business administration from Queen's University Belfast, a Master's degree in European Marketing from Buckingham University Business School and spent an academic year as a Visiting Fellow at MIT's Sloan business school in 1994 where he led a multi-corporation US think tank designed to look at disruptive models in future patient health for the pharma industry. Peter has published multiple peer-reviewed papers on precision medicine and is a respected speaker at precision medicine events around the world.

**Key skills:** Pharma sector commercialization, precision medicine thought leadership, diagnostic landscape.

## Ryan Keeling

**Chief Executive Officer**

Ryan is an expert in the commercialization of diagnostics and associated technology, with over 18 years' experience in the field.

Ryan has led the development and commercialization of the Group's technology, including its proprietary data lake. He has played a pivotal role in the Group's technological and strategic development, previously acting as its Chief Operating Officer until June 2018 and Chief Innovation Officer until January 2024 when he was responsible for driving the Company's product innovation, with a focus on the development of DXRX. Ryan was appointed Chief Executive Officer on 1 January 2024. Prior to joining Diaceutics in 2009, Ryan spent eight years as a software engineer for Aepona Limited, providing network infrastructure and related services to telecommunications operators.

Ryan holds a software engineering degree from Queen's University Belfast. He is a thought leader in the field of diagnostic commercialization and data integration, speaking at precision medicine and healthcare data conferences globally.

**Key skills:** Platform tech, operational management, pharma sector commercialization.

## Graham Paterson

**Senior Independent Director** (Remuneration Committee Chair, Audit and Risk Committee Chair, Insider Committee)

Graham joined the Board as a Non-Executive Director on 1 October 2023 and was appointed as Senior Independent Director on 1 October 2024.

Graham is a seasoned business leader and Non-Executive Director with a wealth of expertise spanning investment, software and data analytics. As a founding partner of SL Capital Partners LLP, he served as a partner and Board member until 2010. In 2013, Graham co-founded TopQ Software Limited, a technology company specializing in software for the private equity sector, later acquired by eVestment Inc. (now part of NASDAQ Inc.) in 2015, where he was a Director of their private markets data and analytics division until early 2018.

Currently, Graham serves as a Non-Executive Director and Chair of the audit committee for Baillie Gifford US Growth Trust PLC and Artemis UK Future Leaders PLC. He is also a Non-Executive Director of The Income and Growth VCT PLC., Datactics Limited and Plotbox Inc. Graham is a member of the Institute of Chartered Accountants of Scotland, and holds an Honors degree in Economics and Management from the University of St. Andrews.

**Key skills:** Financial management, high-growth tech businesses, remuneration oversight, governance.

## Jordan Clark

**Chief Data Officer**

Jordan spearheads Diaceutics' comprehensive data strategy, spanning acquisition engineering and data science, to deliver cutting-edge analytics to Diaceutics' clients and laboratories. With over a decade of experience at Diaceutics, he has cultivated a profound understanding of the critical role that real-world data plays in optimizing precision medicine.

Jordan's academic and professional credentials in biomedical and clinical sciences, coupled with his state licensure as a haematology scientist, underscore his expertise. Additionally, Jordan is renowned for proficiency testing, bioinformatics and biomarker testing, honed through his involvement with UK NEQAS.

Jordan holds a Bachelor of Science degree from Leeds University and Anglia Ruskin University as well as post-graduate studies at Imperial College London and a certificate of general management from Judge Business School, Cambridge University.

**Key skills:** Clinical sciences, data science, precision medicine, pharma sector commercialization.

## Nick Roberts

**Chief Financial Officer**
(Insider Committee)

Nick is a highly experienced senior finance professional with a track record of managing and developing finance functions and governance structures in high growth AIM-quoted healthcare and technology companies with global customer bases.

Prior to his appointment to Diaceutics PLC, he was Head of Group Reporting at AIM-quoted Ergomed PLC, a full-service pharmacovigilance and specialist clinical trial service provider to the pharma and biotechnology industries.

During his tenure, Nick developed and managed the day-to-day group finance reporting requirements for Ergomed PLC and oversaw the roll-out of several governance framework and reporting projects, including the financial integration of two US business acquisitions. Prior to this, he was Group Financial Controller at AIM-quoted Ceres Power Holdings PLC, a fuel cell and electrochemical technology development company, leading the development of the finance function to accommodate a period of considerable commercial and financial growth over four years.

Nick is a Fellow Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW) and holds a Bachelor's degree in accounting and finance from the University of Southampton.

**Key skills:** Financial management, AIM public market, high-growth tech and pharma businesses.

## Cheryl MacDiarmid

**Non-Executive Director**
(Remuneration Committee, Audit and Risk Committee, Insider Committee)

Cheryl joined the Board as a Non-Executive Director on 1 October 2024.

She has over 30 years' experience in the global pharmaceutical sector, notably with GSK, ViiV Healthcare and currently as a Non-Executive Director of AIM-listed Allergy Therapeutics. Cheryl is an internationally recognized opinion leader in the development and commercialization of medicines.

Trained as a pharmacist, she has held numerous senior leadership positions in the UK, EU, US and Canada, with responsibilities including global commercial strategy, P&L, sales, marketing, operations and Board membership. Cheryl is passionate about bringing new therapies to the patients who need them .

Cheryl holds a Bachelor of Science degree in Pharmacy from the University of Toronto and a Master of Business Administration from the Schulich School of Business, York University, Toronto.

**Key skills:** Pharma commercialization, strategy, leadership development, remuneration oversight, governance.

# Corporate governance report

I am pleased to introduce the Corporate Governance Report for the year-ended 31 December 2024. As an AIM quoted company, we recognize and prioritize the importance of sound corporate governance principles in supporting and delivering the strategy of the Company and its subsidiaries (the "Group") and in embedding them fully within the operations of the Group.

The Board of Directors (the "Board") adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") on the Company's initial public offering to the market in March 2019 and the Company's Corporate Governance Statement is available to view on the Company's website at diaceutics.com.

The Company currently complies with the principles of the QCA Corporate Governance Code (the "QCA Code") issued in 2018 and is considering the implementation of the 2023 QCA Code which it will be reporting against in next year's annual report.

The Board has overall responsibility for ensuring that appropriate corporate governance principles are in place and that these requirements are followed and applied across the Group. The corporate governance arrangements are designed, *inter alia*, to protect and respect the interests of all stakeholders, to ensure that the Company is managed for the long-term benefit of the Group's shareholders and other stakeholders, and to provide shareholders and other stakeholders the opportunity to express their views and expectations for the Group in a manner that encourages open and ongoing dialog with the Board.

The Governance section of the Report from pages 54 to 80 sets out our approach to governance, provides further information on the operation of the Board and its committees and how the Group seeks to comply with the ten principles of the QCA Code.

**Peter Keeling**
Chair
13 May 2025

# Board of Directors – Governance

## Board composition and roles

As announced on 23 July 2024 and effective 1 October 2024, Deborah Davis stepped down as non-executive Chair and was replaced by Peter Keeling. Peter had transitioned from his previous role to an Executive Director on 1 January 2024. Peter was also appointed to the Audit & Risk Committee and the Remuneration Committee of the Board.

On 1 October 2024, Jordan Clark, the Company's Chief Data Officer ("CDO"), joined the Board as an Executive Director. On the same date, Mike Wort stepped down as a Non-Executive Director and Cheryl MacDiarmid joined the Board as a Non-Executive Director. Cheryl was appointed to the Audit & Risk Committee, the Remuneration Committee and the Insider Committee of the Board upon joining the Company. In addition, Graham Paterson was appointed Senior Independent Director on 1 October 2024.

The Board comprises two independent Non-Executive Directors, one non-independent Non-Executive Director and three Executive Directors.

## Board operation and meetings

The Board has adopted a formal schedule of matters reserved solely for its consideration, which may only be amended by the Board. Matters reserved for the Board include approval of overall Group strategy, budgets, major contracts and investments, certain areas of legal and regulatory compliance, key risk and control policy, operational performance, corporate and shareholder matters, including corporate capital structure, the annual reports and financial statements and dividends.

In 2024 the Board held five scheduled monthly Board meetings, replaced in months without meetings by a Board reporting pack and supplemented by additional meetings and meetings with the executive management, where required for the proper management of the business. In addition, the Board held three extended face-to-face meetings in the year, devoted to a more in-depth review of key strategic areas including strategy, investor relations and marketing matters. One of these extended face-to-face meetings incorporated a strategy session to formulate and evaluate the Group's near and long-term strategy. The Directors are provided with regular and timely information regarding the Group's operational and financial performance.

This rhythm of meetings will broadly continue throughout 2025. Scheduled Board meetings are supplemented with additional meetings and informal discussions between members of the Board, the executive directors and senior operational managers of the Company, in relation to strategic business development and other topics which are key to the Company's progress.

Relevant information is circulated to the Directors in advance of meetings to allow adequate time for discussion or consideration.

## Board meetings during the year and time committed

The Board met 11 times in total during the financial year-ended 31 December 2024 for both scheduled and ad-hoc meetings and calls.

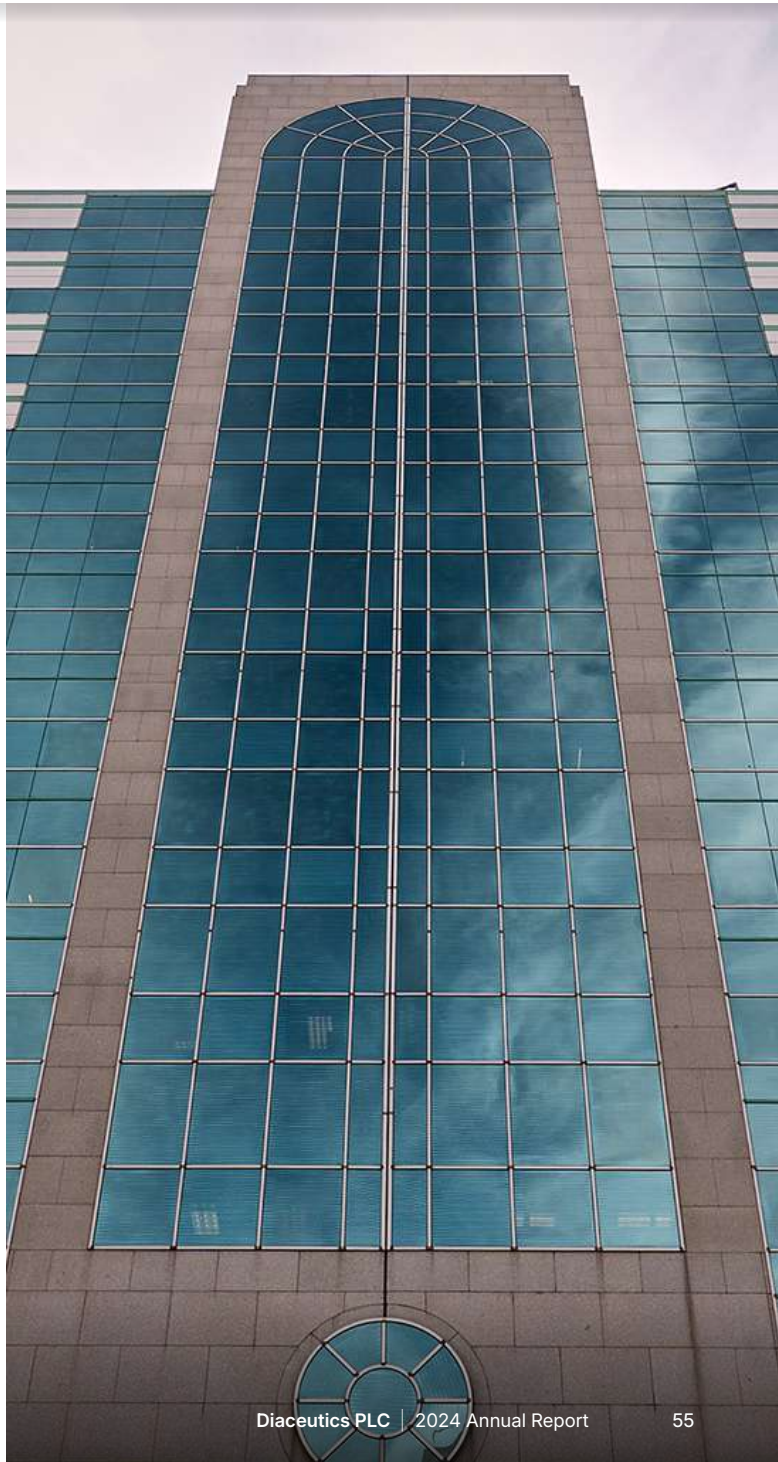
Each of the Executive Directors is required to commit at least five days per week to their roles. The Non-Executive Directors are expected to provide such time as is required to fully and diligently perform their duties. All Board members are expected to attend all meetings of the Board and the committees on which they sit, wherever possible.

The Directors are encouraged to debate and use independent judgment, based on their respective knowledge and experience, to challenge all matters affecting the business, whether strategic or operational.

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board.

The following table shows the Directors' attendance at scheduled Board meetings during the year-ended 31 December 2024:

| | Board | Audit | Remuneration | Insider |
|---|---|---|---|---|
| **Deborah Davis** (resigned 1 October 2024) | 9/9 | 3/3 | 4/4 | n/a |
| **Peter Keeling** | 10/11 | 1/1 | 2/2 | n/a |
| **Ryan Keeling** | 11/11 | n/a | n/a | n/a |
| **Nick Roberts** | 10/11 | n/a | n/a | None |
| **Jordan Clark** | 2/2 | n/a | n/a | n/a |
| **Graham Paterson** | 11/11 | 4/4 | 6/6 | None |
| **Mike Wort** (resigned 1 October 2024) | 8/9 | 3/3 | 4/4 | None |
| **Cheryl MacDiarmid** (appointed 1 October 2024) | 2/2 | 1/1 | 2/2 | None |



## Board committees

The Board is supported by the Audit and Risk Committee, Remuneration Committee and Insider Committee, all of which have formally delegated duties and responsibilities and written terms of reference. The terms of reference of each committee are available from the Group's website at diaceutics.com

The Board and its committees are provided with information in advance of meetings to give time to review and consider the matters at hand. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable each committee to discharge its duties.

## Audit and Risk Committee

The Audit and Risk Committee is chaired by Graham Paterson. The other members of the Committee as of 1 October 2024 are Peter Keeling and Cheryl MacDiarmid. It meets at least twice a year at appropriate times in the reporting and audit cycle and otherwise, as required.

The Committee's responsibilities are set out in its terms of reference and include, amongst other things, reviewing the adequacy of the Group's accounting and operating controls, reviewing the financial statements of the Group prior to publication, recommending the appointment of the auditor and reviewing the scope and results of its audit. It is further responsible for reviewing and monitoring the effectiveness of internal financial controls, risk management systems, overall risk framework and processes and risk appetite and strategy.

## Remuneration Committee

The Remuneration Committee is chaired by Graham Paterson. The other members of the Committee as of 1 October 2024 are Peter Keeling and Cheryl MacDiarmid. It meets at least twice a year at appropriate times in the reporting cycle and otherwise as required.

The Committee's responsibilities include, amongst others, responsibility for determining (within the agreed policy) the remuneration for the Chair, the Group's Executive Directors and senior management, reviewing the design of share incentive plans, the structure of performance-related pay schemes and targets related to those schemes and the processes relating thereto.

From 1 May 2025, Cheryl MacDiarmid will be taking over from Graham Paterson as Remuneration Committee chair.

## Insider Committee

Operational inside or price-sensitive information relating to, for example, a significant contract, is typically identified initially by the Senior Management Team (all members of whom are listed on the Company's Insider List). There is an internal procedure for the assessment and announcement of such information, in discussion with the Company's advisors, where necessary, and the Board is included on all such announcements. Other, one-off or non-operational price sensitive events would be considered by the Insider Committee, which comprises Nick Roberts, Graham Paterson and, as of 1 October 2024, Cheryl MacDiarmid and meets on an ad-hoc basis as required.

It is responsible for assisting and informing the decisions of the Board concerning the identification of non-operational inside information and/or price sensitive information, and to make recommendations about how and when the Company should disclose that information in accordance with the Company's disclosure manual, the Disclosure Guidance and Transparency Rules, the AIM Rules and the Market Abuse Regulations ("MAR").

The Insider Committee did not meet during 2024, instead favoring the Board meeting in its entirety for matters it considered inside and/or especially price sensitive.

## Board appointment, removal and re-election

The Company's Articles of Association (the "Articles") require that one-third of the Directors stand for re-election by shareholders annually by rotation and that any new Directors appointed during the year must stand for re-election at the AGM immediately following their appointment. In accordance with the Articles, Jordan Clark (CDO) and Cheryl MacDiarmid, having been appointed since the date of the last AGM will stand for election, and Nick Roberts (CFO) will retire by rotation and stand for re-election at the AGM.

On 1 October 2024, Deborah Davis resigned as a Non-Executive Chair and Mike Wort resigned as Non-Executive Director. They were replaced by Peter Keeling and Cheryl MacDiarmid respectively. The Board thanks both Deborah and Mike for their dedication and valuable service to the Company. Deborah joined the Board as Chair in January 2021 and Mike has served as a Non-Executive Director since the Company's IPO in March 2019

## Board knowledge, training and skills

Directors receive regular and timely information on the Group's operational and financial performance with information being circulated to the Directors in advance of meetings. The business reports monthly on its performance against its agreed budget.

The Executive Directors maintain broad knowledge and skills via active day-to-day involvement with leading global experts from the lab, diagnostic, pharma, investor and wider life-science industries. Diaceutics is also a member of the Personalized Medicine Coalition, a pan-industry group researching and promoting key dynamics of the precision medicine market.

The Directors and employees of Diaceutics continue to be named on thought leading whitepapers and peer reviewed papers based on their research and analysis of the precision medicine market.

Board members may attend such courses or training, as they feel appropriate, to keep up to date. Involvement with a variety of other Boards allows the Directors to witness alternative approaches to similar business issues and to benefit from the advice of more than just the Group's advisors.

All Directors may take independent professional advice in the furtherance of their duties, if necessary, at the Group's expense. In addition, the Directors have Application of QCA code principles direct access to the advice and services of the Company Secretary and senior managers in the business.

The Chair, together with the Company Secretary, ensure that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Group, its operational environment and to the Directors' responsibilities as members of the Board.

## Board performance and evaluation

Two formal and internally orchestrated Board effectiveness reviews have taken place since the Company's IPO in 2019. The first was undertaken in 2019 to 2020 following the establishment of the Board post IPO and this was repeated in the year-ended 31 December 2021. This review was in the form of a structured questionnaire circulated to all Directors, where the Board's performance was rated in several strategically important areas. Results and outcomes were analyzed by the Company Secretary and reported to the Board. The Chair reported and discussed the key themes with the Board, with appropriate recommendations arising from this review being implemented by the Board.

It had been intended that a further formal performance review would take place in 2024. However, given the several changes during 2024 in both Executive and Non-Executive Board positions, it is intended that a further formal performance evaluation of the Board, the Audit and Risk Committee and the Remuneration Committee will be deferred to 2025, by which time the current Board will be more established.

In addition to the formal appraisal process for Board members, the Chair and Chief Executive Officer regularly discuss the performance of the Board, the senior management team and succession planning for both.

# Application of QCA principles

## Principle 1

**Establish a strategy and business model which promote long-term value for shareholders**

At the center of Diaceutics is its purpose: that every patient should get the opportunity to receive the right test and the right therapy to positively impact their disease outcome. We believe that by driving to fulfill this purpose we will drive long-term stakeholder value and have established a strategy and business model with this purpose at the heart.

The Group's strategy is reviewed each year, and in 2024, underpinned by the strong financial momentum and balance sheet, this review culminated in an increased investment and acceleration of the strategy. The strategy is described on page 14.

Further details regarding our strategy and purpose can be found on pages 7 to 8 and 14.

## Principle 2

**Seek to understand and meet shareholder needs and expectations**

The Board is committed to maintaining good communications and constructive dialog with both its institutional and private investors and the interests of shareholders are considered paramount to the decision-making process and strategic direction of the Group.

Details of how we communicate with our stakeholders (including shareholders) are set out on pages 46 to 49, 'Stakeholder engagement and s172'.

## Principle 3

**Take into account wider stakeholder and social responsibilities and their implications for long-term success**

The Group has strong regard for the importance of its stakeholders, including shareholders, customers and suppliers, partners and labs, patients, the community, regulators and employees.

Details of how we identify and engage with the varying principal interests of stakeholders can be found on pages 46 to 49, 'Stakeholder engagement and S172', and pages 25 to 39 on ESG.

## Principle 4

**Embed effective risk management, considering both opportunities and threats, throughout the organization**

The Board acknowledges its responsibility for reviewing the effectiveness of the systems that are in place to manage risk and to provide reasonable assurance with regard to the safeguarding of the Group's assets, operations, people and reputation.

The Board is responsible for reviewing and approving overall Group strategy and determining the financial structure of the Group including treasury, tax and dividend policies.

There are comprehensive procedures for budgeting and planning, for monitoring and reporting business performance against those budgets and for forecasting expected performance over the financial year to the Board. These cover profits, cash flow, capital expenditure and the balance sheet.

The principal business and financial risks have been identified and control procedures implemented. Further details on the framework and principal risks and uncertainties can be found on pages 42 to 45.

The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

## Principle 5

**Maintain the Board as a well-functioning, balanced team led by the Chair**

*Composition, roles and responsibilities*

The Board currently comprises the Chair, Peter Keeling, two further Non-Executive Directors, Graham Paterson and Cheryl MacDiarmid, and three Executive Directors Ryan Keeling (CEO), Nick Roberts (CFO) and Jordan Clark (Chief Data Officer (CDO).

The Directors' biographies, together with their respective Board committee memberships, are set out on pages 51 to 53.

The Chair is responsible, *inter alia*, for the proper functioning of the Board and the CEO has executive responsibility for running the Group's business and the development and implementation of the Group's strategy. The CFO is responsible for all of the Group's financial and risk management operations and developing the global financial architecture that underpins Group strategy and the CDO is responsible for the development and management of the DXRX platform and data assets of the Company.

The Non-Executive Directors have a particular responsibility for bringing objective challenge, judgment and scrutiny to all matters of the Board.

Application of QCA principles – Governance *(continued)*

They critically challenge proposed strategies and operational performance. The Board considers that the Non-Executive Directors are independent. While Peter Keeling is not technically deemed independent the Board is confident that in terms of decision making the Chair operates independently, and there is a clear process for managing conflicts. Graham Paterson's appointment as Senior Independent Director reinforces the independence of the Board as a whole.

The Board considers that it has an appropriate balance between independence, knowledge of the Company's technology, sector experience and professional standing to allow it to discharge its duties and responsibilities; pursue the Company's strategic goals and address anticipated issues in the foreseeable future. However, the composition of the Board remains constantly under review and consideration will be given to any potential additions to the Board, to further broaden the experience and effectiveness of the Board as the Group develops.

See pages 54 to 56 of the Corporate governance report for further information on Board operation and meetings, Directors' time committed and Board Committees.

## Principle 6

**Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities**

The biographies of the Board are set out on pages 51 to 53. The Board retains a range of industry, technology, operational and finance experience and there is a good balance of skills, independence, diversity and knowledge of both the Group and the arena in which it operates including pharma, platform technology, innovation, marketing, finance and public markets.

The Non-Executive Directors have been appointed on merit and for their specific areas of expertise and knowledge that enables them to bring independence of judgment on issues of strategy and performance and to debate matters constructively. Directors' key individual skills are listed with their biographies.

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills, knowledge, experience and time committed to enable it to deliver the strategy of the Group, it is nevertheless mindful of the need to continually review the needs of the business to ensure that this remains true.

See page 57 which covers the 'Knowledge, training and skills' of the Board.

## Principle 7

**Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

The Board continually seeks to improve the ways in which it interacts and the manner in which information is presented to it. The processes and information presented to the Board are regularly reviewed to ensure a consistent and informative approach to reporting. This, in turn, facilitates informed analysis and decision making by the Board of all matters at hand.

See page 57 of the Corporate Governance Report which deals with the 'Performance and evaluation' and page 56 for 'Appointment, removal and re-election' of the Board.

Application of QCA principles – Governance *(continued)*

## Principle 8

**Promote a corporate culture that is based on ethical values and behaviors**

The core structure of the business culture is based on the key values of Empowerment, Foresight, Fun, Empathy, Communication and Trust, together known as the Diaceutics EFFECT values. Culture activities are led by our Culture Ambassadors and HR Team, in parallel with the dissemination of our values, throughout the Company, and beyond, to our collaborators, lab partners, clients and investors. These EFFECT values are core to both our recruitment and annual Performance Management Framework and are the cornerstone on which our mandatory onboarding program is based.

A Code of Conduct for Employees, which includes ethics and ethical behavior, was introduced in January 2024.

The Board is committed to maintaining appropriate standards for all the Company's business activities and ensuring that these standards are set out in written policies and procedures to support these standards. These include our Equality, Inclusion and Diversity Policy, Anti-Bribery and Anti-Corruption Policy, Human Rights Policy, Whistleblowing policy, Data Privacy and Anti-Slavery and Human Trafficking Statement and our Supplier Inclusion and Diversity Policy. Our critical vendor assessment policy for new core suppliers includes a request for information as to their code of ethics thereby seeking to ensure that their culture aligns with our own and assessments of existing suppliers are carried out as part of the regular risk review process.

See ESG on pages 25 to 39 and Stakeholder engagement and S172 on pages 46 to 49 for further information on the Group's corporate culture and our stakeholders.

## Principle 9

**Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

The Group's governance structures have been reviewed in the light of the QCA Code and the needs of the business. The Board believes them to be in accordance with best practice as adapted to best comply with the Group's circumstances and stage of development. The Company complies with the principles of the QCA Corporate Governance Code issued in 2018 and will be reporting against the 2023 QCA Code in the 2025 Annual Report.

The Board has overall responsibility for implementing the Group's strategy and promoting the long-term success of the Group. The Executive Directors have overall responsibility for managing the day-to-day operational, commercial and financial activities, supported by the senior management team. The Non-Executive Directors are responsible for bringing independent and objective judgment to Board decisions.

The Board is confident that its governance structures and processes are consistent with its current size and complexity of the business. The appropriateness of the Group's governance structures will be reviewed annually to take account of further developments of accepted best practice and the development of the Company.

See pages 54 to 57 of the Corporate Governance Report which deals with matters reserved to the Board and Board Committees and pages 52 to 53 for Directors' roles and responsibilities.

## Principle 10

**Communicate how the Company is governed and is performing by maintaining a dialog with shareholders and other relevant stakeholders**

The Company communicates with shareholders *inter alia* through the Annual Report and financial statements, the announcement of its full-year and half-year results, the AGM and the release of news via RNS channels and by regular one-to-one meetings with large existing or potential new shareholders and via open events with private shareholders.

The Group's workforce is regularly updated as appropriate, with the development of the Group and its performance. Full details of how we communicate with our employees are set out in the ESG section on pages 32 to 36.

The Company holds regular All Company Meetings (ACM) to which all employees are invited to communicate, disseminate information and discuss the Group's plans and goals. The latest three-day ACM event was held in April 2024. This provided the opportunity for all 200 employees present to fully engage and align with the culture and strategic goals of the Group in an environment which was effective and conducive to this achievement.

Please see our stakeholder engagement and S172 on pages 46 to 49 for further information about our engagement with all of our stakeholders.

# Remuneration committee report

**On behalf of the Board, I am pleased to present the Remuneration Committee Report for the year ended 31 December 2024.**

## Remuneration committee

On 1 October 2024, Peter Keeling was appointed Non-Executive Chair in place of Deborah Davis who stepped down as Non-Executive Chair on the same date.

Cheryl MacDiarmid was also appointed as a Non-Executive Director on 1 October 2024 and Mike Wort stepped down as Non-Executive Director.

Accordingly, during the year ended 31 December 2024, the Committee consisted of three Non-Executive Directors: me (as Chair), Deborah Davis and Mike Wort until 30 September 2024. Since 1 October 2024, the roles have been occupied by me (as Chair), Peter Keeling and Cheryl MacDiarmid. The Remuneration Committee met six times during the year ended 31 December 2024.

With effect from 1 May 2025, Cheryl MacDiarmid will take over from me as Chair of the Remuneration Committee. I will remain as a Remuneration Committee member while continuing to chair the Audit & Risk Committee.

## Role of the Remuneration Committee

The Remuneration Committee has responsibility for determining and agreeing with the Board the Company's broad remuneration policy, for the Chair and the Executive Directors, including pension rights and compensation payments, together with recommending the level and structure of remuneration for senior management.

The Remuneration Committee also has responsibility for determining (within the terms of the agreed policy) the total individual remuneration package of the Chair, the Executive Directors, Company Secretary, and senior Executives including bonuses, incentive payments, and share options. The Committee is responsible for the design, setting of targets and approval of total annual payments under the Company's performance-related pay schemes together with the design of all share incentive plans and annual awards thereunder.

When performing duties that relate to determining salary increases, the Remuneration Committee takes consideration of the pay and employment conditions across the Group. The Board is also responsible for the remuneration of the Non-Executive Directors.

## Policy on Executive Directors and senior management remuneration

Diaceutics prioritizes recruiting and retaining highly skilled and experienced staff to support the success of the Group. The remuneration policy seeks to deliver a fair and balanced remuneration package for each of the Executive Directors and senior management team, reflecting experience and role. The remuneration policy takes into consideration the Group's appetite for risk and is aligned to the long-term strategic goals of the Group. In remunerating the Executive Directors and management, a proportion of the remuneration is structured to link rewards to corporate and individual performance, to drive long-term success for the Group.

## Basic salary

The basic salaries of the Executive Directors are reflective of competitive rates, taking into consideration the level of experience and skills which the individual has relevant to the sector and the level of compensation within comparable companies.

All Executive Directors' salaries are determined on appointment, as part of the individual remuneration package (within the terms of the agreed policy) and are reviewed annually by the Committee. Executive Directors' pay is considered annually, in line with the wider workforce. Changes in basic salaries are considered in the light of changes in responsibilities, roles, and external changes such as inflation.

In February 2024 the Committee recommended that a review and benchmarking of the salaries and incentive packages (including Long Term Incentive Plans) of the Board (including the Chair of the Board and the Non-Executive Directors) and senior management be undertaken both in absolute and relative terms. External advisors were commissioned to carry out this review and the findings were adopted in May 2024.

As a result of this review, the base salary of senior managers was increased by 5% from May 2024 and backdated to 1 March 2024, in line with the wider employee base. The Executive Directors' salaries were increased from 1 March 2024 as follows: Ryan Keeling, CEO, from £270,880 to £315,000; Peter Keeling (as Executive Director) remained on £297,156; and Nick Roberts, CFO, from £194,616 to £225,000.

Since Peter Keeling's appointment as Non-Executive Chair on 1 October 2024 he has been paid an annual Non-Executive Director's fee of £120,000.

Jordan Clark's annual salary upon appointment to the Board as CDO on 1 October 2024, was £220,000.

In April 2024, the Committee approved a group-wide pay increase, which was a mix of both inflation and performance measures. This averaged 5.0% and was backdated to 1 March 2024. In March 2025 the Committee approved a group-wide pay increase, again this was a mix of both inflation and performance measures, averaging 4.15% and this was backdated to 1 March 2025.

## Pension

All employees in the UK and Ireland can participate in the Group pension scheme within which the employer makes pension contributions of between 2% and 5% for employees. Enhanced rates can be agreed for particular members of senior management on an individual basis.

Prior to June 2024 the Company contributed 5% of salary for Peter Keeling and Ryan Keeling and 4% for Nick Roberts. These arrangements were reviewed in 2024 and were aligned to 5% for each Executive Director from June 2024, and for Jordan Clark on his appointment to the Board on 1 October 2024. The Company has not made any pension contributions for Peter Keeling since his appointment as Board Chair on 1 October 2024.

## Private healthcare

All employees including the Executive Directors are eligible to participate in the Company's private healthcare arrangements.

## Performance related bonuses

All Executive Directors, senior and middle management and other key employees are eligible to receive annual performance-related bonuses. Annual cash bonuses are paid upon the achievement of pre-set financial and strategic objectives for the Group. The Committee, in conjunction with the Board, reviews these targets and sets the objectives at the start of each financial year.

During 2024, Executive Directors were eligible to receive an annual cash bonus based on corporate financial targets (Revenue and Profit) of up to 80% of their base salary. In 2024, based on the Group's financial performance for the 2023 financial year, the Executive Directors did not receive an annual cash bonus.

Based on the Group's performance for the 2024 financial year, bonuses equivalent to 69.6% of the maximum (being 55.7% of basic pay) were paid to the Executive Directors in relation to the Group's 2024 performance.

Ryan Keeling, CEO, was awarded £218,446; Nick Roberts, CFO, was awarded £156,033; and Jordan Clark, CDO, was awarded £114,383, which when prorated based on his promotion to the Board as an Executive Director from 1 October 2024 is £28,596. No bonuses were awarded in relation to the 2023 financial year performance.

In addition, the Company paid a discretionary bonus for all Group employees who were not part of another Company bonus or incentive scheme, in respect of the financial year 2024 results. This discretionary bonus of £2,000 was paid to employees in March 2025.

From 2025, the performance related bonuses for Executive Directors will remain at a maximum percentage of 80% of base salary based on the Group's revenue and Adjusted EBITDA performance.

## Share options

Equity-based awards are made to Executive Directors, senior and middle management, and other key employees. This scheme is intended to provide a long-term incentive plan for eligible employees and ensure employee remuneration is aligned to those of shareholders. The first grant of market value share option awards was made in June 2020. Grants in 2021 to 2024 have been made with the following performance criteria:

- April 2021: absolute shareholder return
- April 2022: absolute shareholder return
- May 2023: absolute shareholder return and recurring revenue
- July 2024: absolute shareholder return, recurring revenue and revenue growth

The performance criteria for share options granted in July were split between absolute shareholder return (70% executive directors, 20% for other staff), recurring revenue attainment (15% executive directors, 40% for other staff) and revenue growth (15% executive directors, 40% for other staff). In October 2024, one-off non-dilutive share options were granted to Ryan Keeling and Nick Roberts. The performance criteria for these share options are based upon growth in absolute shareholder return during the performance period, the successful sole or joint listing of the Company on an alternative public stock exchange and other customary corporate events.

During 2024, Executive Directors were eligible to be awarded LTIP equity awards on an annual basis up to a value of 100% of their base salary. Details of share option awards to Directors are included later in this report.

From 2025 Executive Directors are similarly eligible to be awarded LTIP equity awards on an annual basis up to a value of 100% of their base salary.

## Share incentive plan

All Group employees are entitled to participate in the Group's Share Incentive Plan ('SIP'). UK employees participate through an HMRC approved share matching scheme and non-UK employees through a share option structure. The SIP enables employees to purchase shares up to a value of £1,800 in the Company which are matched by the Company on a one-for-one basis.

Another window for new and existing employees to join the SIP opened in March 2025 and closed in April 2025. As of December 2024, there were 84 UK employees and 21 global employees (representing 53% of the Group's workforce) enrolled in the SIP.

## Activity during the year

In the year to 31 December 2024, the Committee recommended that a review and benchmarking of the salaries and incentive packages (including Long Term Incentive Plans) of the board (including the Chair and the Non-Executive Directors) and senior management be undertaken both in absolute and relative terms.

External advisors were commissioned to carry out this review and the findings were adopted in May 2024, resulting in the base salary of senior managers being increased by 5% in line with the wider employee base. These findings were also reflected in the increases in Executive Directors' salaries during the year and in the structure of the 2024 LTIPs which were considered by the Committee.

The Committee also considered and made recommendations on several other key matters including the structure of the 2024 bonus and incentive plan and the one-off non-dilutive grant of LTIP options to Ryan Keeling and Nick Roberts, performance related pay increases during the year, Company performance in relation to bonus payments in relation to the 2023 year and the grant of share options under the LTIP.

In 2024 a new incentive scheme was approved for introduction in 2025 to incentivize and reward the highest performing sales account team, including team trips to Europe and the US.

## Ongoing activity

Early 2025 saw the further enhancement and relaunch of the performance management process to ensure even closer alignment of individual contributions with the broader business strategy.

Diaceutics continues to build a succession program and will focus on incentivizing and retaining key employees through their development and career progression, as well as incentivizing them using remuneration structures that align their goals with the longer-term goals of the Company and shareholders.

## Director's remuneration

The remuneration of the Board of Directors for the year ended 31 December 2024 is set out below :

| Executive | Basic salary (£) | Bonus[1] (£) | Taxable benefits[2] (£) | Pension (£) | 2024 Total (£) | 2023 Total (£) | Note of changes |
|---|---|---|---|---|---|---|---|
| Peter Keeling | 222,867 | – | – | 11,143 | 234,010 | 310,994 | *Until 30 Sep 24* |
| Ryan Keeling | 307,647 | 218,446 | – | 15,382 | 541,475 | 282,494 | |
| Jordan Clark[3] | 55,000 | 28,596 | 157 | 2,200 | 85,953 | – | *Appointed 1 Oct 2024* |
| Nick Roberts | 219,900 | 156,033 | 864 | 10,509 | 387,306 | 193,049 | |
| **Total** | **805,414** | **403,075** | **1,021** | **39,234** | **1,248,744** | **786,537** | |

| Non-Executive | Basic salary (£) | Bonus[1] (£) | Taxable benefits[2] (£) | Pension (£) | 2024 Total (£) | 2023 Total (£) | Note of changes |
|---|---|---|---|---|---|---|---|
| Deborah Davis | 64,735 | – | – | – | 64,735 | 75,000 | *Resigned 1 Oct 2024* |
| Peter Keeling | 30,000 | – | – | 1,500 | 31,500 | – | *From 1 Oct 2024* |
| Mike Wort | 31,650 | – | – | – | 31,650 | 39,000 | *Resigned 1 Oct 2024* |
| Charles Hindson | – | – | – | – | – | 45,000 | *Resigned 1 Oct 2023* |
| Cheryl MacDiarmid[4] | 10,000 | – | – | – | 10,000 | – | *Appointed 1 Oct 2024* |
| Graham Paterson | 49,167 | – | – | – | 49,167 | 15,000 | *Appointed 1 Oct 2023* |
| **Total** | **185,552** | **–** | **–** | **1,500** | **187,052** | **174,000** | |
| **Grand Total** | **990,966** | **403,075** | **1,021** | **40,734** | **1,435,796** | **960,537** | |

[1] Bonus in relation to performance in 2024 paid in April 2025.
[2] Taxable benefits consist of private healthcare provision during the period.
[3] Jordan Clark's' remuneration in 2024 reflects all payments made since his appointment on 1 October 2024 to 31 December 2024. His annual bonus has been prorated for the period from which he was appointed as a director.
[4] Cheryl MacDiarmid's remuneration in 2024 reflects all payments made since her appointment on 1 October 2024.

## Directors' interests in share options for the year ended 31 December 2024

The interests of the Board of Directors in share options for the year ended 31 December 2024 are set out below:

| Director | Type of award | Award date | Number of share options as at 31 December 2024 | Exercise price (£) | Vesting Date | Number of share options as at 31 December 2023 |
|---|---|---|---|---|---|---|
| Ryan Keeling | LTIP | 17-Apr-20 | 180,000 | 1.265 | 17-Apr-23 | 180,000 |
| | LTIP | 1-Apr-21 | – * | 0.002 | 1-Apr-24 | 64,154 |
| | LTIP | 1-Apr-22 | 72,290 | 0.002 | 1-Apr-25 | 72,290 |
| | LTIP | 18-May-23 | 93,407 | 0.002 | 18-May-26 | 93,407 |
| | LTIP | 23-Jul-24 | 236,250 | 0.002 | 23-Jul-27 | – |
| | LTIP | 24-Oct-24 | 557,953 | 0.002 | 24-Oct-29 | – |
| Nick Roberts | LTIP | 1-Apr-22 | 41,838 | 0.002 | 1-Apr-25 | 41,838 |
| | ESOP | 27-May-22 | 50,000 | 0.002 | 18-May-25 | 50,000 |
| | LTIP | 18-May-23 | 67,034 | 0.002 | 18-May-26 | 67,034 |
| | LTIP | 23-Jul-24 | 168,750 | 0.002 | 23-Jul-27 | – |
| | LTIP | 24-Oct-24 | 139,488 | 0.002 | 24-Oct-29 | – |
| | SIP | 9-Sep-22 to 31-Dec-24 | 4,327 | nil | 9-Sep-25 to 31-Dec-27 | 2,784 |
| Jordan Clark | LTIP | 1-Apr-21 | – * | 0.002 | 1-Apr-24 | 46,003 |
| | LTIP | 1-Apr-22 | 50,495 | 0.002 | 1-Apr-25 | 50,495 |
| | LTIP | 18-May-23 | 65,245 | 0.002 | 18-May-26 | 65,245 |
| | LTIP | 23-Jul-24 | 74,502 | 0.002 | 23-Jul-27 | – |
| | SIP | 9-Sep-22 to 31-Dec-24 | 4,327 | nil | 9-Sep-25 to 31-Dec-27 | 2,784 |
| Peter Keeling | LTIP | 17-Apr-20 | 180,000 | 1.265 | 17-Apr-23 | 180,000 |
| | LTIP | 1-Apr-21 | – * | 0.002 | 1-Apr-24 | 73,542 |
| | LTIP | 1-Apr-22 | 79,303 | 0.002 | 1-Apr-25 | 79,303 |
| | LTIP | 18-May-23 | 102,468 | 0.002 | 18-May-26 | 102,468 |

* The minimum threshold absolute shareholder return performance conditions were not met upon the vesting date and therefore the share options lapsed on 1 April 2024.

## Directors' interests in shares for the year ended 31 December 2024

The Directors who held office during 2024 had the following interests in the ordinary shares of £0.002 in the capital of the Company:

| Director | Number of Ordinary Shares held at 31 December 2024 | Ordinary Shares as a % of issued share capital | Number of Ordinary Shares held at 31 December 2023 |
|---|---|---|---|
| Ryan Keeling | 2,990,643[1] | 3.53% | 2,990,643 |
| Nick Roberts | 66,903[2] | 0.08% | 62,576 |
| Jordan Clark[3] | 576,517 | 0.68% | – |
| **Non-Executive** | | | |
| Peter Keeling | 15,752,049[4] | 18.58% | 17,252,049 |
| Deborah Davis[5] | – | – | 86,000 |
| Mike Wort[6] | – | – | 144,737 |
| Graham Paterson | 73,498 | 0.09% | – |
| Cheryl MacDiarmid[7] | – | – | – |
| **Total** | **19,457,727** | **22.95%** | **20,536,005** |

- On 30 January 2025 Graham Paterson purchased 11,643 Ordinary Shares at a price of £1.375 per share, representing 0.01% of the Company's issued share capital.
- During the period from 1 January 2025 to 30 April 2025 a total of 916 Ordinary Shares were purchased on behalf of, or issued to, Nick Roberts pursuant to the SIP, of which 458 are purchased shares, and 458 are matching shares which do not vest until three years from the date of purchase.
- During the period from 1 January 2025 to 30 April 2025 a total of 916 Ordinary Shares were purchased on behalf of, or issued to, Jordan Clark pursuant to the SIP, of which 458 are purchased shares, and 458 are matching shares which do not vest until three years from the date of purchase.

Save as described above there were no changes in the shareholdings of the directors between 31 December 2024 and the date of this report.

[1] includes 100,000 shares held by a PCA with Ryan Keeling
[2] includes 19,525 shares held by a PCA with Nick Roberts
[3] Appointed 1 October 2024
[4] includes 7,876,024, shares held by a Person Closely Associated (PCA) with Peter Keeling
[5] Resigned 1 October 2024
[6] Resigned 1 October 2024
[7] Appointed 1 October 2024

## Service contracts and Non-Executive Directors' letters of appointment

On 1 October 2024, Peter Keeling was appointed as Non-Executive Chair in place of Deborah Davis who stepped down as Non-Executive Chair on the same date. Cheryl MacDiarmid was also appointed as a Non-Executive Director on 1 October 2024 and Mike Wort stepped down as a Non-Executive Director. Jordan Clark was appointed to the Board as Chief Data Officer on 1 October 2024.

Ryan Keeling has a rolling contract that is terminable on 12 months' notice and Nick Roberts and Jordan Clark each have a rolling contract which is terminable on six months' notice. Peter Keeling has a letter of appointment which is terminable on six months' notice and each of the other Non-Executive Directors, Graham Paterson and Cheryl MacDiarmid, have a letter of appointment which is terminable on three months' notice.

Peter Keeling's annual fees upon appointment as Chair on 1 October 2024 are £120,000. The annual fees for Graham Paterson in the year (and for Cheryl MacDiarmid upon her appointment in October 2024) were £39,000, increasing to £40,000 in 2025. Additional fees are payable to Non-Executive Directors for the following positions: Audit and Risk Committee Chair £5,000; Remuneration Committee Chair £5,000 and Senior Independent Director, £5,000.

## Committee evaluation

The Committee last underwent a formal performance evaluation as part of the Board's effectiveness review in respect of the year ended 31 December 2021. With the changes to the Board in 2024, including to the Committee, with Peter Keeling and Cheryl MacDiarmid being appointed to the Committee in place of Deborah Davis and Mike Wort, the Committee plans to undergo a standalone formal performance evaluation during 2025.

## Shareholder approval of the Directors' remuneration report

Shareholders are asked to approve this Directors' Remuneration Report (excluding the Directors' Remuneration Policy) for the year ended 31 December 2024 at the forthcoming Annual General Meeting. This resolution is advisory in nature.

**Graham Paterson**
Remuneration Committee Chair
13 May 2025

# Audit and risk committee report

**On behalf of the Board, I am pleased to present the Audit and Risk Committee Report for the year-ended 31 December 2024.**

## Audit and Risk Committee

On 1 October 2024, Peter Keeling was appointed Non-Executive Chair in place of Deborah Davis who stepped down as Non-Executive Chair on the same date. Cheryl MacDiarmid was also appointed as a Non-Executive Director on 1 October 2024 and Mike Wort stepped down as Non-Executive Director. Accordingly, during the year ended 31 December 2024 the Committee consisted of three Non-Executive Directors: me (as Chair), Deborah Davis and Mike Wort until 30 September 2024 and from 1 October 2024, me (as Chair), Peter Keeling and Cheryl MacDiarmid.

The Audit and Risk Committee is convened as required and met four times during the year-ended 31 December 2024 to discharge its responsibilities *inter alia* in connection with the Group's Financial Statements for the year-ended 31 December 2023 and the Interim Financial Statements for the six months ended 30 June 2024.

## Role of the Audit and Risk Committee

The Audit and Risk Committee is responsible for ensuring that the financial performance of the Group is properly reported on and reviewed, and its role includes monitoring the integrity of the financial statements of the Group (including annual and interim financial statements and results announcements), reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors, reviewing findings of an audit with the auditors, meeting regularly with the auditors and advising on the appointment of external auditors. It is further responsible for reviewing and monitoring the effectiveness of internal financial controls, risk management systems and overall risk framework and processes, considering appropriate risk appetite and strategy across all major activities, overseeing current and prospective risks faced by the Company and its strategy in relation to future risks, ensuring that risk management is properly considered in Board decisions, and that the risk management function is adequately sourced.

The CEO, CFO, the Head of Finance and the external auditors normally attend Committee meetings. The Committee also met with the external auditors without management present during the year.

While the Board as a whole has a duty to act in the best interests of the Company, the Committee has a particular role, acting independently of management, to ensure that the interests of shareholders are properly protected in relation to financial reporting and the effectiveness of the Group's systems of financial internal controls.

The principal areas of judgment considered by the Committee in relation to the Group's 2024 financial statements include revenue recognition in accordance with IFRS 15 and the capitalization of intangibles. Each of these areas also received particular focus from the external auditor, who provided detailed analysis and assessment of the matter in their report to the Committee.

## The key responsibilities of the Committee are to:

- Monitor the integrity of the Group's financial statements and other statements and announcements relating to its financial performance, reviewing and challenging the methodology and assumptions used where necessary.
- Consider the Group's accounting policies and practices along with its application of accounting standards and significant judgments.
- Review and monitor the effectiveness of the Group's system of internal controls, including financial reporting and controls and risk management systems and overall risk framework and processes.
- Consider and oversee the Group's appetite and strategy for risk across all major activities, oversee current and future risks and the management thereof, ensure the proper consideration of risk by the Board and adequate resourcing of the risk management function.
- Review the adequacy and security of the Group's procedures and controls for whistleblowing; the detection of fraud and the prevention of bribery.
- Consider and make recommendations to the Board on the appointment, reappointment, removal or resignation and remuneration of the external auditors.
- Oversee the relationship with the Group's external auditors including consideration of the objectivity and independence of the external audit process.

The full terms of reference for the Committee can be found on the Company's website at diaceutics.com

## External auditors

Ernst & Young were appointed by the Board as the Company's external auditor on 24 June 2024 for the 2024 reporting year and it is their intention to put themselves forward at the AGM to stand as auditors for the next financial year.

There are no contractual obligations that restrict the Board's choice of external auditors.

## Committee performance and effectiveness

During the year, the Committee:

- Reviewed the Annual Report and Accounts
- Reviewed the status of the systems of internal control and monitored progress of the internal audit and risk management programs during the current year; and
- Liaised with the external auditors, including on their appointment, and considered their non-audit work.

The Committee last underwent a formal performance evaluation as part of the Board's effectiveness review in respect of the year-ended 31 December 2021. With the changes to the Board in 2024, including to the Committee, with Peter Keeling and Cheryl MacDiarmid being appointed to the Committee in place of Deborah Davis and Mike Wort, it plans to undergo a standalone formal performance evaluation during 2025.

This Audit and Risk Committee Report was reviewed and approved by the Board.

**Graham Paterson**
Audit and Risk Committee Chair
13 May 2025

# Directors' report

The Directors present their annual report and the audited Group financial statements for the year-ended 31 December 2024. These will be laid before the shareholders of the Company at the next Annual General Meeting (AGM).

Diaceutics PLC is incorporated in Northern Ireland, registration number NI055207, and its registered office is First Floor, Building Two, Dataworks at King's Hall Health & Wellbeing Park, Belfast, County Antrim, Northern Ireland, BT9 6GW. The Company is listed on the Alternative Investment Market of the London Stock Exchange (AIM: DXRX).

## Principal activities

The principal activities of the Group during the year continued to be the provision of commercialization solutions for precision medicines to the world's leading pharma and biotech companies through data analytics, scientific and advisory services enabled by our platform DXRX – The Diagnostics Network®. The Group engages in research and development activities in the area of precision medicine data and platform software.

## Results and dividends

The loss after tax for the year amounted to £1,718,000 (2023: loss £1,746,000).

No dividends were paid during the year. The Directors do not recommend the payment of a dividend.

## Going concern

The financial performance and balance sheet position at 31 December 2024 along with a range of scenario plans to 31 December 2027 have been considered, applying different sensitives to revenue. Across these scenarios, including at the lower end of the range, there remains significant headroom in the minimum cash balance over the period to 31 December 2027 and therefore, the Directors have satisfied themselves that the Group has adequate funds in place to continue in operational existence for the foreseeable future.

Accordingly, the Group continues to adopt the going concern basis in preparing its consolidated financial statements.

## Research and development and future developments

In line with the Group's strategy, management intends to further develop the Group's technology product offering, including its proprietary data lake and DXRX platform, to meet future customer and market demand.

## Outlook and financial risk

Details of the market and financial outlook are disclosed in our strategic report on pages 4 to 24, and financial risks are outlined within principal risks and uncertainties on pages 42 to 45.

## Directors

The Directors who served during the year, and up to the date the financial statements were signed, were:

- Deborah Davis (resigned 1 October 2024)
- Peter Keeling
- Ryan Keeling
- Nick Roberts
- Graham Paterson
- Mike Wort (resigned 1 October 2024)
- Jordan Clark (appointed 1 October 2024)
- Cheryl MacDiarmid (appointed 1 October 2024)

In accordance with the Articles of Association, Jordan Clark (CDO) and Cheryl MacDiarmid, having been appointed since the date of the last AGM, will stand for election, and Nick Roberts (CFO) will retire by rotation and stand for re-election at the forthcoming AGM.

## Directors' interests and indemnity arrangements

The Directors' interests in the shares of the Company are disclosed in the Remuneration Report on pages 65 to 66. The Directors and officers of the Group have the benefit of a Directors' and Officers' liability insurance.

No Director had, during or at the end of the year, a material interest in any contract which was significant in relation to the Group's business, except in respect of Peter Keeling's interest in O'Conner & McCann Ltd, the lessor of the Company's Dataworks office in Belfast.

## Share capital

Details of the Company's issued share capital and treasury shares are shown in Note 25 to the consolidated financial statements.

The share capital of the Company comprises one class of ordinary shares and these are listed on AIM. At 31 December 2024 there were 84,773,888 fully paid ordinary shares in issue. All shares are freely transferable and rank *pari passu* for voting and dividend rights.

## Political donations

The Group has not made any political donations during the year (2023: £Nil).

## Financial instruments

Information on the Group's financial instruments, together with the Group's assessment on financial risk is disclosed in Note 24 and is included in this report by cross reference.

## Substantial shareholdings

At 31 December 2024, shareholders holding more than 3% of the share capital in Diaceutics PLC were:

| | Ordinary Shares | Percentage of that class |
|---|---|---|
| Peter Keeling [1] | 15,752,049 | 18.58% |
| Gresham House | 12,316,631 | 14.53% |
| Canaccord Genuity Wealth Mgt | 8,167,000 | 9.63% |
| Danske Capital Mgt | 3,491,822 | 4.12% |
| Ryan Keeling [2] | 2,990,643 | 3.53% |
| BlackRock Investment Mgt | 2,714,165 | 3.20% |
| West Elk Partners | 2,543,281 | 3.00% |
| **Total** | **47,975,591** | **56.59%** |

[1] Includes 7,876,024 shares held by a Person Closely Associated (PCA) with Peter Keeling
[2] Includes 100,000 shares held by a PCA with Ryan Keeling

Save as referred to above, the Directors are not aware of any persons as at 31 December 2024 who were interested in 3% or more of the voting rights of the Company or could directly or indirectly, jointly or severally, exercise control over the Company.

## Streamline Energy and Carbon Reporting (SECR)

Diaceutics PLC has adopted the requirements of scope 1, 2 and 3 greenhouse gas (GHG) emissions in accordance with the Streamlined Energy and Carbon Reporting (SECR) framework ahead of the statutory requirement to do so. The report includes Diaceutics' stated emissions for the most recent reporting year, the 12 months from 1 January 2024 to 31 December 2024.

Further information about the SECR methodology, scope, process and reported numbers, along with the prior year comparative data for 1 January 2023 to 31 December 2023 are disclosed on pages 27 to 30, and are included in this report by cross reference.

## Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- So far as the Director is aware, there is no relevant audit information of which the Group's auditors are unaware; and
- The Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

## Independent auditors

The auditors, Ernst & Young, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.

**Ryan Keeling**
Chief Executive Officer
13 May 2025

# Statement of Directors' responsibilities in relation to the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors prepared the Group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 Company, and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- State whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements
- Make judgments and accounting estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for safeguarding the assets of the Group and Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, thus enabling them to ensure that the financial statements comply with the Companies Act 2006.

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

**Ryan Keeling**
Chief Executive Officer
13 May 2025

# Independent Auditor's report to the members of Diaceutics PLC

## Opinion

In our opinion:

- Diaceutics plc's Group financial statements and Parent Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group 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 Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Diaceutics plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise:

| Group | Parent Company |
|---|---|
| Group Profit and Loss Account for the year then ended | Company Statement of Financial Position as at 31 December 2024 |
| Group Statement of Comprehensive Income for the year then ended | Company Statement of Changes in Equity for the year then ended |
| Group Statement of Financial Position as at 31 December 2024 | Related notes 1 to 30 to the financial statements including material accounting policy information |
| Group Statement of Changes in Equity for the year then ended | |
| Group Statement of Cash Flows for the year then ended | |
| Related notes 1 to 30 to the financial statements, including material accounting policy information | |

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

## Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group and Parent Company's financial close process, we confirmed our understanding of management's going concern assessment process and also engaged with management early to ensure all key factors were considered in their assessment;
- We obtained management's going concern assessment, including the cash forecast for the going concern period which covers the period from the date of signing of this audit opinion to 31 December 2027;

- We tested the factors and assumptions included in the cash forecast. We considered the appropriateness of the methods used to calculate the cash forecasts and determined through inspection and testing of the methodology and calculations that the methods utilised were appropriately sophisticated to be able to make an assessment for the Group and Parent Company;
- We considered mitigating factors that are within the control of the Group and Parent Company. This includes review of the Group and Parent Company's cash outflows and evaluating the Group and Parent Company's ability to control these outflows as mitigating actions if required;
- We have performed reverse stress testing in order to identify what factors would lead to the Group utilising all cash which covers the period from the date of signing of this audit opinion to 31 December 2027;
- We reviewed the Group and Parent Company's going concern disclosures included in the annual report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

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 and Parent Company's ability to continue as a going concern for a period from the date of signing of this audit opinion to 31 December 2027.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Parent Company's ability to continue as a going concern.

### Overview of our audit approach

| | |
|---|---|
| **Audit scope** | • We performed an audit of the complete financial information of 3 components and performed audit procedures on specific balances for a further 1 component. |
| **Key audit matters** | • The key audit matters that we identified in the current year were:<br>– Revenue recognition<br>– Accounting for capitalised development costs |
| **Materiality** | • Overall Group materiality of £321,580 which represents 1% of Group Revenue. Materiality for the Parent Company is £391,130 which is 1% of Company Total Assets. |

The key audit matters set out in the table above are consistent with those reported in 2023.

## An overview of the scope of the Parent Company and group audits

### Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determined our audit scope for each component within which, when taken together, enabled us to form an opinion on the consolidated financial statements. Our audit effort was focused towards higher risk areas, such as management judgements and on components that we considered significant based upon size, risk profile, the organisation of the Group and effectiveness of group wide controls, the potential impact of climate change, changes in the business environment when assessing the level of work to be performed at each component.

We also considered the history or expectation of unusual or complex transactions, potential for material misstatements, the previous effectiveness of controls, and our fraud assessment. We then considered the adequacy of account coverage and remaining audit risk of components not directly covered by audit procedures. Finally, we assessed the appropriateness of our audit scope by comparing to the prior year; ensured that there was sufficient unpredictability in our scope and made the necessary changes where appropriate. We identified 4 individually relevant components where we believed that it was appropriate to carry out targeted testing.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the group significant accounts on which audit procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the group significant financial statement account balance.

We then considered whether the remaining group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the group financial statements.

| Scope | Total no of entities | Basis of inclusion | Scoping per key audit matter |
|---|---|---|---|
| Full scope | 3 | Size and significant risk | • 3 full scope entities are in scope for revenue recognition<br>• 3 full scope entities are in scope for capitalisation of intangible assets |
| Specific Scope | 1 | Significant risk or higher risk estimates | • 1 specific scope entity is in scope for revenue recognition |
| Other procedures | 1 | Residual risk of error | • None noted |

## Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team. All audit work performed for the purposes of the audit was undertaken by the Group audit team.

## Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Group has determined that there are no material future impacts from climate change on their operations. This is explained on page 95 in the judgments in applying accounting policies and key sources of estimation uncertainty section of the accounting policies.

Our audit effort in considering climate change was focused on evaluating management's assessment that there is no impact of climate change risk, the adequacy of the disclosures in the financial statements and the conclusion that no issues were identified that would impact the carrying values of Intangible assets, Property, Plant and equipment or have any other impact on the financial statements as disclosed on page 95. We also challenged the Directors' considerations of climate change in their assessment of going concern and associated disclosures.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified. These matters included 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 our opinion thereon, and we do not provide a separate opinion on these matters.

| Risk | Our response to the risk | Key observations communicated to the Audit and Risk Committee |
|---|---|---|
| **Revenue recognition (2024: £32.2m, 2023: £23.7m)**<br><br>*Refer to the Accounting policies (page 89); and Note 4 of the Consolidated Financial Statements (page 98)*<br><br>There is a risk of improper revenue recognition due to management override of controls in order to maximise revenue by inappropriately accelerating recognition by using the incorrect percentage of completion rate for professional services revenue.<br><br>Furthermore, there is also a risk of incorrect revenue recognition in accordance with IFRS 15, Revenue from Contracts with Customers, in respect of identifying and assigning value to performance obligations due to the complexity and non-standard terms and conditions of the Group's sales contracts, including related Statements of Work (SOW) or variation agreements.<br><br>In particular, the Group may recognise or allocate revenue that is not included (explicitly or implicitly) in the sales contracts to activities that do not meet the requirements of separable distinct performance obligations.<br><br>Additionally, revenue may be misstated in respect of discounts, termination clauses, concessions and contract modifications (change orders) not appropriately identified and accounted for correctly.<br><br>Also, a revenue cut-off risk exists with respect to pass through revenues. This risk arises when transaction costs are not matched with related revenue in the wrong accounting period, leading to either an overstatement or understatement of revenue. | We performed management inquiries and obtained an understanding of the revenue recognition process. We performed walkthroughs of the revenue recognition process, including walkthroughs of the design and implementation of relevant controls.<br><br>We performed contract analysis and test of details by reviewing the terms of agreements to ensure revenue was recognised in accordance with the contract terms, the Group accounting policy and the application of IFRS 15, Revenue from Contracts with Customers. We examined customer contracts, SOWs and variation agreements to verify the identification of separable distinct performance obligations, termination clauses, concessions/discounts, contract modifications and the allocation of consideration to the identified separable distinct performance obligations.<br><br>We performed look-back procedures for the prior year uncompleted projects that were completed during the year to assess if the budgeting process in 2023 was reasonable and reliable.<br><br>Obtained the revenue listing on a per project basis and perform reconciliation of listing to revenue amount per trial balance. For sampled contracts, performed re-computation of revenue based on the project details (i.e., contract value, completion rate/delivery) and compare with the revenue recognised<br><br>For consultancy services revenue (part of the Scientific & Advisory Services revenue stream), we tested the reasonableness of the Percentage of Completion (POC) used in the revenue recognition for all uncompleted projects as at the end of the year by using the actual hours incurred as indicated in the timesheets over the total budgeted hours for the project.<br><br>Understood and challenged significant changes to the budgets through discussions with the respective Project Managers<br><br>We performed substantive procedures over cut-off, credit memos and other adjustments such as incentives, discounts to obtain appropriate assurances over the recognition of revenue.<br><br>For pass through revenues, we tested on a sample basis, pass through costs to understand the nature of the costs and ensure appropriate matching of costs and related revenues are met and recognised in the correct accounting period.<br><br>We performed data analytics procedures on revenue and correlated the relationship between revenue, debtors and cash.<br><br>We reviewed key financial statement disclosures for compliance with IFRS 15 Revenue from Contracts with Customers. | Our observations included an overview of the risk, outline of the audit procedures performed, management's key judgements and the results of our testing.<br><br>Our planned audit procedures in respect of revenue recognition were completed without exception. |

| Risk | Our response to the risk | Key observations communicated to the Audit and Risk Committee |
|---|---|---|
| **Capitalisation of intangible assets (2024: £4.5m, 2023: £4.7m)**<br><br>*Refer to the Accounting policies (page 92); and Note 16 of the Consolidated Financial Statements (page 110)*<br><br>The Group capitalise costs associated with the development of the DXRX platform and data lake which are internally developed. These costs are assessed against IAS 38 Intangible Assets to ensure they meet the criteria for capitalisation.<br><br>There is a risk of incorrect capitalisation of labour cost of £0.3m (2023: £1.0m). The capitalised cost is determined based on the actual time spent by employees on qualifying development activities. | We performed management inquiries and obtained an understanding of the internal capitalised cost process. We performed a walkthrough of the process, including walkthrough of the design and implementation of relevant controls.<br><br>We obtained a schedule of all labour costs capitalised during the year and performed test of details. We agreed a sample of employees' base salaries with the payslips. We also obtained and reviewed the workings for the capitalisation of labour costs which is based on hourly wage rate and time spent by employees on qualifying development activities.<br><br>We assessed whether the capitalised payroll cost is in accordance to IAS 38 'Intangible Assets' and directly attributable to the development of the DXRX platform by reviewing employee timesheets.<br><br>We conducted inquiries and discussions with the project teams involved with the project development to corroborate the inputs used.<br><br>We reviewed the inputs used by management in the calculation of labour costs which includes uplift on gross pay relating to insurance cost and employer contribution to pension schemes and ensured all uplifts applied were consistent with the country of employment of each employee. We assessed whether the cost capitalised reflects the full cost of employment as described in IAS 19 *Employee Benefits*.<br><br>We reviewed key financial statement disclosures for compliance with IAS 38 *Intangible assets.* | Our observations include an overview of the risk, outline of the audit procedures performed, management's key judgements and the results of our testing.<br><br>Our planned audit procedures in respect of capitalisation of intangible assets were completed without exception. |

## Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

## Materiality

*The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.*

We determined materiality for the Group to be £321,580 (2023: £118,500), which is 1% (2023: 0.5%) of Group Revenue. Revenue is a key performance indicator for the Group and is also a key metric used by the Group in the assessment of the performance of management. We therefore considered the Group's Revenue to be the most appropriate performance metric on which to base our materiality calculation as we consider it to be the most relevant performance measure to the stakeholders of the Group. On the basis of our risk assessment, we increased our materiality determination from 0.5% to 1% of Group Revenue in 2024. We determined materiality for the Parent Company to be £391,130 (2023: £143,500), which is 1.0% of Total Assets of the Company (2023: 0.5% of Total Assets of the Company). During the course of our audit, we reassessed initial materiality and the only change in final materiality was to reflect the actual reported performance of the Group in the year.

## Performance materiality

*The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.*

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2023: 50%) of our planning materiality, namely £160,790 (2023: £59,250). We have set performance materiality at this percentage due to various considerations including the history of misstatements, our ability to assess the likelihood of misstatements, the effectiveness of the control environment and other factors affecting the entity and its financial reporting.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £16,080 to £128,640 (2023: £11,500 to £46,000).

## Reporting threshold

*An amount below which identified misstatements are considered as being clearly trivial.*

We agreed with the Audit and Risk Committee that we would report to them all uncorrected audit differences in excess of £16,080 (2023: £5,925), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

## Other information

The other information comprises the information included in the annual report set out on pages 1 to 72, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information 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 this 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 the 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 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 the 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 72, 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 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the form and content of external financial and corporate governance reporting including company law, tax legislation, employment law and regulatory compliance with General Data Protection Regulation (GDPR).
- We understood how Diaceutics plc is complying with those frameworks by making enquiries of management, those responsible for legal and compliance procedures and the General Legal Counsel. We corroborated our enquiries through our review of the Group's Compliance Policies, board minutes, papers provided to the Audit and Risk Committee and correspondence received from regulatory bodies.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management, including within various parts of the business, to understand where they considered there was susceptibility to fraud. We also considered performance targets and the potential for management to influence earnings or the perceptions of analysts. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of board minutes to identify any non-compliance with laws and regulations, a review of the reporting to the Audit and Risk Committee on compliance with regulations, enquiries of internal and external legal counsel and management.

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

## Use of our report

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

*Roger Wallace (Senior statutory auditor)*
*for and on behalf of Ernst & Young*
*Dublin*
*13 May 2025*

# Group and Company financial statements

# Group profit and loss account

| | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| **Revenue** | 4 | 32,158 | 23,699 |
| Cost of sales | 5 | (3,888) | (3,993) |
| **Gross profit** | | **28,270** | **19,706** |
| Administrative expenses | 5 | (30,742) | (22,784) |
| Other operating income | 11 | 17 | 60 |
| **Operating loss** | 5 | **(2,455)** | **(3,018)** |
| Finance income | 12 | 601 | 646 |
| Finance costs | 13 | (54) | (66) |
| **Loss before tax** | | **(1,908)** | **(2,438)** |
| Income tax credit | 14 | 205 | 692 |
| **Loss for the financial year** | | **(1,703)** | **(1,746)** |

All results relate to continuing operations.

The notes in page 88 to 121 form an integral part of the Group financial statements.

# Group statement of comprehensive income

for the year-ended 31 December 2024

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Loss for the financial year** | **(1,703)** | **(1,746)** |
| *Items that may be reclassified subsequently to profit or loss:* | | |
| Exchange differences on translation of foreign operations | (386) | (378) |
| **Total comprehensive loss for the year, net of tax** | **(2,089)** | **(2,124)** |

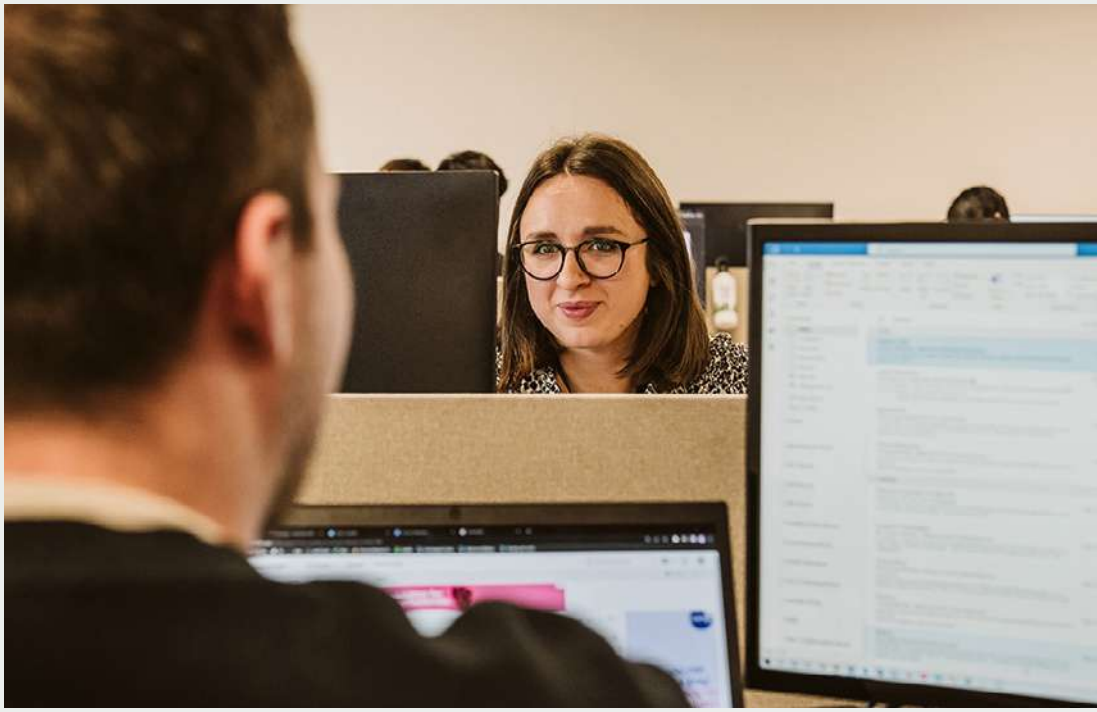
All results relate to continuing operations.

# Group earnings per share

for the year-ended 31 December 2024

| | Note | 2024 Pence | 2023 Pence |
|---|---|---|---|
| **Basic loss per share** | 15 | (2.02) | (2.07) |
| **Diluted loss per share** | 15 | (2.02) | (2.07) |

The notes in page 88 to 121 form an integral part of the Group financial statements.



# Group statement of financial position

for the year-ended 31 December 2024

The Group financial statements were approved and authorized for issue by the board and were signed on its behalf on 13 May 2025. The notes on pages 88 to 121 form an integral part of the Group financial statements.

**Nick Roberts**
Chief Financial Officer
13 May 2025

| | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| **Non-current assets** | | | |
| Intangible assets | 16 | 15,413 | 15,262 |
| Right of use assets | 18 | 1,026 | 1,180 |
| Property, plant and equipment | 17 | 652 | 719 |
| Deferred tax asset | 14 | 2,000 | 1,143 |
| | | **19,091** | **18,304** |
| **Current assets** | | | |
| Trade and other receivables | 20 | 16,043 | 11,367 |
| Income tax receivable | 14 | 742 | 6 |
| Cash and cash equivalents | | 12,744 | 16,667 |
| | | **29,529** | **28,040** |
| **Total assets** | | **48,620** | **46,344** |
| **Equity** | | | |
| Equity share capital | 25 | 170 | 169 |
| Share premium | 25 | – | 37,126 |
| Treasury shares | 25 | (312) | (312) |
| Translation reserve | 25 | (626) | (240) |
| Profit and loss account | 25 | 40,625 | 4,043 |
| **Total equity** | | **39,857** | **40,786** |
| **Non-current Liabilities** | | | |
| Lease liability | 22 | 907 | 1,059 |
| Provision for dilapidation | | 91 | 88 |
| Deferred tax liability | 14 | – | 28 |
| | | **998** | **1,175** |
| **Current liabilities** | | | |
| Trade and other payables | 21 | 7,611 | 4,237 |
| Lease liability | 22 | 153 | 146 |
| Income tax payable | 14 | 1 | – |
| | | **7,765** | **4,383** |
| **Total liabilities** | | **8,763** | **5,558** |
| **Total equity and liabilities** | | **48,620** | **46,344** |

# Company statement of financial position

as at 31 December 2024

| | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| **Non-current assets** | | | |
| Intangible assets | 16 | 7,809 | 8,821 |
| Right of use assets | 18 | 1,026 | 1,180 |
| Property, plant and equipment | 17 | 651 | 718 |
| Investments | 19 | 409 | 313 |
| Deferred tax asset | 14 | 1,617 | 1,132 |
| | | **11,512** | **12,164** |
| **Current assets** | | | |
| Trade and other receivables | 20 | 17,125 | 6,487 |
| Income tax receivable | 14 | 317 | 230 |
| Cash and cash equivalents | | 10,159 | 16,292 |
| | | **27,601** | **23,009** |
| **Total assets** | | **39,113** | **35,173** |
| **Equity** | | | |
| Equity share capital | 25 | 170 | 169 |
| Share premium | 25 | – | 37,126 |
| Treasury shares | 25 | (312) | (312) |
| Profit and loss account | 25 | 30,104 | (5,559) |
| **Total equity** | | **29,962** | **31,424** |
| **Non-current Liabilities** | | | |
| Lease liability | 22 | 907 | 1,059 |
| Provision for dilapidation | | 91 | 88 |
| | | **998** | **1,147** |
| **Current liabilities** | | | |
| Trade and other payables | 21 | 8,000 | 2,456 |
| Lease liability | 22 | 153 | 146 |
| | | **8,153** | **2,602** |
| **Total liabilities** | | **9,151** | **3,749** |
| **Total equity and liabilities** | | **39,113** | **35,173** |

The Company made a loss for the year of £2,626,000 (2023: loss of £2,475,000).

# Group statement of changes in equity

for the year-ended 31 December 2024

| | Called up share capital | Share premium account | Treasury shares | Translation reserve | Profit and loss account | Total equity |
|---|---|---|---|---|---|---|
| | £000's | £000's | £000's | £000's | £000's | £000's |
| **At 1 January 2023** | **169** | **37,126** | **(263)** | **138** | **5,344** | **42,514** |
| Loss for the year | – | – | – | – | (1,746) | (1,746) |
| Other comprehensive loss | – | – | – | (378) | – | (378) |
| Total comprehensive loss for the year | – | – | – | (378) | (1,746) | (2,124) |
| Transactions with owners, recorded directly in equity | | | | | | |
| Share based payment | – | – | – | – | 445 | 445 |
| Treasury Shares | – | – | (49) | – | – | (49) |
| Total transactions with owners | – | – | (49) | – | 445 | 396 |
| **At 31 December 2023** | **169** | **37,126** | **(312)** | **(240)** | **4,043** | **40,786** |
| Loss for the year | – | – | – | – | (1,703) | (1,703) |
| Other comprehensive loss | – | – | – | (386) | – | (386) |
| Total comprehensive loss for the year | – | – | – | (386) | (1,703) | (2,089) |
| **Transactions with owners, recorded directly in equity** | | | | | | |
| Share based payment | – | – | – | – | 1,020 | 1,020 |
| Exercise of warrant (Note 25) | – | 135 | – | – | – | 135 |
| Issue of shares | 1 | – | – | – | – | 1 |
| Deferred tax credit taken directly to equity | – | – | – | – | 4 | 4 |
| Cancellation of share premium | – | (37,261) | – | – | 37,261 | – |
| Total transactions with owners | 1 | (37,126) | – | – | 38,285 | 1,160 |
| **At 31 December 2024** | **170** | **–** | **(312)** | **(626)** | **40,625** | **39,857** |

# Company statement of changes in equity

for the year-ended 31 December 2024

| | Equity share capital £000's | Share premium £000's | Treasury shares £000's | Profit and loss account £000's | Total equity £000's |
|---|---|---|---|---|---|
| At 1 January 2023 | 169 | 37,126 | (263) | (3,563) | 33,469 |
| Loss for the year | – | – | – | (2,475) | (2,475) |
| Total comprehensive loss for the year | – | – | – | (2,475) | (2,475) |
| Transactions with owners, recorded directly in equity | | | | | |
| Share based payment | – | – | – | 479 | 479 |
| Treasury Shares | – | – | (49) | – | (49) |
| Total transactions with owners | – | – | (49) | 479 | 430 |
| **At 31 December 2023** | **169** | **37,126** | **(312)** | **(5,559)** | **31,424** |
| Loss for the year | – | – | – | (2,626) | (2,626) |
| Total comprehensive loss for the year | – | – | – | (2,626) | (2,626) |
| **Transactions with owners, recorded directly in equity** | | | | | |
| Share based payment | – | – | – | 1,024 | 1,024 |
| Exercise of warrant (Note 25) | – | 135 | – | – | 135 |
| Issue of shares | 1 | – | – | – | 1 |
| Deferred tax credit taken directly to equity | – | – | – | 4 | 4 |
| Cancellation of share premium | – | (37,261) | – | 37,261 | – |
| Total transactions with owners | 1 | (37,126) | – | 38,289 | 1,164 |
| **At 31 December 2024** | **170** | **–** | **(312)** | **30,104** | **29,962** |

# Group statement of cash flows

for the year-ended 31 December 2024

| Operating activities | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| Net loss on ordinary activities before taxation | | (1,908) | (2,438) |
| Adjustments to reconcile net loss to net cash provided by operating activities: | | | |
| Net finance income | | (547) | (580) |
| Amortization of intangible assets | 16 | 4,306 | 4,459 |
| Impairment of intangible assets | 16 | 87 | – |
| Depreciation of right of use asset | 18 | 154 | 153 |
| Depreciation of property, plant and equipment | 17 | 167 | 161 |
| Research and development tax credits | | – | (42) |
| Share based payments | 10 | 1,020 | 445 |
| Loss on disposal of fixed asset | | – | 3 |
| Increase in trade and other receivables | | (4,676) | (2,158) |
| Increase in trade and other payables | | 3,374 | 618 |
| **Cash received from operations** | | **1,977** | **621** |
| Tax (paid)/received | | (1,326) | 690 |
| **Net cash provided by operating activities** | | **651** | **1,311** |
| **Investing activities** | | | |
| Purchase of intangible assets | 16 | (4,532) | (4,730) |
| Purchase of property, plant and equipment | 17 | (100) | (125) |
| Finance income interest received | 12 | 601 | 646 |
| **Net cash outflow from investing activities** | | **(4,031)** | **(4,209)** |
| **Financing activities** | | | |
| Interest paid | | (1) | (11) |
| Lease liability repayments | 23 | (199) | (179) |
| Issue of shares | 25 | 136 | – |
| Purchase of treasury shares | | – | (49) |
| **Net cash outflow from financing activities** | | **(64)** | **(239)** |
| **Net decrease in cash and cash equivalents** | | (3,444) | (3,137) |
| Net foreign exchange loss | | (479) | (37) |
| Cash and cash equivalents at 1 January | | 16,667 | 19,841 |
| **Cash and cash equivalents at 31 December** | | **12,744** | **16,667** |

# Notes to the financial statements

for the year-ended 31 December 2024

## Note 1. General information

Diaceutics PLC (the "Company") is a public company limited by shares, incorporated, domiciled and registered in Northern Ireland. The Company's registration number is NI055207, and the registered office is First Floor, Building Two, Dataworks at King's Hall Health & Wellbeing Park, Belfast, County Antrim, Northern Ireland, BT9 6GW.

The consolidated financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The Company financial statements present information about the stand-alone financial statements of the parent company.

The principal activity of Diaceutics PLC ("the Company") and its subsidiaries (together "the Group") is data, data analytics and implementation services.

The Group has established a core suite of products and outsourced advisory services which help its Pharma customers to optimize and deliver their marketing and implementation strategies for companion diagnostics. Their mission is to design, create and implement innovative solutions that enhance speed to market and increase the effectiveness of all the stakeholders in the personalized medicine industry.

The financial statements are presented in pounds sterling.

### Basis of accounting

The consolidated financial statements have been prepared on a going concern basis and in accordance with international accounting standards in conformity with the Companies Act 2006 applicable to companies reporting under UK adopted international accounting standards. These financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies.

The preparation of financial statements in conformity with UK adopted international accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Judgments in applying accounting policies and key sources of estimates and uncertainty are disclosed in the notes.

The company financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

In these financial statements the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash flow statement and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliations for share capital;
- Disclosures in respect of capital management;
- Related Party Disclosures entered into between two or more members of a group;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share based Payments in respect of Group settled share-based payments;
- Details of key assumptions used for the purposes of impairment testing; and
- IFRS 7 Financial Instrument Disclosures.

The material accounting policies adopted in the preparation of the consolidated and company financial statements are set out below.

The material accounting policies have been consistently applied to all the years presented, unless otherwise stated.

### Parent company profit and loss account

The Directors' have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and have not presented profit and loss account for the company alone.

### Going concern

The financial performance and balance sheet position at 31 December 2024 along with a range of scenario plans to 31 December 2027 has been considered, applying different sensitives to revenue. Across these scenarios, including at the lower end of the range, there remains significant headroom in the minimum cash balance over the period to 31 December 2027 and the Directors have satisfied themselves that the Group and Company has adequate funds in place to continue in operational existence for the foreseeable future.

Accordingly, the Group and Company continue to adopt the going concern basis in preparing its financial statements.

Note 1. General information *(continued)*

### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company has power over the subsidiary, is exposed, or has rights, to returns from its involvement with the subsidiary; and has the ability to use its power to affect its returns.

The Company considers all relevant facts and circumstances in assessing whether it has control over a subsidiary, including the ability to direct the relevant activities at the time that decisions need to be made.

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Employee Benefit Trusts ('EBTs'), including the UK and Global Share Incentive Plan ("SIPs"), are accounted for under IFRS 10 and are consolidated on the basis that the parent has control, thus the assets and liabilities of the EBT are included on the balance sheet and shares held by the EBT in the Company are presented as a deduction from equity.

## Note 2. Accounting policies

### New and amended IFRS standards that are effective for the current year

The Group has applied the following standards and amendments for the first time for their annual reporting year commencing 1 January 2024:

- Amendments to IAS 1: Classification of liabilities as current or non-current;
- Amendments to IAS 1: Non-current liabilities with covenants;
- Amendments to IAS 7: Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements; and
- Amendments to IFRS 16: Lease liability in a sale and leaseback.

There has been no material impact on our financial statements as a result of any of these changes.

### New accounting standards and interpretations not yet adopted by the Group

The following new accounting standards, amendments and/or interpretations have been published and are not mandatory for 31 December 2024 reporting year. They have not been early adopted by the Group and these standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions:

- Amendments to IAS 21: Lack of exchangeability (effective date: 1 January 2025);
- IFRS 18: Presentation and disclosures in financial statements (effective date: 1 January 2027); and
- IFRS 19: Subsidiaries without public accountability: disclosures (effective date: 1 January 2027).
- Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments (effective date: 1 January 2026)
- Annual Improvements to IFRS Accounting Standards – Volume 11

We are still assessing the implications of the new standards and interpretations however they are not expected to have a material impact on the Group.

### Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax and after eliminating sales within the Group. The Group has two separate products and service lines: Insight & Engagement Solutions (Data and related information services); Scientific & Advisory Services (Professional services).

The Group's performance obligations for these revenue streams are deemed to either be the provision of specific deliverables to the customer, at or over a period of time, or subscription-based deliverables.

Revenue billed to the customer is allocated to the various performance obligations, based on the relative fair value of those obligations, and is then recognized when it transfers control of a deliverable to a customer as follows:

Note 2. Accounting policies *(continued)*

Revenue recognition *(continued)*

***Insight & Engagement Solutions (Data & related information services)***

Insight & Engagement Solutions (formerly referred to as Data) comprise access to the DXRX platform diagnostic testing data repository to utilize licensed data insight products, typically: Lab Segmentation, Physician Segmentation, Testing Rates Tracker and Physician Signal.

The contract with the customer defines the nature, quantity and price of the data license to be provided. Licenses provided under each contract are split into the identifiable and distinct performance obligations which are satisfied at or over time, depending on whether the data license deliverable has retrospective or prospective components, and if there are any data consultancy service components included. In determining the performance obligations for the data consultancy service component of the customer contract, judgment may be required in interpreting the contract wording and customer expectation of the data consultancy as a separately identifiable and distinct service if the contract is not explicit.

The transaction price associated with the performance obligation components is determined by reference to the contract and change orders. Where the contract does not determine the transaction price for performance obligations, judgment may be required to determine the transaction price. These judgments include allocating transaction prices to data consultancy services based on an adjusted market assessment approach with the residual transaction price allocated to the retrospective and prospective data license performance obligations pro-rated depending on the data license period of coverage.

Where a contract confers the customer with the right to benefit from existing data insight IP as at a specific date, as is the case for a retrospective data license, that is treated as a right to use license and the revenue recognized at a point in time when delivered or access is enabled to the data. Where a contract confers the customer with the right to benefit from future data insight IP developments as they occur, as is the case for a prospective data license, that is treated as a right to access license and revenue recognized on a subscription basis over the period of time that the customer has access to the data and the right to future IP developments. Revenue for data consulting services is recognized as the performance obligation milestones are satisfied.

Insight & Engagement Solution services are invoiced based on predetermined activities or milestones. Where there is a timing difference between the recognition of revenue and invoicing under a contract, a contract asset (accrued revenue) or liability (deferred revenue) is recognized.

***Scientific & Advisory Services (Professional & Tech-Enabled Services)***

Scientific & Advisory Services (formerly referred to as Advisory Services and Tech-Enabled Services) comprise a range of services developed to help improve patient care by accelerating the development, delivery and uptake of precision medicine, as well as a suite of services designed to solve the challenges affecting precision medicine commercialization success at a regional and global level. Typically this includes ranges of Consulting, Strategy and Planning, Insights, Education and Content Production, Impact Assessments, Market Access studies, Lab Alerts, Lab Training, Lab Engagement and Physician Engagement.

The contract with the customer defines the nature, quantity and price of the various services to be provided. Services provided (including those provided by a third party and reimbursed by the customer) under each contract are split into the identifiable and distinct performance obligations which are satisfied over time. The Group is the contract principal in respect of both direct services and the use of third parties that support the service. The transaction price is determined by reference to the contract and change orders, including any pass-through or reimbursable expenses, adjusted to reflect the amount the Group expects to be entitled to in exchange for transferring promised goods or services to a customer.

Revenue for the identifiable and distinct services is recognized as the contract performance obligations are satisfied. The progress towards completion of Scientific & Advisory Services performance obligations is measured at a point in time: where milestones specified within client contract are satisfied or based on an input measure being project costs incurred to date as a proportion of total project costs (including third party costs) at each reporting period, depending on the nature of the service obligation.

The service fees for Scientific & Advisory Services are invoiced based on predetermined activities or milestones. Third party costs are invoiced to customers as they are incurred. Where there is a timing difference between the recognition of revenue and invoicing under a contract, a contract asset (accrued revenue) or liability (deferred revenue) is recognized. Significant accrued and deferred revenue can arise for the Scientific & Advisory Services as a result of these timing differences.

Note 2. Accounting policies *(continued)*

Revenue recognition *(continued)*

***Contract assets and liabilities***

The Group recognizes contract assets in the form of accrued revenue when the value of satisfied or part-satisfied performance obligations is in excess of the payment due to the Group, and deferred revenue when the amount of unconditional consideration is in excess of the value of satisfied or part satisfied performance obligations. Once a right to receive consideration is unconditional, that amount is presented as a trade receivable.

Changes in contract balances typically arise due to:

- adjustments arising from a change in the estimate of the cost to complete the project, which results in a cumulative catch-up adjustment to revenue that affects the corresponding contract asset or liability;
- the recognition of revenue arising from deferred revenue; and
- the reclassification of amounts to receivables when a right to consideration becomes unconditional.

***Cost to obtain and fulfill contracts***

Contract fulfillment costs in respect of the service line contracts are expensed as incurred.

The Group expenses pre-contract bidding costs which are incurred regardless of whether a contract is awarded.

## Segment reporting

The Group currently has one operating segment. This is consistent with the internal organizational and management structure and the internal reporting information provided to the Chief Operating Decision Maker, the Board, who are responsible for allocating resources and assessing performance of the operating segment. The financial results from this one segment are equivalent to the financial statements of the group as a whole.

## Government grants

Grants, which include research and development tax credits where the recovery of those credits is not restricted, are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Grants that compensate the Group for expenses incurred are recognized in profit or loss as other income on a systematic basis in the periods in which the expenses are recognized, unless the conditions for receiving the grant are met after the related expenses have been recognized. In this case the grant is recognized when it becomes receivable.

Grants relating to development projects are included in liabilities as deferred grant income and are credited to the profit and loss account on a straight-line basis over the expected useful economic lives of the related assets.

## Foreign currency translation

***(a) Functional and presentation currency***

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 Group's presentation currency.

***(b) Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 recognized in the profit and loss account.

***(c) Group companies***

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each profit and loss account are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognized in other comprehensive income and disclosed as a separate component of equity in a foreign currency translation reserve.

Note 2. Accounting policies *(continued)*

## Employee benefits

The Group operates a defined contribution pension scheme which is open to employees and Directors. The assets of the scheme are held by investment managers separately from those of the Group. The contributions payable to the scheme are recorded in the profit and loss account in the accounting period to which they relate.

The Group also operates a long-term incentive plan (LTIP), an element of which is the ability for eligible employees to be awarded a discretionary cash bonus based on Group performance. These employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## Share-based payments

The company has one class of shares in issue. Where shares are issued to employees that contain restrictions that mean they have obtained those shares by virtue of their employment, those shares are accounted for as share-based payments. The company's share-based payments are classified as equity settled share-based payments as the employees will receive the shares after the required service period. For equity settled shares, a fair value of those shares is established at the date the shares are granted and, if the employee is required to complete a period of service before the shares vest, this fair value is spread over that period (vesting period).

## Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the profit and loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Group is eligible within the UK to claim tax credits against certain R&D expenditure under the SME R&D regime.

The current tax receivable represents the Directors' best estimate of tax due to the Group at the year end under the SME R&D tax regime. The credit to the profit and loss is recognized in the income tax line (Note 14) if in relation to the SME R&D and other income (Note 11) in relation to the RDEC.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

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

## Intangible assets

### *Research and development*

Expenditure on research activities and patents is recognized in the profit and loss account as an expense as incurred.

Expenditure on development activities is capitalized if the product or process is technically and commercially feasible and the Group intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable, and if the Group can measure reliably the expenditure attributable to the intangible asset during its

Note 2. Accounting policies *(continued)*

development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalized includes the cost of infrastructure and direct labor including employer national insurance. Other development expenditure is recognized in the profit and loss account as an expense as incurred. Capitalized development expenditure is stated at cost until it is brought into use. Capitalized development expenditure that is not available for use is tested for impairment annually.

***Other intangible assets***

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortization and accumulated impairment losses

## Amortization

Amortization is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortized from the date they are available for use. The estimated useful lives are as follows:

| | |
|---|---|
| **Patents and trademarks** | 3 years (33.3% straight line) from date of registration |
| **Datasets** | 3 years (33% straight line) |
| **Software** | 5 years (20% straight line) |
| **Platform** | 10 years (10% straight line) |
| **Platform algorithms** | 6 years (16.7% straight line) |

The Group reviews the amortization period and method when events and circumstances indicate that the useful life may have changed since the last reporting date. In 2023, the Group changed the estimated useful life of its datasets from 4 years to 3 years. The revised useful life is based on management's assessment of the period that more accurately reflect the weighted average timeframes of the data commercial and internal use cases.

## Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

The Group assesses at each reporting date whether there are indicators of impairment.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of property, plant & equipment.

The estimated useful lives are as follows:

| | |
|---|---|
| **Office equipment** | 5 years (20% straight line) |
| **Leasehold Improvements** | 10 years (10% straight line) |

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the Group expects to consume an asset's future economic benefits.

## Impairment

Intangible assets, property, plant and equipment, and right-of-use assets are tested for impairment at the reporting date, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

The Group also considered the potential impact of climate change. This is an area of estimation and judgment.

## Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets (such as tablets and personal computers, small items of office furniture and telephones). Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Note 2. Accounting policies *(continued)*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the Group incremental borrowing rate.

Lease payments included in the measurement of the lease liability only consist of fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant & equipment' policy.

## Financial assets

### *(a) Classification*

The Group classifies its financial assets in the following measurement categories:

- Those to be measured at amortized cost; and
- Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies its financial assets when, and only when, its business model for managing those assets changes.

### *(b) Recognition and measurement*

The Group recognizes a financial asset in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. At initial recognition, the group measures a financial asset at its fair value. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequent measurement of financial assets depends on the Group's business model for managing those financial assets and the cash-flow characteristics of those financial assets. Financial assets are classified at amortized cost or at fair value. Assets are measured at amortized cost using the effective interest method. The amortized cost is reduced by expected credit losses. Forward contracts initially have a fair value of nil. Contracts are subsequently marked to market and gains and losses are recognized through profit or loss. Interest income, foreign exchange gains and losses and expected credit losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

### *(c) Expected Credit Losses*

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortized cost. For trade receivables the Group applies the simplified approach permitted by IFRS9, which requires expected lifetime losses to be recognized from the initial recognition of the receivables. To measure expected credit losses, trade receivables and other contract assets are analyzed based on their credit risk characteristics to determine a suitable historical loss rate. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that the Group considers could affect the ability of its customers to settle the receivables. Contract assets are also subject to expected credit loss and the Group applies the simplified approach permitted by IFRS 9.

Note 2. Accounting policies *(continued)*

### Financial liabilities

Financial liabilities comprise trade and other payables, borrowings and derivative liabilities, due within one year and after one year, which are recognized initially at fair value and subsequently carried at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Group does sometimes make use of derivative financial instruments or hedge accounting for foreign currency transactions. Trade payables represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

### Investments

Investments in subsidiaries are held at historical cost less any provisions for impairment in value. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Share-based payments in relation to employees of subsidiary companies are treated as a capital contribution in the Company Financial Statements.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Only those bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management practice are considered as cash and cash equivalents.

### Equity

Ordinary shares are classified as equity. Incremental costs directly attributable for the issue of new shares are shown in equity as a deduction from the proceeds.

The share premium reserve represents the excess over the nominal value of the fair value of consideration received for equity shares, net of expenses on the share issue.

### Distributions to equity holders

Dividends and other distributions to the Company's shareholders are recognized as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognized in the statement of changes in equity.

### Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

### Expenses

Costs and expenses are generally recognized as incurred.

### Treasury shares

Treasury shares are shares in Diaceutics PLC that are held by the Employee Benefit Trust for the purpose of issuing shares under the Group's Share Incentive Plan scheme. These are recorded at cost and deducted from the Group's equity. No gain or loss is recognized in profit or loss on the purchase, sale or issue of the Group's own equity instruments.

## Note 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the Group and Company financial statements requires management to make judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The Group has considered the impact of climate change on the consolidated financial statements, but has concluded that is does not have a material impact in the carrying value of assets, the useful life of assets and provisions as at 31 December 2024.

Note 3. Judgments in applying accounting policies and key sources of estimation uncertainty *(continued)*

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements and are summarized below.

| Source of estimation uncertainty | Description |
|---|---|
| **Useful economic life (UEL) of intangible assets** (Group and Company) | The assessment of UEL of data purchases and platform requires estimation over the period in which these assets will be utilized, it based on information on the estimated technical obsolescence of such assets and latest information on commercial and technical use. The platform has been assessed to have a UEL of 10 years, platform algorithms six years and data three years. In 2023, the Group changed the estimated useful life of its datasets from four years to three years. The revised useful life is based on management's assessment of the period that more accurately reflect the weighted average timeframes of the data commercial and internal use cases. The change in useful lives were accounted for prospectively. There were no changes in useful lives of other intangible assets. Further details are disclosed in Note 16 intangibles. |
| **Impairment of assets** (Group and Company) | The assessment of the recoverable amount of property, plant and equipment, intangible assets, and right-of-use assets is made in accordance with IAS 36 Impairment of Assets. The Group performs an annual review in respect of indicators of impairment, and if any such indication exists, the Group and Company are required to estimate the recoverable amount of the asset. The Group has considered whether there have been any indicators of impairment during the year ended 31 December 2024 which would require an impairment review to be performed. Based upon this review, the Group has concluded that its Singaporean subsidiary is to be wound down as it will not be cash generating in future. The carrying value of the intangible assets in that entity exceeded the recoverable amount. Based upon this review, the Group has recorded an impairment charge of £87,000 in respect of intangible assets held in Diaceutics Pte Limited at 31 December 2024. Further details are disclosed in Note 16 – Intangible Assets.<br><br>With respect to the impairment considerations of an intangible assets, significant estimates are considered within the value in use calculation. The most significant estimate is the revenue growth rate. Refer to Note 16 – Intangible Assets, for details of the impairment review and sensitivity analysis. |
| **Discount rate** (Group and Company) | Application of IFRS 16 requires the Group and Company to make significant estimates in assessing the rate used to discount the lease payments in order to calculate the lease liability. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including the Group commercial borrowing rate of 4.3% (2023: 4.3%). Further details are disclosed in Note 22 lease liability. |
| **Revenue** (Group and Company) | In revenue recognition for certain Scientific & Advisory Services where the input method is used to determine the revenue over a period of time, a key source of estimation will be the total budgeted hours to completion for comparison with the actual hours spent. Further details are disclosed in Note 4 revenue and segmental analysis. |
| **Attrition rate** (Group and Company) | In the calculation of share-based payments and related costs charge, an assessment of expected employee attrition is used based on expected employee attrition and, where possible, actual employee turnover from the inception of the share option plan. The attrition rate varies depending on the nature of the award, rising to a maximum 3-year rate of 16.0%. Further details are disclosed in Note 10 share based payments. |
| **Vesting probability and period** (Group and Company) | In the calculation of Share Based Payments and related costs charge an assessment of expected probability that certain performance criteria will be met within the vesting time period and the length of the vesting period. |

Note 3. Judgments in applying accounting policies and key sources of estimation uncertainty *(continued)*

## Critical accounting judgments

| Accounting policy | Description of critical judgment |
|---|---|
| **Revenue** (Group and Company) | In determining the performance obligations for the data consultancy service component of Insight & Engagement Solutions, judgment may be required in interpreting the contract wording and customer expectation of the data consultancy as a separately identifiable and distinct service, if the contract is not explicit.<br><br>The transaction price associated with the performance obligation components of Insight & Engagement Solution services is determined by reference to the contract and change orders. Where the contract does not determine the transaction price for performance obligations, judgment may be required to determine the transaction price. These judgments include allocating transaction prices to data consultancy services based on an adjusted market assessment approach with the residual transaction price allocated to the retrospective and prospective data license performance obligations pro-rated depending on the data license period of coverage. |
| **Deferred tax** (Group and Company) | In assessing the requirement to recognize a deferred tax asset, management carried out a forecasting exercise to assess whether the Group and Company will have sufficient future taxable profits on which the deferred tax asset can be utilized. This forecast required management's judgment as to the future performance of the Group and Company. |
| **Intangible assets** (Group and Company) | The Group capitalizes costs associated with the development of the DXRX platform and data lake. These costs are assessed against IAS 38 Intangible Assets to ensure they meet the criteria for capitalization. |

# Note 4. Revenue and segmental analysis

## Operating Segments

The Group currently operates under one reporting segment. Revenue is analyzed under two separate revenue streams. Revenue represents the amounts derived from the provision of services which fall within the Group's ordinary activities, stated net of value added tax. Revenue is principally generated from the DXRX platform Insight & Engagement Solutions lines, as well as the Scientific & Advisory Services lines. Revenue is disaggregated by primary geographic market, timing of recognition and by product/service line. Timing of revenue recognition and product/service line are the primary basis on which management reviews the business.

## Revenue

For all periods reported the Group operated under one reporting segment but revenue is analyzed under two separate product / service lines.

The following tables present the disaggregated Group revenue for the current and prior financial years:

There was one customer in 2024 who had sales which exceeded 10% of total revenue accounting for £4,664,000 (14.5%) of Group revenues. In 2023 one customer had sales exceeding 10% of total revenue, accounting for £3,659,000 (15.4%) of Group revenues.

***(a) Major product/service line***

| | **2024** £000's | **2023** £000's |
|---|---|---|
| Insight & Engagement Solutions | 23,117 | 17,150 |
| Scientific & Advisory services | 9,041 | 6,549 |
| | **32,158** | **23,699** |

***(b) Timing of recognition***

| | **2024** £000's | **2023** £000's |
|---|---|---|
| Point in time revenue recognition | 15,223 | 9,359 |
| Over time and input method revenue recognition | 16,935 | 14,340 |
| | **32,158** | **23,699** |

***(c) Geographical market by customer location***

| | **2024** £000's | **2023** £000's |
|---|---|---|
| North America | 29,537 | 20,832 |
| UK | 547 | 352 |
| Europe | 1,893 | 2,470 |
| Asia and Rest of World | 181 | 45 |
| | **32,158** | **23,699** |

The receivables, contract assets and liabilities in relation to contracts with customers are as follows:

| | **2024** £000's | **2023** £000's |
|---|---|---|
| **Contract assets** | | |
| Trade receivables | 10,659 | 7,430 |
| Accrued revenue | 4,155 | 2,402 |
| **Contract liabilities** | | |
| Deferred revenue | 237 | 305 |

Accrued revenue primarily relates to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

Deferred revenue primarily relates to the advance consideration received from customers. There are no significant financing components associated with deferred revenue.

There were no significant amounts of revenue recognized in the current or prior year arising from performance obligations satisfied in previous periods.

The carrying value of trade receivables and accrued revenue approximates to their fair value at the reporting date. Information about the Group's exposure to credit risks and expected credit losses for trade receivables and accrued revenue is included in Note 20.

Note 4. Revenue and segmental analysis *(continued)*

## Order Book

The aggregate amount of the transaction price allocated to product and service contracts that are partially or fully unsatisfied as at the 2024 year-end ('Order Book') are as follows:

| | 2025 £000's | 2026 £000's | 2027+ £000's | Total £000's |
|---|---|---|---|---|
| Platform based products and services | 12,943 | 4,891 | 268 | 18,102 |
| Advisory services | 4,772 | 2,056 | – | 6,828 |
| | 17,715 | 6,947 | 268 | 24,930 |

Order Book as at the 2023 year-end:

| | 2024 £000's | 2025 £000's | 2026+ £000's | Total £000's |
|---|---|---|---|---|
| Platform based products and services | 12,238 | 9,509 | 4,674 | 26,421 |
| Advisory services | 96 | – | – | 96 |
| | 12,334 | 9,509 | 4,674 | 26,517 |

The Order Book as at 31 December 2024 and 2023 includes future contracted revenue beyond 2025 and 2024 which, although subject to annual customer break clauses, the Group expects will not be exercised by customers, and the revenue and performance obligations deliverable under these contracts will be realized.

# Note 5. Operating loss

| | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| **Employee benefit costs** | | | |
| Wages and salaries | | 16,989 | 11,487 |
| Social security costs | | 2,330 | 1,416 |
| Pension costs | | 496 | 376 |
| Benefits | | 309 | 325 |
| Share based payments and related costs | | 1,038 | 445 |
| Capitalized development costs | | (351) | (1,026) |
| | | 20,811 | 13,023 |
| Amortization of intangible fixed assets | 16 | 4,306 | 4,459 |
| Depreciation of tangible fixed assets | 17 | 167 | 161 |
| Impairment of intangible fixed assets | 16 | 87 | – |
| Right of use depreciation | 18 | 154 | 153 |
| Subcontractor costs | | 1,052 | 1,060 |
| Platform transaction value | | 1,680 | 1,892 |
| Travel costs | | 949 | 516 |
| Legal and professional | | 1,416 | 1,687 |
| (Gain)/Loss on foreign exchanges | | (362) | 360 |
| Other expenses | | 4,370 | 3,466 |
| | | 13,819 | 13,754 |
| **Total cost of sales and administrative expenses** | | 34,630 | 26,777 |

Included within other expenses in 2024 is £0.5 million (2023: £0.6m) related to US sales tax costs pertaining to 2024 including a change in estimate of £0.26 million relating to prior years. These sales tax costs would usually be charged to customers, recovered and remitted to the relevant US state authorities with no impact to the costs of the Group. However, because the Group had not historically registered for sales taxes in certain states, the related costs could not be charged and recovered from customers. As such, the Group has disclosed this historic position to the relevant state authorities and settled this liability during 2024. Sales taxes arising on sales in these states are now charged to customers, recovered and remitted with no significant further impact to the costs of the Group.

## Note 6. Auditor's remuneration

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Included within administrative expenses (legal and professional):** | | |
| Audit of parent and subsidiary financial information | 230 | 480 |
| | **230** | **480** |

## Note 7. Employee cost

**COMPANY**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Wages and salaries | 13,783 | 8,382 |
| Social security costs | 2,092 | 1,323 |
| Pension costs | 410 | 328 |
| Share based payments and related costs | 943 | 385 |
| | 17,228 | 10,418 |

## Note 8. Staff numbers

**GROUP**

The average monthly number of employees during the year was as follows:

| | 2024 Number | 2023 Number |
|---|---|---|
| Administration | 24 | 24 |
| Technical | 105 | 106 |
| Business development | 65 | 21 |
| Finance | 11 | 7 |
| | **205** | **158** |

**COMPANY**

The average monthly number of employees during the year was as follows:

| | 2024 Number | 2023 Number |
|---|---|---|
| Administration | 24 | 24 |
| Technical | 84 | 91 |
| Business development | 57 | 20 |
| Finance | 11 | 7 |
| | **176** | **142** |

## Note 9. Directors' emoluments

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Directors** | | |
| Aggregate emoluments | 1,395 | 927 |
| Pension contributions | 41 | 34 |
| | **1,436** | **961** |

Pension contributions were made for three Directors during the period (2023: three).

### Highest paid director

The highest paid director did not exercise any share options and received the following emoluments.

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Directors** | | |
| Aggregate emoluments | 541 | 296 |
| Pension contributions | 15 | 15 |
| | **556** | **311** |

### Key senior management

Key senior management received total compensation as follows:

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Directors** | | |
| Aggregate emoluments | 2,277 | 1,720 |
| Pension contributions | 75 | 76 |
| Share based payments and related costs | 327 | 221 |
| | **2,679** | **2,017** |

## Note 10. Share-based payments

The Company currently has an Employee Share Option Plan ("ESOP") for employees, a Long-Term Incentive Plan ("LTIP") for key management and mid-management levels, a Share Incentive Plan ("SIP") open to all employees and "Ad-Hoc" share option issues.

The ESOP, LTIP and Ad-Hoc plans are designed to provide long-term incentives for senior management and above, and certain employees (including executive directors) to deliver long-term shareholder returns and promote staff retention. The SIP plan is designed to encourage employee participation in the ownership of the Company and as a means to promote staff retention. Under these schemes, employees are granted options which only vest if certain performance standards are met.

For the ESOP options, that are outstanding as at 31 December 2024, the only performance obligations attached are continued employment to date of vesting, with no more than two unsatisfactory performance reviews. These same conditions apply to the LTIP options issued in 2020. The 2021 LTIP options are underpinned by a Total Shareholder Return (TSR) target, with the percentage of shares vesting increasing from nil at a TSR of less than £1.1885 rising to 100% at a TSR of £1.9105. TSR is measured by the aggregate of dividends declared and paid, and average share price over the applicable period. The LTIP options issued in 2022 are underpinned by a (TSR) target, with the percentage of shares vesting increasing from nil at a TSR of less than £1.75 rising to 100% at a TSR of £2.80. For the LTIP options issued in 2023, 50% of options awarded have a TSR performance condition with the percentage of shares vesting increasing from nil at a TSR of less than £1.32 rising to 100% at a TSR of £1.70. For the LTIP options issued in 2024, the main award has 3 separate performance criteria: 40% of the options issued are allocated to the Group achieving a revenue compound growth rate over three years from a threshold of 20% to the full award at 25%; 40% of the options issued are allocated to the Group achieving recurring revenue over three years from a threshold of 60% to the full award at 75%; lastly 20% of options awarded have a TSR performance condition with the percentage of shares vesting increasing from nil at a TSR of less than £1.65 rising to 100% at a TSR of £1.95. A further LTIP issued to two ExCo members mirrored the three types performance criteria as above, however the options weighting was 15% for each of the two revenue criteria, and 70% for the TSP performance criteria. A final LTIP issued to the same two ExCo members as above provided for full allocation of the options upon at least one of three performance conditions being met over a 5 year vesting period: the Company's share price exceeding £1.80 for a 30 days consecutive period; a takeover or other corporate event; or a successful sole or joint listing of the Company on an alternative public stock exchange.

SIP options were issued to employees on a 2-for-1 matching basis for the first year of the plan and on a 1-for-1 basis thereafter. The only performance obligation attached being continued employment to date of vesting. The only performance obligation attached to Ad-Hoc options is also continued employment to date of vesting. The total expense recognized in the year in relation to share based payment charges and related costs is £1,262,000 (£1,038,000 share-based payments and £224,000 social security) (2023: £538,000 (£445,000 share-based payments and £93,000 social security)).

Note 10. Share-based payments *(continued)*

Set out below are summaries of options granted under the plans:

| ESOP: | 2024 | | 2023 | |
|---|---|---|---|---|
| | Weighted average exercise price per share option | Number of Options | Weighted average exercise price per share option | Number of Options |
| As at 1 January | £0.002 | 487,200 | £0.002 | 478,800 |
| Granted during the year | £0.002 | 29,400 | £0.002 | 79,800 |
| Exercised during the year | £0.002 | (45,300) | £0.002 | (50,400) |
| Forfeited during the year | £0.002 | (29,400) | £0.002 | (21,000) |
| Expired during the year | £0.002 | (25,200) | £0.002 | – |
| As at 31 December | £0.002 | 416,700 | £0.002 | 487,200 |

| LTIP: | 2024 | | 2023 | |
|---|---|---|---|---|
| | Weighted average exercise price per share option | Number of Options | Weighted average exercise price per share option | Number of Options |
| As at 1 January | £0.277 | 3,000,969 | £0.455 | 1,902,595 |
| Granted during the year | £0.002 | 2,267,828 | £0.002 | 1,305,441 |
| Exercised during the year | £1.260 | (20,971) | £0.002 | – |
| Forfeited during the year | £0.032 | (834,980) | £0.182 | (207,067) |
| Expired during the year | £0.002 | (20,000) | £0.002 | – |
| As at 31 December | £0.176 | 4,392,846 | £0.277 | 3,000,969 |

Note 10. Share-based payments *(continued)*

| SIP: | 2024 | | 2023 | |
|---|---|---|---|---|
| | Weighted average exercise price per share option | Number of Options | Weighted average exercise price per share option | Number of Options |
| As at 1 January | £0.002 | 304,646 | £0.002 | 206,290 |
| Granted during the year | £0.002 | 108,986 | £0.002 | 127,023 |
| Exercised* during the year | £0.002 | (76,388) | £0.002 | – |
| Forfeited during the year | £0.002 | (25,583) | £0.002 | (28,667) |
| As at 31 December | £0.002 | 311,661 | £0.002 | 304,646 |

| Ad-Hoc: | 2024 | | 2023 | |
|---|---|---|---|---|
| | Weighted average exercise price per share option | Number of Options | Weighted average exercise price per share option | Number of Options |
| As at 1 January | £0.002 | 150,000 | £0.002 | 170,000 |
| Granted during the year | £0.002 | – | £0.002 | – |
| Exercised during the year | £0.002 | (40,000) | £0.002 | – |
| Forfeited during the year | £0.002 | (10,000) | £0.002 | (20,000) |
| As at 31 December | £0.002 | 100,000 | £0.002 | 150,000 |

Note 10. Share-based payments *(continued)*

Share options outstanding at the year-end have the following expiry dates and exercise prices:

**ESOP:**

| Grant date | Expiry date | Exercise price | Share options at 31 Dec 24 | Share options at 31 Dec 23 |
|---|---|---|---|---|
| June 2019 | June 2026 | £0.002 | 58,800 | 75,600 |
| June 2020 | June 2027 | £0.002 | 84,900 | 113,400 |
| June 2021 | June 2028 | £0.002 | 92,400 | 113,400 |
| June 2022 | June 2029 | £0.002 | 84,000 | 105,000 |
| June 2023 | June 2030 | £0.002 | 67,200 | 79,800 |
| June 2024 | June 2031 | £0.002 | 29,400 | – |

**LTIP:**

| Grant date | Expiry date | Exercise price | Share options at 31 Dec 24 | Share options at 31 Dec 23 |
|---|---|---|---|---|
| April 2020 | April 2027 | £1.265 | 607,337 | 653,307 |
| April 2021 | April 2028 | £0.002 | – | 372,803 |
| April 2022 | April 2029 | £0.002 | 609,975 | 712,672 |
| April & Nov 2023 | April 2030 | £0.002 | 1,071,863 | 1,262,185 |
| April 2024 | April 2031 | £0.002 | 1,329,894 | – |
| Oct 2024 | April 2034 | £0.002 | 76,336 | – |
| Oct 2024 | Oct 2029 | £0.002 | 697,441 | – |

**SIP:**

| Grant date | Expiry date* | Exercise price | Share options at 31 Dec 24 | Share options at 31 Dec 23 |
|---|---|---|---|---|
| May–Dec 2021 | Jan–Dec 2024 & Jan–Dec 2031 | £0.002 | 17,963 | 75,140 |
| Jan–Dec 2022 | Jan–Dec 2025 & Jan–Dec 2032 | £0.002 | 93,451 | 109,868 |
| Jan–Dec 2023 | Jan–Dec 2026 & Jan–Dec 2033 | £0.002 | 102,058 | 119,638 |
| Jan–Dec 2024 | Jan–Dec 2027 & Jan–Dec 2034 | £0.002 | 98,189 | – |

* Expiry date is end of vesting for UK SIP (3 years) and 10 years from Grant date for Global SIP

Note 10. Share-based payments *(continued)*

**One-off under ESOP:**

| Grant date | Expiry date | Exercise price | Share options at 31 Dec 24 | Share options at 31 Dec 23 |
|---|---|---|---|---|
| May 2022 | May-29 | £0.002 | 100,000 | 150,000 |

The weighted average remaining contractual life of options outstanding at the end of the year was 5.46 years (2023: 4.30 years). No options expired during the year.

## Fair value of options granted:

The weighted average fair value at grant date of options granted during the year was £1.18 per option (2023: £0.550). The fair value at grant date is independently determined using an adjusted Black-Scholes model for ESOP and SIP options and a combination of Black-Scholes and Monte-Carlo model for LTIP options. No new Ad-Hoc options were issued in 2024. These models take into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and the expected price volatility of the underlying share, and the risk-free interest rate for the term of the options.

947,810 share options are exercisable as at the end of the year (2023: 902,307). These options have a weighted average exercise price of £0.850 (2023: £0.906).

| | ESOP | | LTIP | | SIP | | Ad Hoc |
|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2023 |
| Exercise Price | £0.002 | £0.002 | £0.002 | £0.002 | £0.002 | £0.002 | 0.002 |
| Grant Date | June 2024 | June 2023 | April & Oct 2023 | April & Nov 2023 | Jan - Dec 2024 | Jan–Dec 2023 | May 2022 |
| Expiry Date | June 2031 | June 2030 | Apr 2031–Oct 2034 | June 2030 | Jan–Dec 2027 & Jan–Dec 2034 | Jan–Dec 2026 | June 2029 |
| Share Price at Grant Date | £1.28 | £0.85 | £1.26 - £1.31 | £0.85 | £1.18* | £0.97* | £1.10 |
| Volatility | 41% | 43% | 40% | 43% | 41% | 43% | 43% |
| Risk-free Rate | 4.15% | 5.08% | 3.9% - 4.0% | 3.99% | 4.04%* | 4.19%* | 5.08%** |
| Fair Value | £1.28 | £0.85 | £0.70 - £1.31 | £0.49 | £1.18 | £0.97 | £0.85 |

* Average share price, volatility, risk-free rate and fair value for options issued monthly during 2023 and 2024.
** Average risk-free rate

The expected price volatility is based on the historical volatility and companies within similar industry's.

## Note 11. Other operating income

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Government grants | 17 | 18 |
| Research and developments credits | – | 42 |
| | **17** | **60** |

## Note 12. Finance income

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Bank interest received and receivable | 601 | 646 |
| | **601** | **646** |

## Note 13. Finance costs

| | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| Revolving credit facilities | | – | 11 |
| Lease interest | 23 | 54 | 55 |
| | | **54** | **66** |

## Note 14. Income tax

*a. Tax on loss*

**GROUP**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Current income tax:** | | |
| UK corporation tax on (loss)/profit for the year | (111) | (53) |
| Adjustments in respect of previous years | (80) | 367 |
| | (191) | 314 |
| **Foreign tax:** | | |
| US corporation tax on profits for the year | 915 | 796 |
| Adjustments in respect of previous years | 74 | 2 |
| | 989 | 798 |
| Total current tax | 798 | 1,112 |
| **Deferred tax:** | | |
| Origination and reversal of temporary differences | (1,032) | (1,625) |
| Adjustments in respect of previous years | 29 | (179) |
| Total deferred tax | (1,003) | (1,804) |
| Total tax credit | (205) | (692) |

The Income tax receivable balance in the Group statement of financial position consists of an Income tax receivable amounting to £742,000 (2023: £231,000) and an Income tax liability of £1,000 (2023: £225,000). In 2023 this resulted in net Income tax receivable of £6,000.

The Company has an income tax receivable balance of £317,000 at 31 December 2024 (2023: £230,000).

Note 14. Income tax *(continued)*

### *b. Factors affecting the tax credit for the year*

**GROUP**

The tax assessed for the year differs from the effective standard rate of corporation tax in the UK of 25% (2023: 23.5%). The differences are reconciled below:

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Loss before tax | (1,908) | (2,438) |
| Tax using the UK corporation tax rate of 25% (2023: 23.5%) | (477) | (574) |
| Effects of: | | |
| Non-taxable income | – | (5) |
| Non-deductible expenses | 122 | 93 |
| Share based payments | 108 | (193) |
| Difference in statutory tax rates (UK & overseas) | (19) | 10 |
| Loss carried back under s37(3) CTA 2010 | (111) | – |
| Impact of change in tax rates | – | (81) |
| Research and development | 150 | (55) |
| Research and development rate difference | – | 58 |
| Deferred tax not recognized | (1) | (135) |
| Adjustments in respect of previous years | 23 | 190 |
| Total tax credit | (205) | (692) |

Non-deductible expenses are made up of various non-deductible expenses including legal and professional fees and depreciation on non-qualifying assets. A change in the main UK corporation tax rate, announced in the budget on 3 March 2022, was substantively enacted on 24 May 2022. From 1 April 2023 the main corporation tax rate increased from 19% to 25% on profits over £250,000.

Note 14. Income tax *(continued)*

### *c. Deferred tax*

**GROUP**

The deferred tax included in the statement of financial position is as follows:

| Deferred tax balance | Tax losses £000's | Bonus accrual £000's | Property, plant and equipment £000's | Other temporary losses £000's | Research & development £000's | Share based payments £000's | Bad debt accrual £000's | Total £000's |
|---|---|---|---|---|---|---|---|---|
| Asset/(liability) at January 2023 | 1,717 | 31 | (2,036) | (76) | (335) | 39 | – | (660) |
| Credited/(charged) to the profit and loss account | 825 | (34) | 327 | 72 | 309 | 255 | 50 | 1,804 |
| Translation | (1) | 3 | – | (3) | (22) | – | (6) | (29) |
| Asset/(liability) at 31 December 2023 | 2,541 | – | (1,709) | (7) | (48) | 294 | 44 | 1,115 |
| Recognized in equity | – | – | – | – | – | 4 | – | 4 |
| Credited/(charged) to the profit and loss account | 251 | – | 177 | (16) | 526 | 62 | 4 | 1,004 |
| Translation | – | – | – | 1 | (124) | – | – | (123) |
| Asset/(liability) at 31 December 2024 | 2,792 | – | (1,532) | (22) | 354 | 360 | 48 | 2,000 |

The deferred tax balance expected to unwind within one year is £906,000 (2023: £746,000). The deferred tax balance consists of a deferred tax asset amounting to £2,000,000 (2023: £1,143,000) and a deferred tax liability of £nil (2023: £28,000), netting to an asset of £2,000,000 (2023: asset of £1,115,000). The deferred tax asset is recognized on the basis that the Group has forecasted sufficient taxable profits on which the deferred tax asset can be utilized.

Tax losses carried forward amount to £11,129,000 (2023: £10,205,000) within Diaceutics PLC. In addition, the Group has tax losses arising in subsidiary undertakings. Due to the uncertainty of the recoverability of the tax losses within these subsidiaries, a potential deferred tax asset of £135,000 (2023: £224,000) has not been recognized. Deferred tax assets and liabilities have otherwise been recognized as they arise.

**COMPANY**

The deferred tax included in the Company statement of financial position is as follows:

| Deferred tax asset/(liability) | Tax losses £000's | Property, plant and equipment £000's | Other temporary losses £000's | Share based payments £000's | Total £000's |
|---|---|---|---|---|---|
| Asset/(liability) at January 2023 | 1,672 | (2,035) | 3 | 39 | (321) |
| Credited/(charged) to the profit and loss account | 858 | 326 | 14 | 255 | 1,453 |
| Asset/(liability) at 31 December 2023 | 2,530 | (1,709) | 17 | 294 | 1,132 |
| Recognized in equity | – | – | – | 4 | 4 |
| Credited/(charged) to the profit and loss account | 252 | 177 | (10) | 62 | 481 |
| Asset/(liability) at 31 December 2024 | 2,782 | (1,532) | 7 | 360 | 1,617 |

## Note 15. Earnings per share

Basic earnings per share are calculated based on the loss for the financial year attributable to equity holders divided by the weighted average number of shares in issue during the year.

Basic earnings per share are calculated based on the loss for the financial year. Diluted earnings per share is calculated on the basic earnings per share adjusted to allow for the issue of ordinary shares on the conversion of the convertible loan notes and employee share options. In the current year there are no exceptional items and therefore there is no adjustment required to basic earnings per share or to diluted earnings per share.

| **Loss attributable to shareholders** | **2024** £000's | **2023** £000's |
|---|---|---|
| Loss for the financial year | (1,703) | (1,746) |

| **Weighted average number of shares to shareholders** | **2024** Number | **2023** Number |
|---|---|---|
| Shares in issue at the end of the year | 84,773,888 | 84,501,390 |
| Weighted average number of shares in issue | 84,705,590 | 84,478,882 |
| Less treasury shares | (252,063) | (252,063) |
| Weighted average number of shares for basic earnings per share | 84,453,527 | 84,226,819 |
| Weighted average number of shares for diluted earnings per share | 84,453,527 | 84,226,819 |

| **Loss attributable to shareholders** | **2024** Pence | **2023** Pence |
|---|---|---|
| Basic loss per share | (2.02) | (2.07) |
| Diluted loss per share | (2.02) | (2.07) |

The group has outstanding share options that could potentially dilute basic earnings per share in the future. These were not included in the calculation of diluted earnings per share during the year because these are antidilutive for the period.

## Note 16. Intangible assets

| GROUP | Patents and trademarks £000's | Datasets £000's | Development expenditure* £000's | Platform £000's | Software £000's | Total £000's |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At 1 January 2023 | 1,204 | 7,246 | 178 | 12,429 | 718 | 21,775 |
| Transfer from development expenditure to platform | – | – | (178) | 178 | – | – |
| Foreign exchange translation | (25) | (164) | – | (159) | (1) | (349) |
| Additions | – | 3,554 | – | 918 | 258 | 4,730 |
| At 31 December 2023 | 1,179 | 10,636 | – | 13,366 | 975 | 26,156 |
| Foreign exchange translation | (38) | 92 | – | (58) | 1 | (3) |
| Additions | 6 | 4,201 | – | 272 | 53 | 4,532 |
| **At 31 December 2024** | **1,147** | **14,929** | **–** | **13,580** | **1,029** | **30,685** |
| **Amortization** | | | | | | |
| At 1 January 2023 | 1,185 | 3,082 | – | 1,868 | 418 | 6,553 |
| Foreign exchange translation | (26) | (64) | – | (27) | (1) | (118) |
| Charge for the year | 15 | 2,944 | – | 1,316 | 184 | 4,459 |
| At 31 December 2023 | 1,174 | 5,962 | – | 3,157 | 601 | 10,894 |
| Foreign exchange translation | (38) | 36 | – | (13) | – | (15) |
| Charge for the year | 5 | 2,835 | – | 1,368 | 98 | 4,306 |
| Impairment loss | – | 4 | – | 83 | – | 87 |
| **At 31 December 2024** | **1,141** | **8,837** | **–** | **4,595** | **699** | **15,272** |
| **Net book value** | | | | | | |
| **At 31 December 2024** | **6** | **6,092** | **–** | **8,985** | **330** | **15,413** |
| At 31 December 2023 | 5 | 4,674 | – | 10,209 | 374 | 15,262 |

*Development expenditure relates to an asset under construction and as such no amortization has been charged. This expenditure is subject to the same annual impairment review as the other intangible assets.

Note 16. Intangible assets *(continued)*

| COMPANY | Patents and trademarks £000's | Datasets £000's | Development expenditure* £000's | Platform £000's | Software £000's | Total £000's |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At 1 January 2023 | 189 | 4,285 | 145 | 8,340 | 691 | 13,650 |
| Transfer from development expenditure to platform | – | – | (145) | 145 | | – |
| Additions | – | 679 | – | 598 | 258 | 1,535 |
| At 31 December 2023 | 189 | 4,964 | – | 9,083 | 949 | 15,185 |
| Transfer from development expenditure to platform | | | | | | |
| Additions | 6 | 816 | – | 164 | 9 | 995 |
| **At 31 December 2024** | **195** | **5,780** | **–** | **9,247** | **958** | **16,180** |
| **Amortization** | | | | | | |
| At 1 January 2023 | 169 | 1,986 | – | 1,217 | 413 | 3,785 |
| Charge for the year | 15 | 1,497 | – | 890 | 177 | 2,579 |
| At 31 December 2023 | 184 | 3,483 | – | 2,107 | 590 | 6,364 |
| Charge for the year | 5 | 981 | | 935 | 86 | 2,007 |
| **At 31 December 2024** | **189** | **4,464** | **–** | **3,042** | **676** | **8,371** |
| **Net book value** | | | | | | |
| **At 31 December 2024** | **6** | **1,316** | **–** | **6,205** | **282** | **7,809** |
| At 31 December 2023 | 5 | 1,481 | – | 6,976 | 359 | 8,821 |

*Development expenditure relates to an asset under construction and as such no amortization has been charged. This expenditure is subject to the same annual impairment review as the other intangible assets.

Note 16. Intangible assets *(continued)*

Intangible assets relate to patents, trademarks, software, DXRX platform and datasets which are recorded at cost and amortized over their useful economic life which has been assessed as three to ten years. During the year-ended 31 December 2024, £nil was transferred out of development expenditure and into the Group's DXRX platform (2023: £178,000).The Group assesses the useful life of all assets on an annual basis. In 2023, the Group changed the estimated useful life of its datasets from 4 years to 3 years. The change in useful lives were accounted for prospectively.

The Group has determined that the useful life of data and platform is a significant area of estimation.

The platform has been assessed to have a useful life of 10 years based on information on the estimated technical obsolescence of such assets. However, the actual asset useful life may be shorter or longer than 10 years depending on technical innovations and other external factors. If the useful life were reduced by 2 years, the carrying amount of the asset at 31 December 2024 would reduce by £267,000 (2023: £267,000) to £8,718,000 (2023: £9,943,000). If the useful life of the asset were increased by 2 years, the carrying amount of the asset at 31 December 2024 would increase by £285,000 (2023: £267,000) to £9,270,000 (2023: £10,476,000).

On reviewing the useful life of the datasets it was determined that based on latest information on commercial and technical use, that three years represented the best estimate of the useful life of such assets, as this reflects the period over which this data can provide meaningful insights to support client projects. However, the actual asset useful life may be shorter or longer than three years depending on technical innovations and other external factors. If the useful life were 2 years, the carrying amount of the asset at 31 December 2024 would reduce by £1,475,000 (2023: £454,000) to £4,617,000 (2023: £4,220,000). If the useful life of the asset were 4 years, the carrying amount of the asset at 31 December 2024 would increase by £973,000 (2023: £993,000) to £7,065,000 (2023: £5,667,000).

These are all definite life intangible assets. The Group has considered whether there have been any indicators of impairment during the year ended 31 December 2024 which would require an impairment review to be performed. Based upon this review, the Group has concluded that the Singaporean subsidiary is to be wound down as it will not be cash generating in future. The carrying value of the intangible assets in that entity exceeded the recoverable amount. Based upon this review, the Group has recorded an impairment charge of £87,000 in respect of intangible assets held in Diaceutics Pte Limited at 31 December 2024.

The combined recoverable value of intangible assets is determined based on a value–in use calculation which incorporates cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated long-term growth rate.

The key assumptions used in the impairment review are as follows, and were determined with consideration to past performance and management's expectations of future development:

- The rate of forecast revenue growth which is on average 25% (2023: 25%)
- Average gross margin (excluding amortization) assumption of 84% (2023: 84%)
- Long term growth rate of 5% (2023: 5%)
- An applied pre-tax discount rate of 12% (2023: 12%)
- Average annual operational cost increase of 15% (2023: 15%); and
- Average annual capital expenditure of £6.0m in FY26 growing by £0.5m per year thereafter (2023: £5.5m).

Our modeling shows that forecast revenue growth can fall by approximately 4% (2023: 4%), without moderating forecast capital expenditure to reflect lower growth rates, in each year before an impairment would be required.

In a separate scenario, our modeling shows that forecast gross margins can drop by approximately 13% (2023: 13%) before an impairment would be required.

Amortization in respect of Platform, Datasets, Patents and Trademarks and Software is expensed to the profit and loss account as administrative expenses.

### Management has determined the values assigned to each of the above key assumptions as follows:

| **Assumption** | Approach to determining values |
|---|---|
| **Revenue Growth** | Average annual growth rate over the five-year forecast period; based on management's expectations of market development. |
| **Gross Margin** | Based on past performance and management's expectation for the future. |
| **Long-term growth rate** | This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports. |
| **Pre-tax discount rate** | Reflects specific risks relating to the Group and the countries in which we operate. |
| **Operational cost** | For the purpose of this review, administrative expenses increased with inflation at 5% per annum or on a headcount basis if appropriate. |
| **Average capital** | For the purpose of this review, a reduction in capital expenditure was not considered. |

## Note 17. Property, plant and equipment

| GROUP | Leasehold Improvements £000's | Office equipment £000's | Total £000's |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2023 | 532 | 619 | 1,151 |
| Foreign exchange translation | – | (2) | (2) |
| Additions | – | 125 | 125 |
| Disposals | – | (14) | (14) |
| At 31 December 2023 | 532 | 728 | 1,260 |
| Additions | – | 100 | 100 |
| **At 31 December 2024** | **532** | **828** | **1,360** |
| **Accumulated Depreciation** | | | |
| At 1 January 2023 | 66 | 326 | 392 |
| Charge for the year | 55 | 106 | 161 |
| Disposals | – | (11) | (11) |
| Foreign exchange translation | – | (1) | (1) |
| At 31 December 2023 | 121 | 420 | 541 |
| Charge for year | 53 | 114 | 167 |
| **At 31 December 2024** | **174** | **534** | **708** |
| **Net book value** | | | |
| **At 31 December 2024** | **358** | **294** | **652** |
| At 31 December 2023 | 411 | 308 | 719 |

| COMPANY | Leasehold Improvements £000's | Office equipment £000's | Total £000's |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2023 | 532 | 561 | 1,093 |
| Additions | – | 125 | 125 |
| At 31 December 2023 | 532 | 686 | 1,218 |
| Additions | – | 100 | 100 |
| **At 31 December 2024** | **532** | **786** | **1,318** |
| **Accumulated Depreciation** | | | |
| At 1 January 2023 | 66 | 277 | 343 |
| Charge for the year | 54 | 103 | 157 |
| At 31 December 2023 | 120 | 380 | 500 |
| Charge for year | 54 | 113 | 167 |
| **At 31 December 2024** | **174** | **493** | **667** |
| **Net book value** | | | |
| **At 31 December 2024** | **358** | **293** | **651** |
| At 31 December 2023 | 412 | 306 | **718** |

## Note 18. Right-of-use assets

**GROUP AND COMPANY**

| | Buildings £000's | Total £000's |
|---|---|---|
| **Cost** | | |
| At 1 January 2023 | 1,539 | 1,539 |
| Additions | – | – |
| At 31 December 2023 | 1,539 | 1,539 |
| Additions | – | – |
| **At 31 December 2024** | **1,539** | **1,539** |
| **Accumulated Depreciation** | | |
| At 1 January 2023 | 206 | 206 |
| Charge for the year | 153 | 153 |
| At 31 December 2023 | 359 | 359 |
| Charge for year | 154 | 154 |
| **At 31 December 2024** | **513** | **513** |
| Net book value | | |
| **At 31 December 2024** | **1,026** | **1,026** |
| At 31 December 2023 | 1,180 | 1,180 |

During 2022, the group entered into a new lease for its property at First Floor, Building Two, Dataworks at King's Hall Health & Wellbeing Park, Belfast, County Antrim, Northern Ireland, BT9 6GW. The lease term is 10 years.

This resulted in additions to right-of-use assets of £1.460m in 2021. In 2022, an adjustment was made to the asset balance in relation to creating a provision for dilapidations. The resulting cost of the right-of-use asset in £1.539m.

The Group's obligations are secured by the lessors' title to the leased assets for such leases.

The maturity analysis of lease liabilities is presented in Note 22.

| **Amounts recognized in profit and loss** | **2024** £000's | **2023** £000's |
|---|---|---|
| Depreciation expense on right-of-use assets | 154 | 153 |
| Interest expense on lease liabilities | 54 | 55 |

## Note 19. Investments

| | Investment in subsidiaries £000's |
|---|---|
| **At 1 January 2023** | 251 |
| Additions | 62 |
| **At 31 December 2023** | **313** |
| Additions | 96 |
| **At 31 December 2024** | **409** |

During the year-ended 31 December 2024, the Company made capital contributions amounting to £96,000 (2023: £62,000) to certain subsidiaries in respect of share-based payment awards. The Company has an investment/receivable due from its subsidiary Diaceutics PTE which was established to facilitate the Group's provision of services to customers based in Singapore and the wider APAC region. Due to the Group's strategic shift to a platform business and the lessening requirement for local regional presence in the region to service customers, the value of the investment/ receivable due from Diaceutics PTE is unlikely to be recoverable in the foreseeable future and has been fully provided at the year-ended 31 December 2024.

The following were subsidiaries of the Company at 31 December 2024:

| | Registered office | Country of incorporation | Percentage of shares held |
|---|---|---|---|
| **Diaceutics Ireland Limited** | Unit 3, Creative Spark, Clongtara Drive, Muirhevnamon, Dundalk, County Louth | Republic of Ireland | 100% |
| **Labceutics Limited** | 727 Antrim Road, Belfast, BT15 4EJ | Northern Ireland | 100% |
| **Diaceutics Inc** | 2001 Route 46, Waterview Plaza Suite 310, Parsippany, New Jersey 07054 | United States of America | 100% |
| **Diaceutics Pte Limited** | 6 Temesak Boulevard, #20-00 Suntec Tower Four, Singapore | Singapore | 100% |

The principal business of all the subsidiary undertakings is data and implementation services. All entities were incorporated before 1 January 2023.

## Note 20. Trade and other receivables

**GROUP**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Trade receivables | 10,659 | 7,430 |
| Contract assets | 4,155 | 2,402 |
| Other receivables | 147 | 294 |
| Prepayments | 1,082 | 1,241 |
| | 16,043 | 11,367 |

Other receivables primarily consist of recoverable taxes and as such are considered to have low credit risk.

Trade receivables are non-interest bearing, are generally on 90-day terms and are shown net of a provision for impairment. Management's assessment was that the trade receivables are fully recoverable except for the specific provision netted against the trade receivables balance of £189,000 (2023: £175,000).

Most of our customers are large-pharma; we do not foresee any credit difficulties within our customer base.

The maximum exposure to credit risk is the carrying value of each class of receivables and cash and cash equivalents. The Group does not hold any collateral as security.

The Group and Company's exposure to credit, currency and liquidity risk related to trade and other receivables are disclosed in Note 24.

**The age profile of the trade receivables and contract assets are as follows:**

| | Total £000's | 0-30 days £000's | 31-60 days £000's | 61-90 days £000's | >90 days £000's |
|---|---|---|---|---|---|
| 2024 | 14,814 | 14,610 | 186 | 115 | (97) |
| 2023 | 9,832 | 5,864 | 1,472 | 1,635 | 861 |

The Group's contract assets as at the statement of financial position date are expected to be invoiced and received in the following year. The maturity period of these assets were less than 12 months, and given their nature, the expected credit loss allowance recognized during the period against these assets were £Nil (2023: £Nil).

**The following table shows the movement in contract assets:**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Contract assets recognized at start of the year | 2,402 | 2,582 |
| Revenue recognized in prior year that was invoiced in the current year | (2,402) | (2,582) |
| Amounts recognized in revenue in the current year that will be invoiced in future years | 4,155 | 2,402 |

The carrying amount of trade and other receivables are denominated in the following currencies:

| | 2024 £000's | 2023 £000's |
|---|---|---|
| UK Sterling | 873 | 1,105 |
| Euro | 219 | 382 |
| US Dollar | 14,800 | 9,762 |
| Canadian Dollars | – | 73 |
| Singapore Dollars | 151 | 45 |
| | 16,043 | 11,367 |

**COMPANY**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Trade receivables | 230 | 462 |
| Contract assets | 65 | 135 |
| Amounts owed by Group undertakings | 16,076 | 4,750 |
| Other receivables | 122 | 217 |
| Prepayments | 632 | 923 |
| | 17,125 | 6,487 |

Note 20. Trade and other receivables *(continued)*

Management's assessment was that The Company trade receivables are fully recoverable and the amount of the provision netted against the trade receivables balance was £Nil (2023: £Nil).

The Company has an investment/receivable due from its subsidiary Diaceutics PTE, which was established to facilitate the Group's provision of services to customers based in Singapore and the wider APAC region.

Due to the Group's strategic shift to a platform business and the lessening requirement for local regional presence in the region to service customers, the value of the investment/receivable due from Diaceutics PTE is unlikely to be recoverable in the foreseeable future and has been fully provided at the year ended 31 December 2024. The company is owed £1,176,000 (2023: £1,175,000) by its subsidiary Diaceutics Pte Limited. A full provision has been made by the Company for this balance due to uncertainty around the recoverability of this debt in both 2024 and 2023.

## Note 21. Trade and other payables

**GROUP**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| *Creditors: falling due within one year* | | |
| Trade payables | 1,217 | 1,065 |
| Accruals | 5,048 | 2,255 |
| Other payables | 66 | 38 |
| Derivative financial instruments (Note 24) | 477 | – |
| Other tax and social security | 466 | 471 |
| Contract liabilities | 237 | 305 |
| Deferred Grant income | 100 | 103 |
| | 7,611 | 4,237 |

Contract liabilities of £237,000 (2023: £305,000) which arise in respect of amounts invoiced during the year for which revenue recognition criteria have not been met by the year-end. The Group's contracts with customers are typically less than one year in duration and any contract liabilities would be expected to be recognized as revenue in the following year.

The carrying amount of trade and other payables are denominated in the following:

| | 2024 £000's | 2023 £000's |
|---|---|---|
| UK Sterling | 5,020 | 2,062 |
| Euro | 642 | 415 |
| US Dollar | 1,935 | 1,587 |
| Canadian Dollars | 1 | 130 |
| Singapore Dollars | 12 | 43 |
| Australian Dollars | 1 | – |
| | 7,611 | 4,237 |

The Group and Company's exposure to currency, liquidity and interest rate risk related to trade and other payables is disclosed in Note 24.

The following table shows the movement in contract liabilities:

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Contract liabilities recognized at start of the year | 305 | 284 |
| Revenue recognized in prior year that was invoiced in the current year | (305) | (284) |
| Amounts recognized in revenue in the current year that will be invoiced in future years | 237 | 305 |

**COMPANY**

| | 2024 £000's | 2023 £000's |
|---|---|---|
| Trade payables | 367 | 384 |
| Amounts owed to group undertakings | 2,871 | 202 |
| Accruals | 3,752 | 1,362 |
| Other payables | 39 | – |
| Derivative financial instruments (Note 24) | 477 | – |
| Other tax and social security | 394 | 405 |
| Deferred Grant income | 100 | 103 |
| | 8,000 | 2,456 |

## Note 22. Lease Liability

**GROUP AND COMPANY**

| | 2024 Discounted | 2024 Undiscounted | 2023 Discounted | 2023 Undiscounted |
|---|---|---|---|---|
| **Maturity analysis:** | | | | |
| Year 1 | 153 | 195 | 146 | 195 |
| Year 2-5 | 624 | 731 | 598 | 731 |
| +5 Year | 283 | 293 | 461 | 488 |
| | **1,060** | **1,219** | **1,205** | **1,414** |
| **Analyzed as:** | | | | |
| Non-current | 907 | 1,024 | 1,059 | 1,219 |
| Current | 153 | 195 | 146 | 195 |
| | **1,060** | **1,219** | **1,205** | **1,414** |

All lease liabilities are denominated in pounds sterling.

## Note 23. Interest bearing loans and borrowings

The following table shows the net (debt)/funds:

| | Lease liability £000's | Cash £000's | Total £000's |
|---|---|---|---|
| Net debt as at 1 January 2023 | (1,329) | 19,841 | 18,512 |
| Cashflows | 179 | (3,174) | (2,995) |
| Other changes | (55) | – | (55) |
| Net debt as at 31 December 2023 | (1,205) | 16,667 | 15,462 |
| Cashflows | 199 | (3,444) | (3,245) |
| Net foreign exchange loss | – | (479) | (479) |
| Other changes | (54) | – | (54) |
| **Net funds as at 31 December 2024** | **(1,060)** | **12,744** | **11,684** |

## Note 24. Financial instruments

### Classification of financial instruments

The principal financial instruments used by the Group from which financial instrument risk arises are trade and other receivables, cash and cash equivalents and trade and other payables, loans, the revolving credit facility, and convertible loan notes. The impact of the discounting of financial instruments is not material.

The Group's financial instruments are classified as follows:

| **Assets** | 2024 £000's | 2023 £000's |
|---|---|---|
| Trade receivables | 10,659 | 7,430 |
| Contract Assets | 4,155 | 2,402 |
| Other receivables | 147 | 294 |
| Cash at bank and in hand | 12,744 | 16,667 |

| **Liabilities** | 2024 £000's | 2023 £000's |
|---|---|---|
| Trade payables | 1,217 | 1,065 |
| Accruals | 2,701 | 329 |
| Lease liability | 1,151 | 1,293 |
| Derivative financial instruments | 477 | – |

### Derivative financial instruments – foreign currency forward contracts

The group has entered several foreign currency derivative contracts during the year. The nominal value of the Group's forward contracts is £17,173,131 (2023: £1,571,833) principally to sell US Dollars. Forward contracts initially have a fair value of nil. Contracts are subsequently marked to market and gains and losses are recognized through profit or loss. The Group's foreign currency forward contracts are not traded in active markets. These contracts have been fair valued using observable forward exchange and interest rates corresponding to the naturing of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Note 24. Financial instruments *(continued)*

## Credit risk

Credit risk is the risk that the counterparty fails to discharge their obligation in respect of the instrument. The Group trades only with recognized, creditworthy third parties. Receivable balances are monitored on an on-going basis with the result that exposure to bad debts is normally not significant. As the Group trades only with recognized third parties there is no requirement for collateral.

The credit risk on cash and cash equivalents is considered to be limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Group primarily operates bank accounts with HSBC UK Bank ('HSBC'), Barclays Bank ('Barclays') and Goldman Sachs ('Goldman') where the accounts are domiciled in the UK, Ireland, Denmark, USA, China and Singapore.

## Liquidity risk

Liquidity risk arises from the Group's management of working capital and is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

Group policy is that funding is reviewed in line with operational cash flow requirements and investment strategy. Repayment terms and conditions are approved by the Board in advance of acceptance of any facility. At each Board meeting, and at the reporting date, the cash flow projections are considered by the Board to confirm that the Group has sufficient funds and available funding facilities to meet its obligations as they fall due.

## Interest rate risk

Cash flow interest risk arises from the Group's external loans and revolving credit facilities, which carry interest based on underlying base rates in the UK, US and the EU. The Group has no such facilities in place at 31 December 2024 (2023: £Nil).

## Fair value

The management assessed that the fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

## Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group seeks to transact the majority of its business in its reporting currency (pound sterling). However, many customers and suppliers are outside the UK and a proportion of these transact with the company in US dollars and euro. For this reason, the Group operates current bank accounts in US dollars and euro as well as in its reporting currency and has a revolving credit facility available which can be drawn in US dollars, pound sterling or euro. The Group makes use of foreign currency derivative contracts to manage currency risk.

To the maximum extent possible, receipts and payments in a particular currency are made through the bank account in that currency to reduce the amount of funds translated to or from the reporting currency.

Cash flow projections are used to plan for those occasion when funds will need to be translated into different currencies so that exchange rate risk is minimized.

The carrying amount of cash and cash equivalents are denominated in the following currencies:

| | **2024** £000's | **2023** £000's |
|---|---|---|
| UK Sterling | 10,019 | 16,278 |
| Euro | 224 | 105 |
| US Dollar | 2,455 | 261 |
| Singapore Dollars | 11 | 2 |
| Other | 35 | 21 |
| | 12,744 | 16,667 |

Note 24. Financial instruments *(continued)*

The carrying amounts of the Group's financial assets and liabilities by currency at the reporting date are disclosed in the relevant notes. Note 20 details the exposure of trade and other receivables of foreign currency risk and Note 21 discloses the exposure of trade and other payables foreign currency risk.

If the exchange rate between sterling and the US dollar had been 10% higher/lower at the reporting date, the effect on profit would have been approximately (£78,000)/£85,000 respectively (2023: (£163,000)/£179,000). If the exchange rate between sterling and euro had been 10% higher/lower at the reporting date the effect on profit would have been approximately (£4,000)/£5,000 respectively (2023: (£20,000)/£22,000). If the exchange rate between sterling and the US dollar had been 10% higher/lower at the reporting date, the effect on equity would have been approximately (£427,000)/£470,000 respectively (2023: (£342,000)/£376,000). If the exchange rate between sterling and euro had been 10% higher/lower at the reporting date the effect on equity would have been approximately (£406,000)/£446,000 respectively (2023: (£418,000)/£460,000).

## Note 25. Equity Share capital

| | 2024 £000's | 2023 £000's |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 84,773,888 (2023: 84,501,390) Ordinary shares of £0.002 each | | |
| Authorized 84,773,888 (2023: 84,501,390) | 170 | 169 |
| | 170 | 169 |

During the year, the Company issued ordinary shares pursuant to share incentive schemes.

### Treasury shares

Treasury shares are shares in Diaceutics PLC that are held by the Diaceutics Employee Share Trust for the purpose of issuing shares under the Diaceutics PLC SIP scheme (see Note 10 for further information). Shares issued to employees are recognized on a first in, first out basis.

| | Number of shares | | £000's | |
|---|---|---|---|---|
| **Details** | **2024** | **2023** | **2024** | **2023** |
| Acquisition of shares by the Trust | – | 44,272 | – | 49 |
| Balance at 31 December | 252,063 | 252,063 | 312 | 312 |

All ordinary shares rank *pari passu* in all respects including voting rights and the right to receive all dividends and other distributions, if any, declared or made or paid in respect of ordinary shares.

### Capital Reduction

During the year the Directors determined that they would request shareholder and court approval for a capital reduction for Diaceutics PLC. whereby the Company's Share Premium Account would be canceled and released to distributable reserves.

The Capital Reduction was approved by shareholders at the Annual General meeting held on 24 June 2024. The Capital Reduction was sanctioned by the High Court of Justice Northern Ireland, Chancery Division on 24 October 2024 and registered with the Registrar of Companies on 4 November 2024.

The Share Reduction compromised of the cancellation of the entire amount standing to the credit of the Company's share premium account.

25. Equity Share capital *(continued)*

### Reserves

**Share premium account:** On 25th January 2024 the warrant holder exercised their remaining 177,915 warrant shares at a price of £0.76 per share. No further warrant shares remain outstanding. The total share premium after the warrant shares were issued was £37,261,000. This balance was canceled as part of the capital reduction on 4 November 2024.

**Translation reserve:** This reserve records foreign exchange differences on translation of foreign operations.

## Note 26. Commitments and contingencies

There are no material capital commitments, financial commitments or contingent liabilities at the statement of financial position date not provided for in these financial statements.

## Note 27. Related parties

The remuneration of key management personnel and details of directors' emoluments are shown in Note 9.

In 2022 the Group entered a 10-year lease for its new Belfast offices at a commercial business rate. The lessor is O'Connor & McCann Ltd, a private limited company in which Peter Keeling is a director and Ryan Keeling is a shareholder. A £199,000 lease payment was made in the year (2023: £178,750).

Refer to Notes 18 and 22 for further details of the lease.

## Note 28. Ultimate controlling party

The Company is controlled by its shareholders. There is no one party which is the ultimate controlling party of the Group and Company.

## Note 29. Capital risk management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group monitors capital based on the gearing ratio.

Net funds are calculated as total borrowings (current and non-current) as shown in the group statement of financial position less cash and cash equivalents. Gearing ratio is calculated as total borrowings divided by total equity.

**The gearing ratios at 31 December were as follows:**

| | Note | 2024 £000's | 2023 £000's |
|---|---|---|---|
| Cash and cash equivalents | | 12,744 | 16,667 |
| Less: Total Borrowings | 24 | (1,060) | (1,205) |
| Net Funds | | 11,684 | 15,462 |
| Total equity | | 39,857 | 40,786 |
| | | 2.7% | 3.0% |

## Note 30. Post balance sheet events

As at 13 May 2025 there were no material post balance sheet events arising after the reporting date.

# Corporate information

## Directors

Mr P Keeling
Mr R Keeling
Mr G Paterson
Mr J Clark
Mr N Roberts
Ms C MacDiarmid

COMPANY SECRETARY
Mrs S Craig

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## Nominated Advisor & Broker

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