Byotrol Ltd ("Byotrol" or "the Company")

FINAL AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2024

TRADING UPDATE

BOARD CHANGES

We are pleased to present our final audited results for the year ended 31 March 2024.

This has been a year of considerable change and challenge, culminating in the April de-listing from AIM. We have navigated our way successfully though the challenges and are now a leaner, more focused and more efficient business with a strong foundation for growth. We are grateful for the excellent guidance from our main shareholders throughout, including in supporting a small financing post the de-listing (and that was substantially over subscribed).

We have taken the opportunity to re-set the finances of the company, including taking conservative provisions on certain historic R&D activities to comply with accounting requirements.

The underlying business in animal health continues to perform well and we are encouraged by trading in the new financial year.

Financial Highlights

- Total Sales £4.0m (versus £4.6m in 12m to 31 March 2023)
- Like-for-like Product Sales £3.9m (versus £3.7m) – after adjusting for the impact of exiting Medical Devices
- Unerlying gross margin on product sales: 43.2% (versus 42.6%) – excluding disposal costs of obsolete and discontinued stock
- Cash from IP activities £0.7m versus £0.4m, reflecting business focus on maximising cash from the existing portfolio rather than new IP sales
- Operating costs of £2.9m (versus £3.4m)
- Exceptional charges of £1.2m (versus £0.3m), reflecting prioritisation on technologies with near-term commercial return and early exits from two IP deals to accelerate cash into the business
- Adjusted EBITDA: -£1.0m (versus -£0.7m)
- Cash at year end; £0.3m (versus £0.7m)

Operational Highlights

We have seen a clear trend of underlying growth in our like-for-like product sales comparisons that bodes well for the future health of the business. When allowing for the impact of the regulation changes that necessitated our exit from Medical Devices early in FY24 combined with other discontinuations, product sales of £3.9m for the year compare favourably with £3.7m in the previous year on a like-for-like basis.

Specifically in our Professional sales business, current year sales of £3.4m compare with £3.2m from the prior year when adjusted on a like-for-like basis. Within this, and in line with our publicised strategy to focus on Animal Healthcare and niche Human Healthcare, our split of sales in Animal have increased to 74% (2023: 66%), with Human at 18% (2023: 21%) and Facilities/Other at 8% (2023: 13%), reflecting the decision to narrow our focus on the more profitable areas of the product portfolio as the basis for future growth, and where we have an established name together with brand equity. Underlying Professional gross margin, after stripping out disposal costs for obsolete and discontinued stocks, is at 43.0% (2023: 42.5%).

With IP, whilst there have been no new deals agreed in the year (vs £0.3m in FY23), we took a conscious decision early in FY24 to use existing IP deals as a lever for accelerating cash into the business wherever possible, particularly given the lack of available funding on the markets as noted above to help support liquidity. This led to early exits from our IP deals with TurtleWax and Tristel that brought £163k of required cash into the business, albeit creating an exceptional P&L loss item of £544k. We generated total cash of approximately £745k from IP alone in the year. Our two main existing IP initiatives –

Syensqo (previously Solvay) Actizone and Integrated Resources Inc's Byotrol 24 – continue to progress encouragingly but are still not at sufficient commercial traction to be material to Byotrol. We remain confident this will change for the better, but timing and magnitude is as yet unclear.

From a technical perspective, our focus in the immediate term has switched to supporting projects that will yield prompt commercial returns, notably towards variants of our Cruise formulation that will enhance our offering to customers over the coming months. This, combined with the impact of a recent restructure, has meant a temporary scaling back of activities on our Plant-based and Seaweed projects which have always been a longer-term proposition for us in terms of realising commercial gain and financial reward. In line with accounting rules on projects such as these where the future returns are not yet confirmed in timing or quantum, we have taken an exceptional provision of £626k against both projects. However, these technologies remain in our development portfolio and when suitable opportunities arise in future, we will actively look to promote and develop them further accordingly.

Trading Update

Since the year end, we have:

- Completed further restructuring, reducing our headcount (including Board structure) and annualised operating cash costs to c.£2.3m (previously running at £3.3m annualised).
- Delisted from the AIM stock exchange as of 30 April.
- Successfully completed an oversubscribed fundraising of £450,000 before expenses by the issue of 300,000,000 new Ordinary shares to existing and new investors in the Company, including to Board Directors.

Product sales trading has been steady since 1st April, though we have had some temporary disruption with necessary changes to both our sales leadership and structure, all aimed to maximise our aspiration to drive focused growth in Animal Healthcare and niche Human Healthcare. Separately, we have seen some destocking from wholesalers as they look to maximise their working capital during ongoing economic uncertainty. Consequently, we expect sales in the first half of this year to track slightly behind the same period last year. Whilst we fully expect to start to see growth in the 2nd half, particularly with the impact of the new launches of wipes and Ready to Use ("RTU") products across both Chemgene and Anigene brands, we do see a potential risk of c.£0.2 to £0.3m against our previous target set for this financial year. Despite this, we are warmly encouraged by performance in key areas of the business, notably with Anigene continuing to show double-digit growth year-on-year, and a record sales month on the Amazon platform.

We intend to perform a full half year reforecast once September results are in, and expect to update investors later in Q3 with our latest expectations for the full year at that point.

Board Changes

The Board of Byotrol has now been restructured to reflect our new status as a private company. The key changes are:

- Ashley Head, NED since 13 September 2023 was appointed Non Executive Chairman on 22 April 2024.
- Christopher Sedwell, CFO since 13 December 2021, was appointed Managing Director on 1 July 2024.
- Dr Trevor Francis (Non Executive Chairman since 26 April 2023) and Sean Gogarty NED since 24 January 2019 both resigned from the Company on 30 April 2024. They leave with our thanks for their contribution to our development and with our best wishes for the future.
- David Traynor, who was appointed Interim CEO role on the departure of previous CEO Vivan Pinto in September 2023, stepped down from that role on 30 June this year as planned. Having successfully led the delisting and fund-raising process, he will now leave the Board on 30 August and will then leave the Company completely on 31 December this year. We thank him for transforming the prospects of the Company since his appointment as CEO in late 2013 and we look forward to his ongoing input as a key shareholder.

Share Auction

The first auction of our shares on the Asset Match platform is scheduled to close on 21st August 2024. Please contact Asset Match directly for more information at dealing@assetmatch.com or by calling them on +44 (0)20 7248 2788.

AGM

We are expecting to hold our AGM on or around 11 September 2024. We are intending to host this online and include a brief summary of the results for the year ended 31 March 2024, an update on trading for the current financial year, as well as host Q&A. More details will be provided in due course.

For further Information visit www.byotrolplc.com or contact

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Notes to Editors:

Byotrol Ltd is a specialist infection prevention and control company, operating globally in animal health, human health, consumer products and facilities management sectors. Byotrol develops and commercialises innovative biocidal technologies and brands which provide targeted protection against harmful pathogens.

For more information about Byotrol plc please visit byotrolplc.com and follow the company on LinkedIn.

For information on Byotrol products and customers please visit byotrol.com

GROUP STATEMENT OF COMPREHENSIVE INCOME

	Note	2024 £'000 *(audited)*	2023 £'000 *(audited)*
Revenue	5	**3,970**	**4,592**
Cost of sales pre-exceptional item		(2,307)	(2,475)
Gross profit pre-exceptional item		**1,663**	**2,117**
Cost of sales – exceptional item	7	(-)	(258)
Gross profit		**1,663**	**1,859**
Adjusted administrative expenses	6, 8	(2,936)	(3,383)
Adjusted operating (loss)		**(1,273)**	**(1,524)**
Exceptional items	7	(1,204)	-
Amortisation of acquisition-related intangibles		(298)	(300)
Share-based payments	11	(115)	(33)
Operating (loss)		**(2,890)**	**(1,857)**
Finance income	12	80	103
Finance expense	13	(140)	(71)
(Loss) before taxation		**(2,950)**	**(1,825)**
Income tax (charge)/credit	14	(114)	133
(Loss) for the year		**(3,064)**	**(1,692)**
Other comprehensive (expenses)/income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(64)	107
Other comprehensive income, net of tax		**(64)**	**107**
Total comprehensive (expense) for the year		**(3,128)**	**(1,585)**
Earnings per share – from profit for the year			
Attributable to the owners of Byotrol Limited (basic)	15	(0.68)p	(0.37)p
Attributable to the owners of Byotrol Limited (diluted)	15	(0.67)p	(0.37)p

GROUP STATEMENT OF FINANCIAL POSITION

	Note	2024 £'000 *(audited)*	2023 £'000 *(audited)*
Assets			
Non-current assets			
Intangible assets	18	2,388	3,218
Tangible assets	19	36	61
Right-of-use assets	20	4	13
Deferred tax assets	21	-	163
Trade receivables	23	575	1,436
		3,003	**4,891**
Current assets			
Inventories	22	343	494
Trade and other receivables	23	1,116	1,669
Cash and cash equivalents		315	687
		1,774	**2,850**
TOTAL ASSETS		**4,777**	**7,741**
Liabilities			
Non-current liabilities			
Lease liabilities	24	-	4
Deferred tax liabilities	21	252	299
Convertible loan notes	26	962	962
		1,214	**1,265**
Current liabilities			
Trade and other payables	25	968	863
Lease liabilities	24	4	8
		972	**871**
TOTAL LIABILITIES		**2,186**	**2,136**
NET ASSETS		**2,591**	**5,605**
Issued share capital and reserves			
Share capital	28	1,135	1,135
Share premium		457	457
Other reserves		868	932
Retained earnings		131	3,081
TOTAL EQUITY		**2,591**	**5,605**

GROUP STATEMENT OF CASH FLOWS

	2024 £'000 *(audited)*	2023 £'000 *(audited)*
Cash flows from operating activities		
(Loss) for the year	**(3,064)**	**(1,692)**
Adjustments for:		
Finance income	(80)	(103)
Finance costs	140	71
Depreciation of tangible non-current assets	28	34
Amortisation and impairment of intangible non-current assets	440	642
Loss on patent abandonment	50	64
Income tax charge recognised in profit or loss	(-)	(100)
Development cost provision	625	-
IP contract termination	544	-
Share-based payments	115	33
Operating cash flows before movements in working capital from continuing operations	**(1,202)**	**(1,051)**
Decrease in trade and other receivables	1,025	421
Decrease/(increase) in inventories	151	(95)
Increase/(decrease) in trade and other payables	87	(428)
Cash generated from/(used in) operating activities	**61**	**(1,153)**
Income tax refund received	125	125
Net cash generated from/(used in) operating activities	**186**	**(1,028)**
Cash flows from investing activities		
Development of intangible assets	(341)	(419)
Acquisition of property, plant and equipment	(4)	(22)
Net cash (used) in investing activities	**(345)**	**(441)**
Cash flows from financing activities		
Proceeds from issue of Convertible Loan Notes	-	1,000
Repayments of principal on lease liabilities	(8)	(12)
Finance costs	(140)	(70)
Interest expense on lease liabilities	(1)	(1)
Net cash (used in)/generated from financing activities	**(149)**	**917**
Net (decrease) in cash and cash equivalents	**(308)**	**(552)**
Foreign exchange differences	(64)	107
Cash and equivalent at beginning of period	**687**	**1,132**
Cash and cash equivalents at end of period	**315**	**687**

GROUP STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other reserve	Exchange reserve	Retained earnings	**Total**
	£'000	£'000	£000's	£000's	£'000	**£'000**
Balance at 1 April 2022	**1,135**	**457**	**-**	**787**	**4,739**	**7,118**
Loss after taxation for the period	-	-	-	-	(1,692)	(1,692)
Other comprehensive income:						
Exchange differences	-	-	-	107	-	107
Transactions with owners:						
Share-based payments	-	-	-	-	33	33
Deferred tax on share-based payment transactions	-	-	-	-	1	1
Shares issued during the year for cash	-	-	-	-	-	-
Convertible loan note equity component	-	-	38	-	-	38
Balance at 31 March 2023	**1,135**	**457**	**38**	**894**	**3,081**	**5,605**
Loss after taxation for the period	-	-	-	-	(3,064)	(3,064)
Other comprehensive income:						
Exchange differences	-	-	-	(64)	-	(64)
Transactions with owners:						
Share-based payments	-	-	-	-	115	115
Deferred tax on share-based payment transactions	-	-	-	-	(1)	(1)
Shares issued during the year for cash	-	-	-	-	-	-
Convertible loan note equity component	-	-	-	-	-	-
Balance at 31 March 2024	**1,135**	**457**	**38**	**830**	**131**	**2,591**

Reserve	**Description and purpose**
Share capital	Nominal value of issued shares
Share premium	Amount subscribed for share capital in excess of nominal value less associated costs
Other Reserve	Equity component arising from issue of Convertible Loan Note
Exchange reserve	The difference arising on the translation of foreign operations denominated in currencies other than UK Sterling into the presentational currency of the Group
Merger reserve	Amounts arising on the consolidation of historic acquisitions under merger accounting principles
Retained earnings	All other net gains and losses not recognised elsewhere

1 Revenue and Gross Margin Analysis

An analysis of revenue (and the related gross profit) by product or service and by geography is given below:

Revenue by type

To 31 March 2024

	Professional £'000	Consumer £'000	Total £'000
Product sales	3,429	541	3,970
Royalty and licensing income	-	-	-
Total revenue	**3,429**	**541**	**3,970**

To 31 March 2023

	Professional £'000	Consumer £'000	Total £'000
Product sales	3,672	639	4,311
Royalty and licensing income	281	-	281
Total revenue	**3,953**	**639**	**4,592**

Gross profit by type

To 31 March 2024

	Professional £'000	Consumer £'000	Total £'000
Product sales	1,422	241	1,663
Royalty and licensing income	-	-	-
Total gross profit	**1,422**	**241**	**1,663**

To 31 March 2023

	Professional £'000	Consumer £'000	Total £'000
Product sales	1,561	275	1,836
Royalty and licensing income	281	-	281
Total gross profit – pre-exceptional item	**1,842**	**275**	**2,117**

Revenue by geography

The Group recognises revenue in three geographical regions based on the location of customers, as set out in the following table:

	2024 £'000	2023 £'000
United Kingdom	3,400	3,442
Rest of World	541	970
North America	29	180
Total operations	**3,970**	**4,592**

Customer concentration

The Group has no customers representing individually over 10% of revenue each (2023: nil).

Licence revenue and finance income

Licence contracts (and certain other contracts relating to the sale of IP) typically provide for fixed payments to be made by customers over a given term (typically between three and five years but which may extend longer). Under IFRS 15, in order to reflect the time value of money, such contracts are recognised as the capitalised value of the income stream plus notional interest accruing for the year on the credit deemed to be extended to the customer (on a reducing balance basis). For the financial year 2024 this figure amounts to licence revenue of £nil and related notional interest income of £76,000 (2023: £0.3m and £101,000).

2 Reconciliation of Operating Profit to Adjusted EBITDA

Year to 31 March	**2024** £'000	**2023** £'000
Operating (Loss)	**(2,890)**	**(1,857)**
Amortisation and depreciation	477	689
EBITDA	**(2,413)**	**(1,168)**
Adjusted for:		
Loss on patent abandonment	50	64
Revenue recognised as interest under IFRS 15	76	101
Expensed share-based payments	115	33
Exceptional items:		
- Inventory Provision	-	258
- IP contract termination	544	-
- Development cost provision	626	-
- Delisting costs	34	-
Total exceptional items	1,204	258
Adjusted EBITDA	**(968)**	**(712)**

3 Annual Report & Accounts

The full Annual Report & Accounts for the year ended 31 March 2024, including Accounting Policies and Notes to the Financial Statements, will be available today on our website www.byotrolplc.com and on the secondary trading platform www.assetmatch.com. Further details on our upcoming AGM, provisionally intended to be on or around Wednesday 11th September, will be published on both websites in the coming days.