3 June 2024

GENinCode Plc
("GENinCode" or the "Company")

Final results

Oxford, UK. GENinCode Plc (AIM: GENI), the predictive genetics company focused on the prevention of cardiovascular disease ("CVD") and risk of ovarian cancer announces its audited final results for the twelve months ended 31 December 2023 ("FY23"). FY23 saw the Company strengthen its commercial programme in the UK and Europe and prepare its novel genetic tests for introduction to the US market.

Financial and Operational highlights

- Year on Year revenues increased 51% to £2.2m (2022: £1.4m), driven by core test growth in the UK and Europe
- Approval of California state license, CLIA certification and CAP accreditation, opening the US market
- Launch of US Early Access Programs for LIPID inCode® test for the diagnosis of familial hypercholesterolemia ("FH") and CARDIO inCode® test for the genetic risk of coronary artery disease ("CAD")
- FDA *'De Novo'* submission (transition from 510K) in November 2023 for CARDIO inCode®
- NHS clinical adoption of LIPID inCode® for FH diagnosis and expansion in North of England
- Implementation of LIPID inCode® in University Clinic Dresden, Germany for primary care diagnosis of FH
- CARDIO inCode® pilot launched in Extremadura, Spain
- Adjusted EBITDA loss of (£6.7m) (2022: loss of (£5.6m) reflecting increased investment in the international commercialisation programme with
- Cash reserves of £2.5m at 31 December 2023 (2022: £9.7m)

Post-period end

- Successful completion of a £4.0m secondary placing to support scale up and commercialisation
- First revenues in US market and completion of commercial agreements with Wake Forest University Baptist Medical Center/Atrium Health, University of California - Irvine (UCI) and Indiana University (IU Health) - Executive Health and Concierge
- Publication of data on CARDIO inCode® in American Journal of Preventive Cardiology and Kaiser Permanente presentation of CARDIO inCode® data at European Society of Cardiology preventive cardiology meeting in April 2024, showing that CARDIO inCode identifies individuals at the highest risk of CHD
- US Notice of Allowance (granted patent status) received for CARDiO inCode®
- National Institute for Health and Care Excellence (NICE) approval of Risk of Ovarian Cancer Algorithm (ROCA®) test for women at high risk of ovarian cancer
- ROCA® license agreements recently completed with Genesupport.ch in Switzerland and Ordensklinikum in Austria

Current trading and Outlook

- US commercial operations now started to complement growing UK and EU revenues and expect strengthening revenues across the business over the coming year
- April 2024 YTD consolidated revenues 37% higher than same period in 2023
- During 2024, the Company expects to complete the following key deliverables:
  - Significant increase in year-on-year revenue growth
  - Commercial expansion of LIPID inCode® and CARDIO inCode® across the US market
  - Implementation of LIPID inCode® and CARDIO inCode® testing in leading US healthcare institutions and State-based healthcare systems

- Finalisation of *De Novo* FDA regulatory substantive review for the approval of the CARDIO inCode® medical device to accelerate US sales
- Expansion of the NHS programme for LIPID inCode® and introduction of CARDIO inCode®
- Expansion of the MVZ Uniklinikum, Germany collaborative programme
- Build on EU partnerships and develop ongoing collaborative discussions with pharmaceutical companies.
- Following NICE guideline approval for ROCA test, commence first commercial programs in the NHS and EU.
- Continued strengthening of the commercial, marketing and selling teams to support revenue growth.

Matthew Walls, Chief Executive Officer of GENinCode Plc said: *"We are scaling up our business and increasing test revenues in the US, UK and Europe. Notably, we have commenced initial US payor claims and revenues and are broadening our NHS commercial relationships whilst continuing to expand our European business. We will maintain tight operational cost control to target breakeven over the medium term whilst offering significant business growth and opportunity. On behalf of the Board, I would like to thank our valued shareholders for their support, and we look forward to a positive remainder of 2024."*

Investor meeting

The Company will host a presentation for investors via the IMC platform at 2pm BST on Tuesday, 4 June. The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation. To register, please use the following link: https://www.investormeetcompany.com/genincode-plc/register-investor

For more information visit www.genincode.com

Enquiries:

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About GENinCode:

GENinCode Plc is a UK based company specialising in genetic risk assessment of cardiovascular disease and ovarian cancer. Cardiovascular disease is the leading cause of death and disability worldwide.

GENinCode operates business units in the UK, Europe through GENinCode S.L.U., and in the United States through GENinCode U.S. Inc.

GENinCode predictive technology provides patients and physicians with globally leading preventive care and treatment strategies. GENinCode invitro-diagnostic molecular tests combine clinical algorithms and AI bioinformatics to advance patient risk assessment to prevent the onset of cardiovascular disease and ovarian cancer.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S STATEMENT

On behalf of the Board, we are delighted to present the audited financial statements for the twelve-month period ended 31 December 2023 for GENinCode Plc.

This statement provides a a summary of progress over the past year for the Group, recent developments, and an outlook for the year ahead.

2023 Business review

In the preliminary results for the twelve months ending 31 December 2023, the Company saw a 51% increase in revenues to £2.2m (2022: £1.4m) driven by growth across its UK and European businesses.

The Group's key products include:

CARDIO inCode® - Polygenic risk assessment of coronary heart disease (CHD)
LIPID inCode® - Genetic diagnosis and risk assessment of familial (inherited) hypercholesterolemia
THROMBO inCode® - Genetic diagnosis and risk assessment of thrombophilia and thrombotic risk
SUDD inCode® **-** Genetic diagnosis and cause of sudden cardiac death and familial heart disease

The Group is now starting its first commercial programmes in the US to complement its UK and European revenue growth.

US Business

The US clinical environment for genetic risk assessment continues to see positive developments including advancing statements from the US American College of Cardiologists/American Heart Association (ACC/AHA), for increasing recognition of polygenic risk scores (PRS) in the risk assessment of coronary artery disease.

Following the commissioning of our US CLIA (Clinical Laboratory Improvement Amendments) and College of American Pathologists (CAP) accredited diagnostic lab in California, the past year has focused on the set-up and completion of our Early Access Programmes (EAPs) for the soft launch of LIPID inCode® and CARDIO inCode® in the US market. The EAPs are a forerunner to full commercialisation with the programmes commissioning our cloud-based system (SITAB®) for ordering, processing, algorithmic risk scoring and reporting to a select group of leading healthcare institutions and key opinion leaders in preventive cardiology. On completion of the EAPs, physicians were surveyed to gather feedback in preparation for the commercial introduction of PRS testing. The EAPs have now largely been completed and are transitioning into commercial programmes which will be the main focus of growth in 2024.

LIPID inCode® is a globally leading test for Familial Hypercholesterolemia (FH) with increasing recognition by the US Centres for Disease Control (CDC) of the importance of testing to identify individuals suffering with FH as these individuals are at high risk of 'earlier in-life' onset of CVD, in the form of atherosclerosis, angina, heart attack or ischemic stroke. LIPID inCode® has received reimbursement coding and medical classification coding (ICD-10) coverage in the US and 2024 will see the first revenues for LIPID inCode® emerging from its commercial adoption.

Following the CARDIO inCode® 510(k) medical device submission in August 2023, the Food and Drug Administration (FDA) reviewed the submission and noted CARDIO inCode®'s 'first in class' position and the deep clinical evidence for polygenic risk assessment of CHD. Based on these factors and the novel position of CARDIO inCode®, the FDA requested the Company to transition to a De Novo pathway for market approval. The crossover to a De Novo pathway enables the Company to work with the FDA to establish a new polygenic regulatory class for the CARDIO inCode® medical device based on its favourable benefit-risk profile and associated special controls thereby establishing a new regulatory standard for future polygenic tests in this class. Following the FDA request, the Group submitted its De Novo submission in November 2023 for market clearance and expects further updates from the FDA over the coming months.

During the year we continued our collaboration with Indiana University (IU) School of Medicine, the largest US medical school, in preparation for the introduction of CARDIO inCode® to the US market and expanded our collaboration with Kaiser Permanente, California, to assess CARDIO inCode® for the polygenic risk assessment of coronary heart disease. In August 2023, Kaiser Permanente presented an abstract of their ongoing study programme with CARDIO inCode® at the European Society of Cardiologists in Amsterdam, showing polygenic risk assessment in over 63,000 patients and the incidence of coronary heart disease over a 14 year follow up period. More recently the American Journal of Preventive Cardiology published the milestone Kaiser Permanente paper on '*Polygenic risk and incident coronary heart disease in a large multiethnic cohort'* providing strong and growing clinical evidence for the inclusion of polygenic 'lifetime' risk assessment for prevention of coronary heart disease in national guidelines. We continue to work closely with Kaiser Permanente and IU and expect further instrumental clinical publications and results.

We also announced our first CARDIO inCode® collaboration with MedStar Health, covering the states of Washington D.C. and Maryland to support our clinical utility programmes for CMS/payer reimbursement filings. The MedStar programme uses CARDIO inCode® in a primary preventive care setting to advise physicians of the polygenic 'lifetime' risk of patients for coronary heart disease. The patient risk scores are then used in conjunction with traditional clinical risk assessment to personalise treatment including lifestyle change and therapeutic intervention.

UK and Europe Business

In May 2023 the UK NHS announced the successful implementation of our first LIPID inCode® NHS clinical programmes to improve diagnosis and turnaround time for the testing of Familial Hypercholesterolemia (FH). The implementation of this programme in the North of England supports the NHS 10-Year plan to identify 25% of individuals in the UK suffering with FH. LIPID inCode® is being delivered at a reduced cost to the NHS, with rapid turnaround times for testing and an improved comprehensive diagnostic and risk assessment panel. Since the implementation we have processed over 1,000 FH tests in the North of England enabling the NHS Genetic Lab Hub to begin meeting their NHS long term targets. Resulting from this improved performance, the NHS North of England is the only region now meeting its FH test targets set out in the NHS 10 Year Plan. We anticipate an expansion in LIPID inCode® testing across other NHS regions and genetic lab hubs in 2024.

Following the announcement of MVZ Uniklinikum, Germany collaboration in May 2023, sales of LIPID inCode® have now commenced. Uniklinikum represents the largest treatment centre in Germany for patients suffering with FH and the German team is following a similar pathway to the NHS with state-based reimbursement for our initial LIPID inCode® test.

The Spanish market saw a strengthening in revenue through 2023 with its core tests all seeing growing demand. The CARDIO inCode® pilot implementation study in the Spanish region of Extremadura also continued to make good progress. The Extremadura region has a population of more than one million, with an estimated 50,000 individuals at risk of a cardiovascular event, e.g. heart attack. CARDIO inCode® is expected to change clinical practice by identifying those individuals at high genetic risk and improve preventive treatment. Successful completion of the pilot in over 500 individuals will lead to the extension of the programme across the Extremadura region.

In March 2024, the Risk of Ovarian Cancer Algorithm ("ROCA") test received NICE recommendation as the preferred test for ovarian cancer surveillance in individuals at high risk of ovarian cancer who do not undertake risk reducing surgery. The new NICE guidance is focused on identifying and managing familial and genetic risk of ovarian cancer.

Publication of NICE guidance is an important milestone for the ROCA test. After many years of academic and corporate investment, the ROCA test has been comprehensively assessed by NICE as the surveillance technology of choice where patients at high risk of familial ovarian cancer decide to defer preventative surgery. Surveillance using the ROCA test will help individuals feel more supported while they start or grow their families or until they reach menopause, whilst also providing a cost-saving benefit for the NHS. We are now assisting the NHS to establish appropriate call and recall systems that will enable the ROCA test to be offered by the NHS to all eligible individuals.

Intellectual Property

We maintain an ongoing intellectual property programme to strengthen our existing patent portfolio and are advancing our family of patents for both CARDIO inCode® and THROMBO inCode®. We will continue to build our intellectual property portfolio and actively evaluate in-licensing and acquisition opportunities as appropriate to enhance our competitive product positioning.

Financial review

In FY23, the Company saw Year-on-Year revenues increase 51% to £2.2m (2022: £1.4m), driven by growth across our UK and European businesses. The Company continues to scale its commercial programme across the US, UK and EU markets whilst maintaining tight control over its operational costs. At the beginning of 2024, the Company successfully completed a £4.0m secondary placing on AIM to support its commercialisation, scale-up and launch of new tests in the US and UK. Gross profit for the year was £1.0m (2022: £0.6m) with a margin of 47% (2022: 44%).

Administrative expenses increased to £7.8m (2022: £6.3m). The year-on-year cost increase reflected growth in staffing and professional costs with the ramp up in US and UK investment in preparation for the US and UK laboratory commissioning and test service delivery, increased sales and marketing resources, and spending on market access and launch preparations.

This increased commercial investment gave rise to an adjusted EBITDA loss for the year of (£6.7m) (2022: (£5.6m)), with the cash position at the end of December 2023 being £2.5m (2022: £9.7m).

Capital Structure

The total number of ordinary shares in issue was 95,816,866. The loss per share for the year ending 31 December 2023 was 7.0p/share. The Board of Directors will not be recommending a dividend payment for the year ended 31 December 2023.

Outlook

With US commercial operations now starting to complement our growing UK and EU revenues, we anticipate strengthening revenues across the business over the coming year as we scale up testing to prevent cardiovascular disease. We are focused on commercial programmes with leading US hospital institutions whilst developing our UK NHS relationship and the expansion of our EU business. Given the challenging markets, we will grow revenues whilst maintaining a tight control over operational costs to target a breakeven/profit position over the medium term. We expect to de-risk our business model whilst delivering strong growth in our core markets.

During 2024, we expect to complete the following key deliverables:

- Significant increase in year-on-year revenue growth
- Commercial expansion of LIPID inCode® and CARDIO inCode® across the US market
- Implementation of LIPID inCode® and CARDIO inCode® testing in leading US healthcare institutions and State-based healthcare systems
- Progression of our De Novo FDA regulatory submission for the approval of the CARDIO inCode® medical device to accelerate US sales
- Expansion of the NHS programme for LIPID inCode® and introduction of CARDIO inCode®
- Expansion of the MVZ Uniklinikum, Germany collaborative programme
- Build on our EU partnerships and develop our ongoing collaborative discussions with pharmaceutical companies.
- Following NICE guideline approval for The ROCA test, commence first commercial programs in the NHS and EU.
- Continued strengthening of the commercial, marketing and selling teams to support revenue growth.

We have a strong and growing competitive clinical advantage to identify patients at high genetic risk of coronary heart disease and improve preventive care for cardiovascular disease.

Commensurate with this growth we will build investment in our international manpower resources and expertise as well as explore acquisition opportunities to take advantage of the opportunities opening to us.

We continue to build our business and believe our tests are industry leading and will deliver significant investor returns. We would like to thank our investors, Board, management and employees for their strength and determination in helping support and drive our business growth.

We look forward to updating our investors on our forthcoming progress.

Matthew Walls	William Rhodes
Chief Executive Officer	Chairman
31 May 2024	31 May 2024

GENinCode Plc

Consolidated Statement of Comprehensive Income
for the Year Ended 31 December 2023

	Notes	2023 £'000	2022 £'000
CONTINUING OPERATIONS			
Revenue	4	2,160	1,430
Cost of sales		(1,138)	(798)
GROSS PROFIT		**1,022**	**632**
Administrative expenses		(7,751)	(6,266)
ADJUSTED EBITDA		**(6,729)**	**(5,634)**
Depreciation		(246)	(104)
Amortisation		(105)	(59)
Share based payment expense		(71)	(102)
OPERATING LOSS		**(7,151)**	**(5,899)**
Other income	7	176	173
Finance charge	7	(48)	(20)
LOSS BEFORE INCOME TAX	5	**(7,023)**	**(5,746)**
Income tax	8	7	187
LOSS FOR THE FINANCIAL YEAR		**(7,016)**	**(5,559)**
Other comprehensive income for the year			
Items that are or may be subsequently reclassified to the profit and loss: Exchange differences on translation of foreign operations		334	(361)
LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY		**(6,682)**	**(5,920)**
EARNINGS PER SHARE			
Basic earnings per share (pence)		(6.97)	(6.18)
Diluted earnings per share (pence)		(6.97)	(6.18)

The notes form part of these financial statements

GENinCode Plc (Registered number: 11556598)

Consolidated Statement of Financial Position
31 December 2023

	Notes	2023 £'000	2022 £'000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	12	138	161
Property, plant and equipment	13	425	653
Right of use asset	14	282	349
Goodwill	15	149	149
TOTAL NON-CURRENT ASSETS		**994**	**1,312**
CURRENT ASSETS			
Inventories	16	84	20
Trade and other receivables	17	582	717
Cash and cash equivalents	18	2,484	9,732
Financial assets	19	42	16
TOTAL CURRENT ASSETS		**3,192**	**10,485**
TOTAL ASSETS		**4,186**	**11,797**
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	20	958	958
Share premium	21	15,551	15,551
Foreign currency translation reserve	21	45	(289)
Share based payment reserve	22	246	175
Retained earnings	21	(15,511)	(8,495)
TOTAL EQUITY		**1,289**	**7,900**
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	23	178	1,434
Lease liability	25	221	285
		399	**1,719**
CURRENT LIABILITIES			
Trade and other payables	23	2,395	2,078
Lease liability	25	78	69
		2,473	**2,147**
Deferred Tax	26	25	31
TOTAL LIABILITIES		**2,897**	**3,897**
TOTAL EQUITY AND LIABILITIES		**4,186**	**11,797**

The notes form part of these financial statements

Consolidated Statement of Financial Position (Cont.)
31 December 2023

The financial statements were approved by the Board of Directors on 31 May 2024 and were signed on its behalf by:

………………………………………………….
Paul Foulger
Director
Date: 31 May 2024

The notes form part of these financial statements

GENinCode Plc (Registered number: 11556598)

Company Statement of Financial Position
31 December 2023

	Notes	2023 £'000	2022 £'000
ASSETS			
NON-CURRENT ASSETS			
Investments	11	231	221
Intangible assets	12	138	159
Property, plant, and equipment	13	98	164
Right of use asset	14	282	349
Trade and other receivables	17	-	5,668
TOTAL NON-CURRENT ASSETS		**749**	**6,561**
CURRENT ASSETS			
Trade and other receivables	17	182	531
Cash and cash equivalents	18	2,171	9,468
TOTAL CURRENT ASSETS		**2,353**	**9,999**
TOTAL ASSETS		**3,102**	**16,560**
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	20	958	958
Share premium	21	15,551	15,551
Share based payment reserve	22	246	175
Retained earnings	21	(15,255)	(1,413)
TOTAL EQUITY		**1,500**	**15,271**
LIABILITIES			
NON-CURRENT LIABILITIES			
Contingent consideration provision	24	178	155
Lease liability	25	221	285
CURRENT LIABILITIES			
Trade and other payables	23	1,100	749
Lease liability	25	78	69
Deferred Tax	26	25	31
TOTAL LIABILITIES		**1,602**	**1,289**
TOTAL EQUITY AND LIABILITIES		**3,102**	**16,560**

As permitted by Section 408 of the Companies Act 2006 GENinCode Plc has taken the exemption from presenting its unconsolidated profit and loss account. The parent company's loss for the financial year was £13,842k (2022 – loss of £1,907k).
The financial statements were approved by the Board of Directors on 31 May 2024 and were signed on its behalf by:

………………………………………….
Paul Foulger
Director
31 May 2024

GENinCode Plc

Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2023

	Called up share capital £'000	Share premium account £'000	Foreign Currency Translation Reserve £'000	Share based payment reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2022	958	15,551	72	73	(2,936)	13,718
Changes in equity						
Share based payments	-	-	-	102	-	102
Profit or loss	-	-	-	-	(5,559)	(5,559)
Foreign exchange on translation	-	-	(361)	-	-	(361)
Balance at 31 December 2022	**958**	**15,551**	**(289)**	**175**	**(8,495)**	**7,900**
Changes in equity						
Share based payments	-	-	-	71	-	71
Total comprehensive income	-	-	-	-	(7,016)	(7,016)
Other comprehensive income	-	-	334	-	-	334
Balance at 31 December 2023	**958**	**15,551**	**45**	**246**	**(15,511)**	**1,289**

GENinCode Plc

Company Statement of Changes in Equity
for the Year Ended 31 December 2023

	Called up share capital £'000	Share Premium account £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2022	958	15,551	73	493	17,075
Changes in equity					
Share based payments	-	-	102	-	102
Profit or loss	-	-	-	(1,906)	(1,906)
Balance at 31 December 2022	**958**	**15,551**	**175**	**(1,413)**	**15,271**
Changes in equity					
Share based payments	-	-	71	-	71
Total comprehensive income	-	-	-	(13,842)	(13,842)
Balance at 31 December 2023	**958**	**15,551**	**246**	**(15,255)**	**1,500**

GENinCode Plc

Consolidated Statement of Cash Flows
for the Year Ended 31 December 2023

	2023 £'000	2022 £'000
Cash flows from operating activities		
Loss before taxation	(7,023)	(5,745)
Adjustments for:		
Depreciation and amortisation	351	163
Share based payments	71	102
Finance charges	48	19
Bank interest income	(174)	(160)
Taxation	-	-
Operating loss before working capital changes	**(6,727)**	**(5,621)**
Cash used in operations		
Decrease / (Increase) in trade and other receivables	383	(106)
(Decrease) / Increase in trade and other payables	(1,071)	2,021
Decrease / (Increase) in inventory	(65)	(6)
Decrease / (Increase) in financial assets	(26)	(13)
Net cash outflow from operating activities	**(7,506)**	**(3,725)**
Investing activities		
Purchase of property, plant, and equipment	(38)	(700)
Bank interest income	174	160
Purchase of intangible assets	-	(149)
Net cash flows used in investing activities	**136**	**(689)**
Financing activities		
Payments under lease contracts	(94)	(47)
Net cash flows from financing activities	**(94)**	**(47)**
Net change in cash and cash equivalents	**(7,464)**	**(4,461)**
Cash and cash equivalents at the beginning of the year	9,732	14,554
Movement in retranslation	216	(361)
Cash and cash equivalents at the end of the year	**2,484**	**9,732**

The notes form part of these financial statements

1. **Statutory information**

GENinCode Plc is a public limited company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the General Information page.

The Group's principal activity is the development and commercialisation of clinical genetic tests, to provide predictive analysis of risk to a patient's health based on their genes.

The consolidated financial statements comprised of the Company and its subsidiaries (together referred to as "the Group") as at and for the year ended 31 December 2023. The parent Company financial statements present information about the Company as a separate entity and not about its Group.

2. **Accounting policies**

Basis of preparation

The consolidated financial statements of the Group have been prepared using the historical cost convention, on a going concern basis and in accordance with UK-adopted international accounting standards ("IFRS") and the Companies Act 2006 applicable to companies reporting under IFRS, using accounting policies which are set out below and which have been consistently applied to all years presented, unless otherwise stated.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ('FRS 101') and the requirements of the Companies Act 2006. The Company will continue to prepare its financial statements in accordance with FRS 101 on an ongoing basis until such time as it notifies shareholders of any change to its chosen accounting framework.

In accordance with FRS 101, the Company has taken advantage of the following exemptions:

• Requirements of IAS 24, 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group;
• the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets;
• the requirements of IFRS 7 Financial Instruments: Disclosures;
• the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
• the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
• the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
• the requirements of IAS 7 to prepare a Statement of Cash Flows.

2. **Accounting policies (cont)**

New and amended standards adopted by the Group

The most significant new standards and interpretations adopted, none of which are considered material to the Group, are as follows:

Ref	Title	Summary	Application date of standards (periods commencing)
IAS1	Presentation of Financial Statements	Amendments regarding the classification of liabilities	1 January 2023
		Amendments to defer effective date of the January 2020 amendments	1 January 2023
IAS 8	Definition of Accounting Estimates	Defines accounting estimates and clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates.	1 January 2023
IAS 12	Deferred Tax relating to Assets and liabilities arising from a Single Transaction (Amendments to IAS 12)	Additional criterion for the initial recognition exemption under IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.	1 January 2023

New standards and interpretations not yet adopted

Unless material the Group does not adopt new accounting standards and interpretations which have been published and that are not mandatory for 31 December 2023 reporting periods.

No new standards or interpretations issued by the International Accounting Standards Board ('IASB') or the IFRS Interpretations Committee ('IFRIC') have led to any material changes in the Company's accounting policies or disclosures during each reporting period.

The most significant new standards and interpretations to be adopted in the future are as follows:

Ref	Title	Summary	Application date of standards (periods commencing)
IFRS 16	Leases on sale and leaseback	Requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction.	1 January 2024
IAS 1	Non-current liabilities with covenants	Aims to improve information an entity provides relating to liabilities subject to covenants.	1 January 2024
IAS 7 and IFRS7	Supplier finance	Additional disclosure regarding supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.	1 January 2024

2. **Accounting policies (cont)**

Going concern

The financial statements have been prepared on the assumption that the Company is a going concern. In making this assessment, the Directors have considered detailed budgets and forecasts for the next 12 months from the date of this report including the cash at bank available as at the date of approval of this report. The assessment includes the cashflows expected from an additional fund raise and on the basis the Directors have a proven track record in raising funds they are satisfied that the Group and Company should be able to meet their ~~its~~ financial obligations as they fall due and have concluded it is appropriate to prepare the financial statements on a going concern basis.

The Group has an ongoing commitment to keep costs and working capital under control so that increasing gross profits can extend the cash runway and eventually drive the business towards generating positive cash flows. Delays in revenue growth could have a potential impact on the Group's liquidity hence a number of potential mitigating actions which can be taken to safeguard the Group's cash position have been put together. These include working capital controls and reductions in discretionary spending.

Given that the outcome of the additional fund raise cannot be predicted, this indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Basis of consolidation

The Parent has 100% control of all subsidiaries. The subsidiaries consolidated in these Group accounts were acquired via group re-organisation and as such merger accounting principles have been applied, except for the acquisition of Abcodia Limited in September 2022. The subsidiaries' financial figures are included for their entire financial year rather than from the date the company took control of them, with the exception of Abcodia Limited which was acquired during the prior year.

Inter-company transactions, balances, and unrealised gains on transactions between Group companies are eliminated during the consolidation process.

GENinCode Plc prepares its accounts to 31 December under FRS101; there are no deviations from the accounting standards implemented by the company. Where necessary accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

The Company acquired its 100% interest in Abcodia Ltd in the prior year during September 2022. The results of subsidiaries acquired during the year are included from the effective date of acquisition. Where necessary, adjustments are made in results of subsidiaries to bring the accounting policies used into line with those used by the Group.

The subsidiary, Abcodia Limited is exempt from audit by virtue of s479A of the Companies Act 2006.

Property, plant, and equipment

Depreciation is provided to write off cost, less estimated residual values, of all property, plant, and equipment, except for investment properties and freehold land, evenly over their expected useful lives, calculated at the following rates:

Plant	12%
Equipment	25%

The carrying value of the property, plant and equipment is compared to the higher of value in use and the fair value less costs to sell. If the carrying value exceeds the higher of the value in use and fair value less the costs to sell the asset, then the asset is impaired, and its value reduced by recognising an impairment provision.

2. **Accounting policies (cont)**

Intangible assets

(i) Patents and licenses costs

The Group has purchased patents and licences since incorporation. The costs incurred in obtaining these patents and licenses have been capitalised. Amortisation is charged as follows:

Patents	Over estimated economic life of 10 years
Licences	20% (estimated useful life of 5 years)

The Patents and license costs are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(ii) Software costs

The Group has purchased software since incorporation. The costs incurred in obtaining the software have been capitalised as the Group uses the software platform to provide results to its customers.

Amortisation is charged on a straight-line basis at 25% over the useful life of the related asset. Software costs are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Foreign currency

The functional currency of the Company is Sterling Pound (£) and its subsidiaries are in Euros (€) and US Dollars ($). The presentational currency of the Company is £.

Transactions entered by the Group's entities in a currency other than the reporting currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the statement of financial position date. Exchange differences arising on the re-translation of outstanding monetary assets and liabilities are also recognised in the income statement.

The exchange rates used in the financial statements are as follows:

	2023	2022
Sterling/euro exchange rates		
Average exchange rate for the year	1.149	1.173
Exchange rate at the year end	1.153	1.128
Sterling/US dollar exchange rates		
Average exchange rate for the year	1.244	1.237
Exchange rate at the year end	1.273	1.210

Revenue recognition

Revenue is recognised in accordance with the requirements of IFRS 15 'Revenue from Contracts with Customers'. The Group recognises revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is determined to be recognised at the point of despatch of the product or service unless there are specific provisions in the relevant contract. Revenue from the provision of testing and reporting services is recognised upon delivery of the report to the customer. Invoices are typically raised upon delivery of the products or reporting services, unless there is a different contractual requirement, for payment according to credit terms, the prices having been pre-agreed on a product and customer basis.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments which are not subject to significant changes in value and have original maturities of less than three months.

2. Accounting policies (cont)

Equity

Equity comprises the following:

- Share capital: the nominal value of equity shares.
- Retained deficit: losses accumulated to the end of the year.
- Share premium: excess subscribed above nominal value.
- Share option reserve
- Foreign exchange reserve

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Employee benefits

(i) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Company.

Employee benefit costs

The Group operates a defined contribution pension scheme. Contributions payable to the Group's pension scheme are charged to the income statement in the year to which they relate.

Research and development expenditure

Expenditure on research activity is recognised as an expense in the year in which it is incurred.

Share based payment

The fair value of equity-settled share-based payments to employees is determined at the date of grant and expensed on a straight line basis over the vesting period based on the Group's estimate of shares or options that will eventually vest.

All equity-settled share-based payments are ultimately recognised as an expense in the profit or loss with a corresponding credit to the Share based payment reserve. If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Share options granted to employees of subsidiaries are recognised as an expense in the employing subsidiary and as an addition to the investment in the subsidiary for the parent company. The costs are calculated on the same basis as above and are included upon consolidation.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

2. **Accounting policies (cont)**

Leased assets

The Group recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are paid at the commencement date, discounted using the Group's incremental borrowing rate.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, or if the group changes its assessment of whether it will exercise a purchase, extension or termination option.

The Group has elected not to recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Financial instruments

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

a) Classification

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

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI.

The entity will recognise a financial liability in its statement of financial position when it becomes party to the contractual provisions of the instrument. At initial recognition, the entity measures a financial liability at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Group classifies financial assets as amortised costs only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payment of principal and interest.

b) Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2. **Accounting policies (cont)**

Financial instruments (cont)
Debt instruments
Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

d) Impairment
The Group assesses, on a forward-looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Goodwill
Goodwill arising in a business combination is recognised as an asset at the date control is acquired (the acquisition date). Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration payable and the fair value of the identifiable assets, liabilities and contingent liabilities acquired.

Goodwill is not amortised but is reviewed for impairment at least annually or more frequently if there is an indication that goodwill may be impaired. If the recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Inventory
Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion.

Taxation
Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited directly to equity, in which case the related tax is also dealt with in equity. Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries operate.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised, except for differences arising on investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of the deferred tax assets is restricted to those instances where it is probable that a taxable profit will be available against which the difference can be utilised.

Deferred tax is calculated based on rates enacted or substantively enacted at the reporting date and expected to apply when the related deferred tax asset is realised, or liability settled.

Critical accounting estimates and judgements

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the accounting policies which are detailed above. These judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key estimates and underlying assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the years of the revision and future periods if the revision affects both current and future years.

The estimates and judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

- **Intangible assets**

The assessment of the future economic benefits generated by these separately identifiable intangible assets and the determination of its amortisation profile involve a significant degree of judgement based on management estimation of future potential revenue and profit and the useful life of the assets. Reviews are performed regularly to ensure the recoverability of these intangible assets.

- **Share based payments**

The Company has issued share options as an incentive to certain senior management. The fair value of options granted is recognised as an expense with a corresponding credit to the share-based payment reserve. The fair value is measured at grant date and spread over the year during which the awards vest.

For equity-settled share-based payment transactions, the goods or services received and the corresponding increase in equity are measured directly at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If it is not possible to estimate reliably the fair value of the goods or services received, the fair value of the equity instruments granted as calculated using the Black-Scholes model is used as a proxy.

The fair value of share-based payments is measured by use of valuation models, which take into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on historical share price performance of a group of peer companies as historical share price performance was not available for the Company on the date of grant.

- **Contingent consideration**

Contingent consideration is a financial liability recorded at fair value (note 24). The amount of contingent consideration to be paid is based on the occurrence of future events, such as the achievement of certain development, regulatory and sales milestones. Accordingly, the estimate of fair value contains uncertainties as it involves judgment about the likelihood and timing of achieving these milestones as well as the discount rate used.

Changes in fair value of the contingent consideration obligation result from changes to the assumptions used to estimate the probability of success for each milestone, the anticipated timing of achieving the milestones and the discount period and rate to be applied. A change in any of these assumptions could produce a different fair value, which could have a material impact on the results from operations.

Critical accounting estimates and judgements (cont.)

- **Leases**

The application of IFRS 16 requires the Group to make judgments that affect the valuation of the lease liabilities and the valuation of right-of-use assets (note 25). These include: determining contracts in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows.

The lease term determined by the Group generally comprises non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. The same term is applied as the economic useful life of right-of-use assets.

The present value of the lease payment is determined using the discount rate representing the base rate of 4.5%, plus a margin of 3% for general lending, giving a raise to a discount rate of 7.5%.

Management have assessed each lease liability for recognition under IFRS16 and recognised a right of use asset where appropriate (note 25). The right of use asset is amortised in line with the term of the lease. Amortisation is on a straight line basis over 5 years with discount rate 7.5% as above.

- **Carrying value of inter- company debtors**

Management uses their judgement to assess the recoverability and value of intercompany debts, the Company has funded its subsidiaries (note 17) to assist with their growth. Management have decided to provide for the inter-company debts in their entirety at the year end. This is based on current forecasts and the ability of the subsidiaries to repay the debts within the foreseeable future.

3. Financial risk management

The Group's risk management is controlled by the board of directors. The board identifies, evaluates, and mitigates financial risks across the Group. Financial risks identified and how these risks could affect the Group's future financial performance are listed below;

Financial instruments by category

Financial assets at amortised cost	**2023**	**2022**
	£'000	**£'000**
Cash and cash equivalents	2,484	9,732
Trade receivables	428	315
Financial assets	42	16
Other receivables	37	37
Financial assets at amortised cost	**2,991**	**10,100**

Financial liabilities at amortised cost	**2023**	**2022**
	£'000	**£'000**
Trade payables	1,194	2,694
Other payables	-	70
Accruals	396	432
Lease liability	299	354
Financial liabilities at amortised costs	**1,889**	**3,550**

Financial liabilities at Fair Value	**2023**	**2022**
	£'000	**£'000**
Trade payables	178	155
Financial liabilities at fair value	**178**	**155**

Fair value hierarchy
All the financial assets and financial liabilities recognised in the financial statements which are short-term in nature are shown at the carrying value which also approximates the fair values of those short-term financial instruments. Therefore, no separate disclosure for fair value hierarchy is required for them. The disclosure on fair value hierarchy does not apply to the financial leases.

The Group's activities expose it to a variety of financial risks, mainly credit risk, liquidity risk and interest rate risk.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In order to minimise this risk the Group endeavours only to deal with companies which are demonstrably creditworthy.

The aggregate financial exposure is continuously monitored. The Group's exposure to credit risk on cash and cash equivalents is considered low as the bank accounts are with banks with high credit ratings.

Liquidity risk
The Group currently holds cash balances to provide funding for normal activity and is managed centrally. Trade and other payables are monitored as part of normal management routine.

Interest rate risk
The Group's interest-bearing assets comprise of only cash and cash equivalents. As the Group's interest-bearing assets do not generate significant amounts of interest, changes in market interest rates do not have any significant direct effect on its income.

The maturity of borrowings and other financial liabilities (representing undiscounted contractual cash-flows) is as follows:

2022	**Within 1 Year**
	£'000
Trade and Other Payables	1,486
Lease liability	69
Total	**1,555**
	Over 1 Year
Trade and Other Payables	1,278
Lease liability	285
	1,563

2023	**Within 1 Year**
	£'000
Trade and Other Payables	1,194
Lease liability	78
Total	**1,272**
	Over 1 Year
Trade and Other Payables	
Lease liability	221
	221

Capital risk management
The Group's capital management objectives are to ensure the Group's ability to continue as a going concern, and provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

To meet these objectives, the Company reviews the budgets and forecasts on a regular basis to ensure there is sufficient capital to meet the needs of the Company through to profitability and positive cash flow.

All working capital requirements are financed from existing cash resources.

4. **Operating segments**

There is only one operating segment. The Group has disaggregated revenue into various geographic regions in the following table.

	2023 £'000	2022 £'000
Revenue from sale of kits and provision of support services	**2,160**	**1,430**
Primary Geographic Markets		
Spain	1,644	1,207
UK	364	36
Italy	74	132
Germany	34	-
France	26	36
Rest of World	18	19
Total revenue per geographical markets	**2,160**	**1,430**

	2023 £'000	2022 £'000
Non-current assets		
Primary Geographic Markets		
Spain	46	21
UK	667	820
US	281	471
Total non-current assets per geographical markets	**994**	**1,312**

5. **Loss from operations**

	2023 £'000	2022 £'000
Loss is stated after charging:		
Cost of inventory	917	798
Staff costs	2,165	1,221
Royalty expense	107	67
Operating expenses–- External services	945	1,983
Directors' salaries and fees	659	650
Research expenditure	334	72
Depreciation and amortisation	351	163

Staff costs are allocated between Cost of sales and Administrative expenses.

5a. **Auditor's remuneration**

	2023 £'000	2022 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	49	25
Fees payable to the company's auditor and its associates for other services:		
Accounting and taxation services	-	4
Total	49	29

6. Employees and directors

The average number of employees (including directors) in the Group during the year was made up as follows:

	2023 Number	2022 Number
Directors (including non-executive directors)	6	7
Employees	36	28
Total	**42**	**35**

The cost of employees (including directors) during the year was made up as follows:

	2023 £'000	2022 £'000
Salaries and wages (including directors)	2,779	1,859
Social security costs	510	373
Employee benefits in kind	20	17
Pension costs	25	24
Share based payment expense	71	102
Total	**3,405**	**2,375**

Key management personnel compensation

The compensation of key management personnel, principally directors of GENinCode Plc for the year were as follows:

	2023 £'000	2022 £'000
Directors' salaries	584	577
Social security costs	64	77
Pension costs	13	16
Directors' fees	75	73
Share based payment expense	36	36
Total	**772**	**779**

The above remuneration of directors includes the following amounts paid to the highest paid Director:

	2023 £'000	2022 £'000
Highest paid Director	280	286

7. Other income

	2023 £'000	2022 £'000
Bank interest income	174	160
Other revenue	2	13
Total	**176**	**173**

Finance cost

	2023 £'000	2022 £'000
Discount of lease liability	24	14
Unwinding contingent consideration	24	6
Total	**48**	**20**

8. Income tax

	2023 £'000	2022 £'000
Current tax credit		
R&D tax credit	-	212
Total current tax	-	-
Deferred tax		
Accelerated capital allowances	7	(25)
Total current tax	7	(25)
Total tax (charge)/credit	**7**	**187**

The charge for the year can be reconciled to the loss in the consolidated statement of comprehensive income as follows:

	2023 £'000	2022 £'000
Loss before taxation	**(7,023)**	**(5,746)**
Expected tax credit at the UK corporation tax rate of 25% (2022, 19%)	(1,756)	(1,091)
Movement in unrecognised deferred tax asset	1,713	1,171
Capital allowances	(2)	(41)
Spanish deferred tax recognised in excess of UK deferred tax	-	(63)
Expenses disallowed for tax	89	24
Non-trade relationship	(44)	-
Accelerated Capital Allowances	7	(25)
R&D tax credit	-	212
Total tax (charge)/credit	**7**	**187**

Factors affecting current and future taxation

Per UK adopted IA rules, unrelieved tax losses carried forward of £5,801,919 have not been recognised as a deferred tax asset as there is currently insufficient evidence that the asset will be recoverable in the foreseeable future.

9. Profit of parent company

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £13,841,707 (2022 – loss of £1,906,671).

10. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

2022	Earnings £'000	Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(5,920)	95,816,866	(6.18)
Diluted EPS			
Adjusted earnings	**(5,920)**	**95,816,866**	**(6.18)**

2023	Earnings £'000	Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(6,682)	95,816,866	(6.97)
Diluted EPS			
Adjusted earnings	**(6,682)**	**95,816,866**	**(6.97)**

The Company had options issued over 7,207,500 (2022: 8,248,000) ordinary shares.

Due to the losses incurred from continuing operations in the years reported, there is no dilutive effect from the existing share options.

11. Investments
Company

	£'000
Cost	
At 1 January 2022	149
Share based payments	41
At 31 December 2022	**221**
Share based payments	10
As at 31 December 2023	**231**

Share based payments relate to costs of employee options in the Company for employees of its subsidiary.

11. Investments (cont)

Summary of subsidiaries held in investments;

Name of entity	Country of incorporation	Holding	Ownership held 2023 and 2022	Principal activities	Registered office
GENinCode S.L.U.	Spain	Ordinary shares	100%	Medical and scientific research	Rambla d'Egara 235, 5ª planta C D, Terrassa 08224, Spain
GENinCode U.S. INC.	USA	Ordinary shares	100%	Medical and scientific research	1209 Orange St., Wilmington Delaware 19801
GENinCode UK Ltd	England & Wales	Ordinary shares	100%	Dormant company	1 St. Peters Square, Manchester, M2 3DE
Abcodia Ltd	England & Wales	Ordinary shares	100%	Medical and scientific research	1 St. Peters Square, Manchester, M2 3DE
Abcodia UK Ltd	England & Wales	Ordinary shares	100%- Indirectly through Abcodia Ltd	Dormant company	1 St. Peters Square, Manchester, M2 3DE
Abcodia CS Ltd	England & Wales	Ordinary shares	100%- Indirectly through Abcodia Ltd	Dormant company	1 St. Peters Square, Manchester, M2 3DE
Abcodia Inc	USA	Ordinary shares	100%- Indirectly through Abcodia Ltd	Dormant company	1209 Orange St., Wilmington Delaware 19801

12. Intangible assets
Group

	Software £'000	Patents & Licences £'000	Total £'000
Cost			
At 1 January 2022	50	211	261
Adjustment relating to 2021		(8)	(8)
Movement on retranslation	3	-	3
At 31 December 2022	**53**	**203**	**256**
Movement on retranslation	(1)	-	(1)
At 31 December 2023	**52**	**203**	**255**
Amortisation			
At 1 January 2022	36	32	68
Adjustment relating to 2021	-	(8)	(8)
Charge for the year	12	20	32
Movement on retranslation	3	-	3
At 31 December 2022	**51**	**44**	**95**
Charge for the year	2	21	23
Movement on retranslation	(1)	-	(1)
At 31 December 2023	**52**	**65**	**117**
Net book value			
At 31 December 2022	**2**	**159**	**161**
At 31 December 2023	**-**	**138**	**138**

12. Intangible assets (continued)

Company

	Patents & Licences £'000
Cost	
At 1 January 2022	211
Adjustment relating to 2021	(8)
At 31 December 2022	**203**
At 31 December 2023	**203**
Amortisation	
At 1 January 2022	32
Adjustment relating to 2021	(8)
Charge for the year	20
At 31 December 2022	**44**
Charge for the year	21
At 31 December 2023	**65**
Net book value	
At 31 December 2022	**159**
At 31 December 2023	**138**

In patents and licences items with a NBV of £70k had a remaining useful life of 7 years. The remaining items in patents and licences with a NBV of £68k had a useful life of 8 years.

13. Property, Plant and Equipment

Group	Plant £'000	Office equipment £'000	Total £'000
Cost			
At 1 January 2022	4	51	55
Additions	1	699	700
At 31 December 2022	**5**	**750**	**755**
Additions	30	8	38
Movement on retranslation	-	(26)	(26)
At 31 December 2023	**35**	**732**	**767**
Depreciation			
At 1 January 2022	2	7	9
Charge for the year	1	92	93
At 31 December 2022	**3**	**99**	**102**
Charge for the year	3	243	246
Movement on retranslation	-	(6)	(6)
At 31 December 2023	**6**	**336**	**342**
Net book value			
At 31 December 2022	**2**	**651**	**653**
At 31 December 2023	**29**	**396**	**425**

13. Property Plant and Equipment (continued)

Company	**Office Equipment £'000**
Cost	
At 31 December 2022	**199**
Additions	-
At 31 December 2023	**199**
Depreciation	
At 31 December 2022	**35**
Charge for the year	66
At 31 December 2023	**101**
Net book value	
At 31 December 2022	**164**
At 31 December 2023	**98**

14. Right of use assets

Group	**Right of use asset: Buildings £'000**
Cost	
Additions	387
At 31 December 2022	**387**
Additions	15
At 31 December 2023	**402**
Depreciation	
Charge for the year	38
At 31 December 2022	**38**
Charge for the year	82
At 31 December 2023	**120**
Net book value	
At 31 December 2022	349
At 31 December 2023	**282**

14. Right of use assets (continued)

Company	**Right of use asset: Buildings £'000**
Cost	
Additions	387
At 31 December 2022	**387**
Adjustment relating to prior year	15
At 31 December 2023	**402**
Depreciation	
Charge for the year	38
At 31 December 2022	**39**
Charge for the year	82
At 31 December 2023	**120**
Net book value	
At 31 December 2022	349
At 31 December 2023	**282**

15. Goodwill

Group	**Goodwill £'000**
Cost	
Additions	149
At 31 December 2022	149
At 31 December 2023	**149**
Net book value	
At 31 December 2022	149
At 31 December 2023	**149**

Abcodia Limited was purchased for an initial cash price of £1, the fair value of the net assets acquired were £1. In addition, a deferred consideration of up to £1m is payable to the vendors subject to the achievement of an EBIT of £1m generated by the sale of ROCA tests in the UK during the 6-year period following the date of acquisition. This is payable in two tranches; the first tranche of £350,000 is payable on the achievement of an EBIT of £350,000, and the second tranche of £650,000 is payable on the achievement of a further £650,000 of EBIT. Goodwill has been calculated on the basis of only the first tranche of £350,000 being payable to the vendors, discounted to a present value of £149,000 using a rate of 15.3%.

16. Inventory

Group

	2023 £'000	**2022 £'000**
Inventory	84	20
Total	**84**	**20**

In 2023, a total of £917k (2022: £798k) of inventories was included in profit and loss as an expense as part of cost of sales.

17. Trade and other receivables

Group

	2023 £'000	2022 £'000
Trade receivables	428	315
Other receivables	81	299
Prepayments	73	103
Total	**582**	**717**

Company

	2023 £'000	2022 £'000
NON-CURRENT		
Intercompany receivables	-	5,668
Total	**-**	**5,668**
CURRENT		
Trade receivables	33	156
Intercompany receivables	11,214	-
Provision for credit loss on Intercompany receivables	(11,194)	-
Other receivables	79	296
Prepayments	50	79
Total	**182**	**531**

The inter-company loans above have been provided for in full as per IFRS 9 recognition requirements for credit losses. Although the Board are confident of all inter-company loans being collectible there is not enough evidence at the year end and projected short term to contradict the credit loss. The Board are confident this provision will reverse as the Group grows.

General terms for settlement of debt with clients are 30 days from the date of invoice for private entities and 60 days with public entities. The carrying value of trade and other receivables classified at amortised cost approximates fair value.

18. Cash and cash equivalents

Group

	2023 £'000	2022 £'000
Total	**2,484**	**9,732**

Company

	2023 £'000	2022 £'000
Total	**2,171**	**9,468**

Where cash at bank earns interest, interest accrues at floating rates based on daily bank deposit rates.

The fair value of the cash & cash equivalent is as disclosed above. For the purpose of the cash flow statement, cash and cash equivalents comprise of the amounts shown above.

19. Financial assets

Group

	2023 £'000	2022 £'000
Financial assets	42	16
Total	**42**	**16**

The Financial assets relate to Spanish ring-fenced money for Tender bids and office rent.

20. Share capital

	2023 £'000	2022 £'000
95,816,866 Ordinary shares of £0.01	958	958
Total	**958**	**958**

21. Reserves

The following describes the nature and purpose of each reserve within equity:

Share capital	Amount subscribed for share capital fully paid.
Retained earnings	Retained earnings represents all other net gains and losses and transactions with shareholders (example dividends) not recognised elsewhere.
Share premium	Excess subscribed above nominal value of shares. Included within share premium are share issue costs which relate to commissions and other directly attributable costs.
Foreign currency translation reserve	This represents the net effect of translation of the subsidiaries whose functional currencies are EUR and USD into GBP the reporting currency.
Share based payment reserve	This reserve compromises the fair value of options share rights recognised as an expense. Upon exercise of options or performance share rights, any proceeds received are credited to share capital and where appropriate share premium.

22. Share based payments

The Company has issued share options as an incentive to certain senior management. All share options granted during the year were granted under individual agreements and are subject to market and service vesting conditions. The exercise price is 44 pence on 772,000 shares and the rest are at 15.83 pence.

Each share option converts into one ordinary share of GENinCode plc on exercise and are accounted for as equity-settled share-based payments. The equity instruments granted carry neither rights to dividends nor voting rights.

	No. options	Weighted average exercise price (pence)
Balance as at 31 December 2022	8,248,000	18.47
Lapsed in 2023	1,040,500	15.83
Balance as at 31 December 2023	**7,207,500**	**16.61**
Exercisable at 31 December 2023	-	-

The vesting conditions are as follows:-

- Staff and Board – based on market conditions, estimated 5 at years vesting period
- Advisors – three years following grant date

The value of share based payments charged to administrative expenses was £71,112 (2022, £101,894). Employers' national insurance relating to the share based options has been accrued amounting to £22,642 (2022: £13,761).

The share-based payment charge was calculated on the basis that the average time period that the options are expected to remain unexercised is 36 months.

22. Share based payments (continued)

The fair value is estimated at the date of grant using the Black-Scholes pricing model, taking into account the terms and conditions attached to the grant. The following are the inputs to the model for the equity instruments granted during the period:

Expected life	3-5 years
Expected Volatility	50%
Risk-free interest rate	0.35%
Share price at grant	12.2p to 15.83p
Fair value per award	4.27p to 7.92p

23. Trade and other payables

Group

	2023 £'000	2022 £'000
NON-CURRENT		
Contingent consideration (note 24)	178	155
Trade payables	-	1,279
Total	**178**	**1,434**
CURRENT		
Trade payables	1,194	1,416
Accruals	396	432
Tax payable	183	154
Other payables	622	76
Total	**2,395**	**2,078**

Company

	2023 £'000	2022 £'000
NON-CURRENT		
Contingent consideration (note 24)	178	155
Total	**178**	**155**
CURRENT		
Trade payables	196	454
Accruals	252	262
Tax payable	30	28
Other payables	622	5
Total	**1,100**	**749**

Included in Other payables for the Company and Group is £609,993 of funds held on account in advance of a share issue. The share issue and raise were completed in January 2024, see note 30.

General terms for settlement of debt are 60 days in general, after the invoice has been remitted from supplier.

The carrying value of trade and other payables classified at amortised cost approximates fair value.

24. Contingent consideration

Group

	2023 £'000	2022 £'000
NON-CURRENT		
Contingent consideration	178	155
Total	**178**	**155**

Company

	2023 £'000	2022 £'000
NON-CURRENT		
Contingent consideration	178	155
Total	**178**	**155**

The contingent consideration relates to the acquisition of Abcodia Limited which has a deferred consideration of up to £1m, payable to the vendors subject to the achievement of an EBIT of £1m generated by the sale of ROCA tests in the UK during the 6-year period following the date of acquisition. This is payable in two tranches; the first tranche of £350,000 is payable on the achievement of an EBIT of £350,000, and the second tranche of £650,000 is payable on the achievement of a further £650,000 of EBIT. Contingent consideration has been calculated on the basis of only the first tranche of £350,000 being payable to the vendors, discounted to a present value of £178,000 using a rate of 15.3%.
During the year an expense of £23,664 (2022: £5,698) was recognised on unwinding the contingent consideration at a rate of 15.3%.

25. Lease liability

Maturity analysis- contractual undiscounted cash flows:

Group

	2023 £'000	2022 £'000
Less than one year (undiscounted)	96	91
One to five years (undiscounted)	240	320
More than 5 years (undiscounted)	-	-

Lease liability included in the financial statements:

Group

	2023 £'000	2022 £'000
NON-CURRENT		
Lease liability	221	285
Total	**221**	**285**
CURRENT		
Lease liability	78	69
Total	**78**	**69**

25. Lease liability (Cont.)

Maturity analysis- contractual undiscounted cash flows:

Company

	2023 £'000	**2022 £'000**
Less than one year (undiscounted)	96	91
One to five years (undiscounted)	240	320
More than 5 years (undiscounted)	-	-

Lease liability included in the financial statements:

Company

	2023 £'000	**2022 £'000**
NON-CURRENT		
Lease liability	221	285
Total	**221**	**285**
CURRENT		
Lease liability	78	69
Total	**78**	**69**

Lease liability reconciliation:

	2023 £'000
Total balance brought forward	354
Payments	(79)
Interest	24
Total balance carried forward	**299**

An interest expense of £24,080 with regards to the lease liability has been included in the accounts (2022: £13,807). A discount rate of 7.5% is used in the calculation of the liability and right of use asset. The lease term is 5 years ending in August 2027.

26. Provisions and contingencies

Group

	2023 £'000	**2022 £'000**
Deferred tax	25	31
Total	**25**	**31**

Company

	2023 £'000	**2022 £'000**
Deferred tax	25	31
Total	**25**	**31**

Deferred tax relates to accelerated capital allowances.

27. Capital commitments

There is no capital expenditure contracted at this year-end reporting.

28. Related Party Transactions

During the year the Group and Company entered into the following transactions with related parties:

Related party	Transaction	2023 £'000	2022 £'000
Felix Frueh	Fees, £5,000 was outstanding (2022, £5,000)	30	23
Huon Gray	Fees (pre-Directorship)	-	5
William Rhodes	Chairman's fees, £3,765 outstanding (2022, £3,765)	45	45

Compensation of key management personnel of the Group

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Company. In the opinion of the Board, the Company's key management are the Directors of GENinCode plc.

Amounts included in the Financial Statements, in aggregate, by category of related party are as follows:

Directors	Group 31 December 2023 £'000	Group 31 December 2022 £'000
Directors' remuneration (short term benefits)	659	650
Directors' remuneration (pension cost)	13	16
Directors' remuneration (employers NI)	58	77
Share based payments	28	36
Total	**758**	**779**

29. Contingent liability

As per note 24 there is a contingent consideration relating to the Abcodia Limited's deferred consideration. The contingent liability is for the second tranche of £650,000 being payable on the achievement of £1m of EBIT generated by the sale of ROCA tests in the UK during a 6-year period following the date of acquisition. Due to current performance and predictions the Board believes it is extremely unlikely to become due, therefore this has not been provided for in the financial statements.

30. Events after the reporting date

On 10 January 2024 the Company issued 81m shares as a result of a fund raising £4m in capital for the Group. Part of this capital was received during the year on account and is held in Other payables, see note 23. This represents a non-adjusting event.

On 26 April 2024, the Company announced that it had approved and granted (on 14 April 2024) new options over an aggregate of 19,380,630 new ordinary shares of 1 pence each in the Company to certain directors and employees of the Company, representing 10.95 per cent. of the Company's existing share capital; 8,642,500 of the new options have an exercise price of 5 pence per share and are exercisable on the second anniversary of the date of grant and 10,738,130 of the new options have an exercise price of 10 pence per share and are exercisable on the second anniversary of the date of grant. Additionally, on 8 April 2024, 6,984,500 of the options previously granted were surrendered for nil consideration. Following the grant of the new options and the options surrender, there are options over a total of 19,580,630 ordinary shares in the Company.

There are no significant adjusting events after the reporting date.

31. Ultimate controlling party

The Group does not have an ultimate controlling party.