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SkinBioTherapeutics PLC
05 December 2025

SkinBioTherapeutics plc

("SkinBioTherapeutics" or the "Group" or the "Company")

Full Year Results

Continued growth and evolution of the Group

5 December 2025 - SkinBioTherapeutics plc (AIM: SBTX), a life science group focused on skin health, reports its full year results for the 12 months ended 30 June 2025.

Operational highlights

- SkinBiotix®
  - Croda studies completed and commercial agreement finalised
  - Zenakine™ (SkinBiotix®) launched to the global cosmetics industry in April 2025 and first tranche of royalty income recognised in total Group revenue
- AxisBiotix™
  - Ongoing direct sales growth and continued strong customer retention
  - Development of second AxisBiotix™ line for blemish-prone skin
  - Exclusive 2 year commercial agreement signed with Superdrug Stores plc
  - Post year end, both AxisBiotix™ lines launched in >180 High Street stores
- Dermatonics
  - Revenue of £2.2m (FY24: 1.0m) with EBITDA of £0.5m (FY24: £0.1m) - sales slightly lower than expectations following timing of stocking and additional costs, however, additional expenditure expected to support improved growth in FY26
  - Post year end synergies with Bio-Tech Solutions being realised and expected to continue through FY26
- Bio-Tech Solutions (BTS)
  - Acquired in October 2024, adding manufacture and packaging of health, hygiene and personal care products, and future development platform for topical products
  - Nine months of reported revenues of £1.4m and EBITDA of £0.1m - slightly lower than expectations due to timing of orders which occurred post year end
  - Post year end plans to enhance BTS site in order to support AxisBiotix™ product offering, and to enable production of different grades of cosmetic and medical products
- Management changes
  - Appointment of Dr Surinder 'Dass' Chahal, formerly a senior Croda VP, as Cosmetic Science / Customer Alliances Advisor to the Board, Simon Hewitson as COO and Emily Bertram as Group Finance Director
  - Post year end, Simon Hewitson stepped down as COO for personal reasons and Danielle Bekker is stepping down from the Board but will continue to support as an external advisor
  - From 1 January 2026, proposed appointment of Alyson Levett as new non-executive director and Chair of the Audit Committee and Emily Bertram promoted to Chief Financial Officer and also to the Board. Appointments subject to completion of regulatory due diligence

Financial highlights

- Revenues up 284% to £4.6m (2024: £1.2m) reflecting contribution from AxisBiotix™ direct sales and royalty revenues, a full year trading of Dermatonics and nine months sales of BTS

- Adjusted EBITDA of £(0.4)m (2024: £(2.1)m) with an operating loss improvement of 61% to £1.1m (2024: loss £2.9m)
- Cash and cash equivalents as at 30 June 2025 was £4.8m (2024: £0.8m) due to increased cash inflows from acquired companies plus successful fund raisings in August 2024 and June 2025 raising £1.56m and £4.2m (gross) respectively
- Financial transactions during and after the year to support the acquisition and commercial strategies:
  - August 2024: investment of £1.56m (gross) from new institutional investors
  - In October 2024, SBTX took a loan of £950,000 with an existing shareholder and a subscription for 2,349,624 new Ordinary Shares at 10.64p raising £250,000 and 3,289,474 warrants exercisable at the issue price to enable the cash acquisition of BTS
  - Placing and WRAP Retail Offer in June 2025 raising £4.2m (gross) to support the Superdrug agreement and initial launch
- Overall trading of the Group has started very positively for the new financial year; the Board anticipates reporting 2026 full year numbers in line with market expectations
- Market expectations for the year ending 30 June 2026; revenue of £6.2 million and adjusted EBITDA of £0.7 million

Stuart Ashman, CEO of SkinBioTherapeutics said:

"FY25 has been an important year of further evolution for the Group. We strengthened our commercial relationship with Croda, culminating in the global industry launch of SkinBiotix® under the brand name, Zenakine™. We also saw material financial contributions and synergies from new acquisitions, Dermatonics and Bio-Tech Solutions. We finished the year with the signing of an exclusive commercial deal with one of the leading UK High Street retailers, Superdrug Stores plc, which resulted in two lines of AxisBiotix™ being stocked in select stores nationwide post year end.

"Achieving these milestones, especially the partnership agreements and acquisitions, can take time to land, and the benefit from these can also take time to flow through at the Group level. However, we are now seeing royalty inflow and we have two lines of AxisBiotix™ products on High Street Stores shelves. We anticipate the cumulative benefits of these partnerships will become more visible in our accounts as product numbers and sales increase over time.

"We have seen a great start to FY26 and anticipate another year of growth from direct and indirect sales. We are especially looking forward to seeing a new generation of cosmetics products with Zenakine™ included and further High Street exposure for AxisBiotix™ as the Superdrug nationwide roll-out continues.

"On behalf of the management team, I'd like to thank the whole SkinBioTherapeutics team for their hard work, especially around meeting the tight Superdrug deadlines, and to our investors for their valued support."

-Ends-

FY results presentation webinar

Stuart Ashman, CEO will be interviewed by Proactive Investor on Friday 5 December 2025.

A shareholder presentation with the wider SkinBioTherapeutics team will be held via the Investor Meet Company platform in January 2026. Investors who already follow SkinBioTherapeutics plc on the Investor Meet Company platform will automatically be invited. Investors can sign up to Investor Meet Company for free via this **link**.

Notice of Annual General Meeting

The Annual General Meeting will be held at 9am GMT on 29 December 2025 at Boldon Park, Witney Way, Boldon, NE35 9PE.

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Notes to Editors

About SkinBioTherapeutics plc

SkinBioTherapeutics is a life science company focused on skin health. The Group's proprietary platform technology, SkinBiotix®, is based upon discoveries made by the translational dermatology team at the University of Manchester.

The Group's foundation business is targeting the skin healthcare market via five pillars, the most advanced of which are cosmetic skincare (SkinBiotix®) and food supplements that harness the gut-skin axis (AxisBiotix™). The cosmetic pillar has a partnership with Croda plc where SkinBiotix® is being used as an active skin ingredient with the Croda trade name, Zenakine™. The AxisBiotix™ pillar has a range of products targeting the symptoms of inflammatory skin conditions, being sold directly and via Amazon, and on the High Street in selected Superdrug Stores plc stores.

The Group is also acting as a consolidator and is making acquisitions in complementary areas such as skincare and cosmetic applications, that also bring new distribution and geographical platforms, and manufacturing capabilities through which it can funnel its in-house pillar products.

The Company listed on AIM in April 2017 and is based in Newcastle, UK. For more information, visit: www.skinbiotherapeutics.com.

Chairman's Statement

Introduction

The year to the end of June 2025 has been another impactful one as we evolve as a Group. Significant progress has been made with our original five pillars, with notable successes such as the SkinBiotix® / Croda commercial partnership and the launch of Zenakine™ to the global cosmetic industry. We also made our second acquisition, Bio-Tech Solutions which has complemented the successful acquisition of Dermatonics in the previous financial year to bring a manufacturing arm to the business with synergies beginning to positively impact the Group. Just before the year end, we signed an exclusive agreement with Superdrug around AxisBiotix™ and post year end, stock was placed on High Street shelves for consumers. In the CEO's report, we have provided fuller details of these achievements.

Strategy

The underlying strategy of the Group is to apply the SkinBiotix™ technology across multiple pillars - from skin health as an active ingredient to tackling skin conditions to wound care, and seek strategic external partnerships to commercialise these products for a share of royalty and/or revenues. Since 2022, we have extended this strategy to look at complementary products and operations, that would accelerate revenue, earnings and technology adoption. Overall, this dual track strategy aims to build on external partnerships, extend our international reach and diversify the risk in our business by broadening its base.

Financial summary

The acquisitions of Bio-Tech Solutions (October 2024) and Dermatonics (January 2024) have made a major impact to the financial landscape of the Group, not only in FY2025 but in relation to the future of the Group. The Finance review provides more detail, but in summary, the revenues grew 284% to £4.6m (FY2024: £1.2m) reflecting the growth of AxisBiotix-Ps sales, a full year trading of Dermatonics, nine month's sales from Bio-Tech Solutions and royalty income. The operating loss was £1.1m (FY2024: loss £2.9m), reflecting the introduction of a full year of Dermatonics profit and the Bio-Tech Solutions acquisition, this is despite an increase in costs of operations and headcount, before and after the acquisition. Cash as at 30 June 2025 was £4.8m (FY2024: £0.8m), comprising incoming cash balances from Bio-Tech Solutions and two equity-based fund raisings, in August 2024 and June 2025 raising £1.56m and £4.2m (gross) respectively to support the Superdrug agreement and initial launch.

Board and Leadership

During the financial year, we welcomed three new members to the board and leadership team. Simon Hewitson as Chief Operating Officer and Emily Bertram as Group Finance Director. We also appointed Dr Surinder 'Dass' Chahal as Cosmetic Science / Customer Alliances Advisor to the Board. Post year end Simon stepped away from his role in the Company due to personal reasons and we wish him all the best for the future. Post year end, the Group undertook to strengthen the board and, with effect from 1st January 2026, Alyson Levett will join the Board as a new Non-Executive Director; she will also take on Chair of the Audit Committee from Dr Cathy Prescott. Emily Bertram has also been promoted to Chief Financial Officer and will also join the Board with effect from 1st January 2026. Danielle Bekker has also decided to step down from her role as Non-executive director. Danielle's support and guidance has been invaluable to the team so we are delighted that she has agreed to provide support on a consultancy basis following her resignation. The appointments have been agreed by the Board, subject to completion of regulatory due diligence purposes of the AIM Rules.

Outlook

In my opinion, 2025 will be a year we will look back at with great pride, not only of what we have achieved but how the team has responded with professionalism and a can-do attitude to every new challenge that has been presented to them. The evolution of SBTX, from a one technology company, albeit with multiple pillars, to a more integrated, diverse Group with multinational distribution, a high street presence and manufacturing capabilities, continues to progress.

Our aim for the year ahead is to continue to build on the foundations of the business represented by the five pillars, as well as continuing our ambition to be a consolidator in the market. We also expect to see another series of firsts, as Zenakine™ is incorporated into new cosmetic products and sold to consumers and to see two AxisBiotix™ products sold on the High Street through Superdrug. We look forward to seeing the continued impact of these events and underlying business on the financial performance of the Group, as we rapidly approach profitability. As a team, we continue to work hard to build value for our shareholders, and we are grateful for their continuing support as we navigate the highs and lows of being a small AIM quoted business in difficult markets.

On behalf of the Board, I would like to take the opportunity to thank everyone at SBTX for the considerable progress achieved by the Group over the course of the year and in the post year end period.

Martin Hunt

Chairman

4 December 2024

Strategic and Financial Review

Company background and strategy

SkinBioTherapeutics is a life science company focused on skin health. Our underlying strategy focuses on our proprietary technology, SkinBiotix, which harnesses the microbiome to promote wound healing and reduce the risk of infection. The second part of the strategy, introduced in 2022, is based on SkinBioTherapeutic's ambition to be a consolidator in the sector using M&A to bring in technological, operational and financial benefits.

SkinBiotix™ (skincare/cosmetics)

Since 2019, SkinBioTherapeutics has had a commercial and manufacturing agreement with Croda plc, a specialist manufacturer of ingredients which it supplies to the international cosmetics and Fast Moving Consumer Goods (FMCG) industry. Croda has been investigating the use of SkinBiotix™ as a novel bioactive ingredient.

Typically, the time taken for an ingredient to be researched and tested by the Croda team is seven years before it enters commercialisation; in SkinBioTherapeutic's case, the process has taken only five years which is real testament to our SkinBiotix™ technology. During this time, Croda has been investigating the best quality formulations for its customers as well as scaling-up the manufacture of SkinBiotix™ to commercial levels i.e. 20,000 litres, in order to be able to service the global market.

In October 2023, Croda extended its development agreement in order to explore evidence of additional activity. This study was successfully completed in September 2024, with validation of additional efficacy and marketing claims for Croda's commercialisation team to use with potential customers.

The formal launch of SkinBiotix™ as an active ingredient took place in April 2025 at In-Cosmetics Global, the world's largest cometic ingredients exhibition.

In April 2025 the Company finalised commercial terms with Croda following the completion of the extended studies. The terms are based on the original agreement with SkinBioTherapeutics i.e. paid tiered royalties based on global sales revenues on any licensed products derived from the partnership. Sales and distribution rights are for the cosmetic sector alone, leaving SkinBioTherapeutics to focus on further applications of its technology in other sectors.

Under the terms of the agreement, all details about formulation, functionality and Croda's financial expectations remain completely confidential. However, we are pleased to report, for the purposes of these FY results, that the first tranche of royalty income has been recognised in the revenue of the group. Any royalty revenues arising from ongoing sales will be reported to the market at the appropriate time, and we will draw shareholders' attention to any relevant public announcements from the Croda team.

AxisBiotix™ (gut/skin axis)

AxisBiotix™ is commercialised as a food supplement to alleviate the symptoms of irritation prone skin and has been developed further to target blemish prone skin.

AxisBiotix-Ps, the food supplement targeting the psoriasis sector, is being sold directly by SkinBioTherapeutics in the UK and Europe via its own website and via Amazon. The primary focus for FY25 has been to continue to grow direct sales in the UK and Europe, whilst searching for a retail partner to sell this product and the new line for blemish-prone skin on the High Street.

Sales in FY25 were from direct sales only and reached £280k (FY24: £248k). The monthly retention rate has stayed high at similar levels to FY24, achieving 86% during the period (FY24: 80%). The retention rate is measured as the number of subscribers who remain a subscriber at the end of each monthly period, compared to the same cohort that were in existence at the start of a month period.

Just before the year end, we were granted Seal of Recognition and inclusion in the approved product directory by the US National Psoriasis Foundation (NPF). The NPF is the leading non-profit organisation representing individuals with psoriasis and psoriatic arthritis in the USA. This official recognition is important industry validation of AxisBiotix™-Ps and opens up potential new markets for the product in the longer term.

AxisBiotix- Ac, during the financial year, we made further progress in preparing for the launch of our food supplement, which harnesses the microbiome used in the AxisBiotix-Ps in order to support blemish prone skin.

In a previous study involving 98 UK-based participants with acne-prone skin, 84% of participants reported that the appearance of their spots had improved, 77% that the pain caused by their spots had eased, and 62% that the anxiety they felt due to their spots had improved.

In June 2025 our High Street strategy was realised, and we signed a contract with Superdrug Stores plc (Superdrug) for two years exclusivity for the food supplement targeting irritation prone skin and the most recently developed version targeting blemish prone skin. There was a very short lead time allowed for manufacture and delivery of both products to meet the stringent launch deadline, but the SkinBioTherapeutics team achieved it. These products were launched by Superdrug post year end in October 2025 around the UK in c.180 specially selected stores on the basis of having typically higher sales of medicated skincare relative to the rest of its group. A phased roll-out to the rest of Superdrug's UK store portfolio is scheduled to commence in Spring 2026, as well as the development of new formulations of SkinBiotix™ into gum and/or capsule form.

Research and Development

SkinBioTherapeutics has a number of R&D projects underway with the University of Manchester. With the amount of activity going on in the commercial parts of the business and the integration of our recent acquisitions, activities around R&D have been put on hold until the Board has determined which programmes have the greatest potential and value. The current projects are:

- **MediBiotix** - developing SkinBiotix™ for accelerated wound closure, a medical device application. The programme is called Project Epiderm. This work is being undertaken by Professors Cruikshank and McBain at the University of Manchester and has been joint funded by SBTX and grant funding.
- **Oral Programme:** the first extended phase of developing a new lysate for the oral programme is complete. Further funding will be required to take this programme further forward and the Company is in discussions with the University to establish next steps.
- **Inflammation**: looking at how the microbiome can influence and balance the body's response to inflammation specifically related to harmful UVR (sunlight) light. The programme ran until June 2025.

Dermatonics

Dermatonics Limited is a specialist in innovative topical and dermatological products in the skincare/woundcare space, using natural ingredients wherever possible. The company was acquired by SkinBioTherapeutics in January 2024 for £1.75m plus £1.25m earn-out over three years, in a cash-free and debt-free acquisition.

This acquisition aligned directly with our previously stated strategy to seek accretive opportunities outside of the business that provided immediate synergies and accelerated routes to market. It has expanded our product range and customers base, provided a sales platform with senior regulatory and sales expertise, and new sales channels for our in-house strategic pillars.

Revenue for the financial year was £2.2m (FY24: £1.0m) with EBITDA of £0.5m (FY24: £0.1m), which was slightly lower than our expectations following timing of revenue and additional costs, however, this additional expenditure has now laid the foundations to achieve growth in FY26. Post year end synergies with Bio-Tech Solutions have begun to be realised and this will continue throughout FY26.

The Umesh Modi ("UM") contract has delivered revenue but is still in its infancy. The internal team are currently in talks with a number of international distributors, including UM, to enhance our export trade. The overall export sales in FY2025 have increased by 3% compared to prior year.

Bio-Tech Solutions

In October 2024, we completed our second acquisition of Bio-Tech Solutions Ltd ("BTS") for a total enterprise consideration of £1.25m payable in cash on closing. BTS is a well-established manufacturer and supplier of health, hygiene and personal care products and brings the capabilities of manufacturing and packaging to the Group, as well as a future development platform for advanced topical creams. The manufacturing facilities are to GMP standards and ISO certified, and the Company has quality control (QC) facilities, including HPLC (high-performance liquid chromatography) analysis service and can also deal with flammables.

The acquisition was funded by a loan of £950,000 with an existing shareholder, David Brierwood, and a subscription for 2,349,624 new Ordinary Shares at 10.64p raising £250,000, as well as utilisation of Group cash reserves. The rationale behind the use of the loan and equity element was to preserve the Group's cash runway, and allows time for integration and realisation of synergies, such as manufacturing products from Dermatonics' pipeline in-house.

For the financial year ended 30 June 2025, BTS reported revenues of £1.4m and EBITDA of £0.1m which was slightly lower than expectations due to timing of orders which occurred post year end, the timing of the acquisition completion and integration.

As detailed as part of the fundraise in June, we will be using some of these funds to enhance the BTS site. This will allow us to build this site into a facility that can support the packaging and enhancement of our AxisBiotix™ product offering extending its capacity and capabilities to service a broader range of contracts including medical device-certified products. This would also allow the Group to become more efficient and be able to produce different grades of cosmetic and medical products. Each phase of the investment plan will only commence if milestones based on an increase in profitability are triggered; we will fund this plan through internal means only rather than raise more funds.

Financial review

In the year to 30 June 2025, the Group reported sales of £4.6m (2024: £1.2m), reflecting continuing increase in AxisBiotix-Ps™ sales, a full year trading of Dermatonics, the addition of Bio-Tech Solutions revenues and Royalty income, which was in line with management expectations. Revenues from AxisBiotix-Ps were £280k (2024: £248k) following an increase in subscriber numbers, the launch into new territories during 2024 and onto Amazon. Dermatonics revenues were £2.2m representing a full year of trading under the Group, up from £1.9m on a like-for-like basis. Bio-Tech Solutions contributed £1.4m from October to 30 June 2025.

Cost of sales increased to £1.8m (2024: £0.5m), reflecting the impact of the Dermatonics and BTS acquisitions and financials on the Group.

Gross profits were £2.9m (2024: £0.7m) with gross margins at 62% (2024: 57%) reflecting increased operational effeciencies of the larger group.

Overall expenses were £4.0m (2024: £3.6m). Selling and distribution was £0.3m (2024: £0.2m). Research and development expenditure costs were £0.1m (2024: £0.6m) for the EpiDerm programme. Operating expenses increased by 25% to £3.6m (2024: £2.9m) reflecting the impact of a full year of Dermatonics and the introduction of BTS into the Group's financials and increased Plc costs associated with a larger group.

The operating loss was significantly improved from the prior year by 61% to £1.1m (2024: loss £2.9m).

The cash balance as at 30 June 2025 was £4.8m (2024: £0.8m) which is representative of the addition of BTS to the group and the successful Placing and WRAP Retail Offer in August 2024 and June 2025 raising £1.56m and £4.2m respectively. We do not have any short-term concerns over cash on the basis that the acquisition of BTS reduced monthly cash burn further and following the completion of the Croda commercial agreement, we have been able to update expectations further to be cash positive for the foreseeable future.

During the year we carried out a number of financing events. In August 2024 we raised £1.56m of gross proceeds, having been approached by two new institutional investors. In October 2024, we raised a loan of £950,000 with an existing shareholder, David Brierwood, and a subscription for 2,349,624 new Ordinary Shares at 10.64p raising £250,000, to enable a cash acquisition of BTS. And, finally in June 2025 to support the Superdrug agreement and capital requirements in BTS to acquire the encapsulation and packaging equipment to support the development of a capsule format, we undertook a Placing and WRAP Retail Offer raising £4.2m.

Current trading and outlook

The profile of the Group has changed completely this year and will broaden further in FY26.

This year, we have seen a full year's revenues from Dermatonics and eight months of BTS, on top of the underlying AxisBiotix™ direct business and the addition of royalty income. FY26 will reflect all of this plus the addition of a full year of BTS results and the start of the Superdrug / AxisBiotix™ sales.

Overall trading of the Group has started well for the new financial year and the Board looks forward to reporting the full year numbers in line with market expectations.

The extent of Croda sales is difficult to forecast since SkinBiotix™ is such a novel product for the industry, however, response to the Zenakine™ launch from attendees/customers at the Croda presentation at the Incosmetic Global meeting and feedback from Croda and the market are greatly encouraging with respect to market interest. We remain confident that the potential enhanced commercial opportunities could be considerable.

In FY2024, the majority of our focus was on growing underlying sales of AxisBiotix-Ps™ in the UK and Europe alongside finding a suitable partner to launch into the retail space. We have seen the fruits of this work through continuing sales growth through direct channels and the two year exclusivity agreement with Superdrug. We also look forward to seeing sales from our newest AxisBiotix™ line for blemish-prone skin as part of the Superdrug launch and we anticipate this will be available through our other online channels soon.

Dermatonics revenue forecast is expected to grow across all revenue streams in the business, in particular export sales. We expect to see some erosion of the profit margin during the year due to some investment in the business, but this should result in benefits to come in future growth years.

We anticipate that FY2026 will be a transitional year for BTS, with ongoing investment in the facility aimed to bring in new customers and revenue streams. We therefore expect revenues to grow, however, the true upside will be realised in future years.

With a firmer financial footing with respect to cash, a scaled-up Group infrastructure, we are in a much stronger position for making new consolidating acquisitions and for negotiations with new potential industry partners.

Conclusion

FY2025 has been a significant year with respect to both commercial and financial transactions completed in an extremely challenging economic environment for a small growth company with big ambitions.

We have always stated that we want to grow the business both through organic growth, but also through acquisition, in order to provide additional products and capabilities, and increasingly importantly, scale-up for negotiations with present partners as well as future ones. Dermatonics and in time, Bio-Tech Solutions have completely changed our shape and positioning, and have created additional products, operational and manufacturing infrastructure to complement the SkinBiotix™ platform. Our commercial partnerships with Croda, and more recently Superdrug, will also play a significant role in SkinBioTherapeutics future growth and long term value.

All of these achievements would not have taken place without the hard work of the team and the long-term support of our shareholders, for which we are very grateful.

Stuart Ashman

CEO

4 December 2025

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2025

Continuing Operations	**Notes**	**2025** £	**2024** £
Revenue	**3**	4,638,147	1,208,669
Cost of Sales		(1,778,867)	(525,631)
Gross Profit		2,859,280	683,038
Selling and distribution costs		(293,375)	(170,597)
Research and development		(127,347)	(563,911)

Research and development		(127,347)	(562,911)
Other administrative expenses		(3,561,693)	(2,854,662)
Total operating expenses	**4**	(3,982,415)	(3,588,170)
Loss from operations		(1,123,135)	(2,905,132)
Finance costs	**5**	(91,981)	(43,760)
Gain on remeasurement of contingent consideration		500,000	-
Loss before taxation		(715,116)	(2,948,892)
Taxation	**7**	18,863	72,902
Loss for the year		(696,253)	(2,875,990)
Other comprehensive income		-	-
Total comprehensive loss for the year		**(696,253)**	**(2,875,990)**
Basic and diluted loss per share (pence)	**8**	(0.31)	(1.54)

Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	**2025**	**2024**
Assets		**£**	**£**
Non-current assets			
Property, plant and equipment	**9**	356,291	44,357
Right-of-use assets	**10**	372,057	72,012
Goodwill	**11**	2,419,640	2,038,325
Intangible assets	**12**	1,869,485	1,388,959
Total non-current assets		**5,017,473**	**3,543,653**
Current assets			
Inventories	**14**	800,154	472,419
Trade and other receivables	**15**	1,528,628	398,088
Cash and cash equivalents		4,779,433	800,904
Total current assets		**7,108,215**	**1,671,411**
Total assets		**12,125,688**	**5,215,064**
Equity and liabilities			
Equity			
Capital and reserves			
Called up share capital	**23**	2,587,794	2,022,552
Share premium	**23**	21,087,900	14,507,673
Share based payment reserves	**24**	438,589	438,589
Accumulated deficit		(14,695,186)	(13,998,933)
Total equity		**9,419,097**	**2,969,881**
Liabilities			
Non-current liabilities			
Lease liabilities	**17**	281,354	39,861
Deferred consideration	**20**	-	250,000
Borrowings	**19**	600,000	-
Deferred tax	**20**	356,024	150,624
Total non-current liabilities		**1,237,378**	**440,485**
Current liabilities			
Trade and other payables	**16**	1,072,919	498,560
Corporation tax payable		34,182	27,257
Lease liabilities	**17**	112,112	38,881
Convertible loan	**18**	-	740,000
Deferred consideration	**20**	250,000	500,000
Total current liabilities		**1,469,213**	**1,804,698**
Total liabilities		**2,706,591**	**2,245,183**
Total equity and liabilities		**12,125,688**	**5,215,064**

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2025

	2025	**2024**

	£	£
Cash flows from operating activities		
Loss before tax for the period	(715,116)	(2,948,892)
Net interest	65,223	36,816
Depreciation of property, plant and equipment	58,385	49,260
Right-of-use assets depreciation and interest	122,206	43,345
Loss on disposal of tangible assets	28,195	-
Gain on deferred consideration reversal	(500,000)	-
Amortisation of IP	246,004	83,368
	(695,103)	**(2,736,103)**
Changes in working capital		
Decrease/(increase) in inventories	14,177	96,419
(Increase)/decrease in trade and other receivables	(752,283)	166,842
(Decrease)/increase in trade and other payables	172,351	(436,019)
Cash Used In operations	**(565,755)**	**(172,758)**
Taxation paid	25,788	182,545
Net cash used in operating activities	**(1,235,070)**	**(2,726,316)**
Investing activities		
Purchase of property, plant and equipment	(6,300)	(14,959)
Purchase of IP	(152,530)	(169,996)
Purchase of right-of-use assets	-	(13,214)
Cash consideration	(1,462,530)	(1,598,423)
Deferred consideration	-	(500,000)
Net cash used in investing activities	**(1,621,360)**	**(2,296,592)**
Cash flows from financing activities		
Net proceeds from issue of shares	6,055,469	3,119,553
Net amounts raised from convertible loan	-	1,472,000
Net amounts raised from borrowings	950,000	-
Interest paid	(62,983)	(36,816)
Lease payments made	(107,527)	(42,759)
Net cash generated by/(used in) financing activities	**6,834,959**	**4,511,978**
Net increase in cash and cash equivalents	**3,978,529**	**(510,930)**
Cash and cash equivalents at the beginning of the period	800,904	1,311,834
Cash and cash equivalents at the end of the period	**4,779,433**	**800,904**

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2025

	Share Capital	**Share Premium**	**Share based payment reserves**	**Retained earnings**	**Total**
	£	£	£	£	£
As at 1 July 2023	**1,731,390**	**10,947,874**	**438,589**	**(11,122,943)**	**1,994,910**
Loss for the period	-	-	-	(2,875,990)	(2,875,990)
Issue of shares	291,162	3,841,413	-	-	4,132,575
Cost of share issue	-	(281,614)	-	-	(281,614)
As at 30 June 2024	**2,022,552**	**14,507,673**	**438,589**	**(13,998,933)**	**2,969,881**
Loss for the period	-	-	-	(696,253)	(696,253)
Issue of shares	565,242	7,016,484	-	-	7,581,726
Cost of share issue	-	(436,257)	-	-	(436,257)
As at 30 June 2025	**2,587,794**	**21,087,900**	**438,589**	**(14,695,186)**	**9,419,097**

Share capital is the amount subscribed for shares at nominal value.

Share premium is the amount subscribed for share capital in excess of nominal value.

Retained earnings represents accumulated profit or losses to date.

Share based payment reserve represents the cumulative SBP charges for unvested options or fully vested unexercised options which have not lapsed or forfeited.

Company Statement of Financial Position

As at 30 June 2025

	Notes	2025	2024
Assets		**£**	**£**
Non-current assets			
Property, plant and equipment	**9**	3,339	44,357
Right-of-use assets	**10**	39,774	72,012
Intangible assets	**12**	884,975	801,850
Investments	**13**	5,693,822	3,642,860
Other receivables	**15**	1,619,723	1,593,553
Total non-current assets		**8,241,633**	**6,154,632**
Current assets			
Trade and other receivables	**15**	855,716	89,054
Corporation tax receivable		11,426	68,425
Cash and cash equivalents		3,998,493	524,854
Total current assets		**4,865,635**	**682,333**
Total assets		**13,107,268**	**6,836,965**
Equity and liabilities			
Equity			
Capital and reserves			
Called up share capital	**23**	2,587,794	2,022,552
Share premium	**23**	21,087,900	14,507,673
Share based payments	**24**	438,589	438,589
Accumulated deficit		(12,519,369)	(11,943,918)
Total equity		**11,594,914**	**5,024,896**
Liabilities			
Non-current liabilities			
Lease liabilities	**17**	-	39,861
Deferred consideration	**20**	-	250,000
Borrowings	**19**	600,000	-
Total non-current liabilities		**600,000**	**289,861**
Current liabilities			
Trade and other payables	**16**	619,451	243,327
Lease liabilities	**17**	42,903	38,881
Convertible loan	**18**	-	740,000
Deferred consideration	**20**	250,000	500,000
Total current liabilities		**912,354**	**1,522,208**
Total liabilities		**1,512,354**	**1,812,069**
Total equity and liabilities		**13,107,268**	**6,836,965**

No Statement of Comprehensive Income is presented in these financial statements for the Parent Company as provided by Section 408 of the Companies Act 2006. The loss for the financial year dealt with in the financial statements of the Parent Company was £575,451 (2024: £2,502,322).

Company Statement of Cash Flows

For the Year Ended 30 June 2025

	2025	2024
	£	**£**
Cash flows from operating activities		
Loss before tax for the period	(586,734)	(2,570,747)
Net Interest	58,443	-
Depreciation of property, plant and equipment	41,018	49,260
Right-of-use assets depreciation and interest	41,593	43,345
Gain on deferred consideration reversal	(500,000)	-
Impairment of financial assets	-	7,608
	(945,680)	**(2,470,534)**
Changes in working capital		
(Increase)/decrease in trade and other receivables	(792,832)	(95,256)
(Decrease)/increase in trade and other payables	376,124	(232,232)
Cash (used)/generated by operations	**(416,708)**	**(327,488)**
Taxation received	68,282	182,545
Net cash used in operating activities	**(1,294,106)**	**(2,615,477)**
Investing activities		
Purchase of property, plant and equipment	-	(14,959)
Purchase of IP	(83,125)	(107,448)
Purchase of POU	-	-
Investment in subsidiaries	(588,433)	(312,003)
Cash consideration	(1,462,529)	(1,598,423)
Deferred consideration	-	(500,000)
Net cash used in investing activities	**(2,134,087)**	**(2,532,833)**

Cash flows from financing activities		
Net proceeds from issue of shares	6,055,469	3,118,962
Net amounts raised from convertible loan	-	1,472,000
Net amounts raised from borrowings	950,000	-
Interest paid	(58,443)	-
Lease payments made	(45,194)	(42,759)
Net cash generated by/(used in) financing activities	**6,901,832**	**4,548,203**
Net decrease in cash and cash equivalents	**3,473,639**	**(600,107)**
Cash and cash equivalents at the beginning of the period	524,854	1,124,961
Cash and cash equivalents at the end of the period	**3,998,493**	**524,854**

Company Statement of Changes in Equity

For the Year Ended 30 June 2025

	Share Capital	Share Premium	Share based payment reserves	Retained earnings	Total
	£	£	£	£	£
As at 1 July 2023	**1,731,390**	**10,947,874**	**438,589**	**(9,441,596)**	**3,676,257**
Loss for the period	-	-	-	(2,502,322)	(2,502,322)
Issue of shares	291,162	3,841,413	-	-	4,132,575
Cost of share issue	-	(281,614)	-	-	(281,614)
As at 30 June 2024	**2,022,552**	**14,507,673**	**438,589**	**(11,943,918)**	**5,024,896**
Loss for the period	-	-	-	(575,451)	(575,451)
Issue of shares	565,242	7,016,484	-	-	7,581,726
Cost of share issue	-	(436,257)	-	-	(436,257)
As at 30 June 2025	**2,587,794**	**21,087,900**	**438,589**	**(12,519,369)**	**11,594,914**

Share capital is the amount subscribed for shares at nominal value.

Share premium is the amount subscribed for share capital in excess of nominal value.

Retained earnings represents accumulated profit or losses to date.

Share based payment reserve represents the cumulative SBP charges for unvested options or fully vested unexercised options which have not lapsed or forfeited.

Notes to the Financial Statements

For the Year Ended 30 June 2025

1. **General information**

SkinBioTherapeutics plc ('the Company') is a public company limited by shares incorporated in England under the Companies Act and quoted on the AIM market of the London Stock Exchange (AIM: SBTX). The address of its registered office is given on page 1.

The principal activity of the Group is that of research and development focused on harnessing the microbiome for human health, and commercialisation of these technologies, as well as the manufacture and sales of dermatological products through acquired entities.

2. **Significant accounting policies and basis of preparation**

a) **Statement of compliance**

The consolidated and company financial statements of SkinBioTherapeutics plc have been prepared in accordance with UK-adopted International Accounting Standards ('IFRS') and the Companies Act 2006 applicable to companies reporting under IFRS.

b) **Basis of preparation**

The consolidated and company financial statements have been prepared under the historical cost convention modified by the revaluation of certain financial instruments. The accounting policies have been applied consistently in all material respects.

The consolidated and company financial statements are presented in Sterling (£) as this is the predominant functional currency of the Group and Company, and is the currency of the primary economic environment in which it operates. Foreign transactions are accounted in accordance with the policies set out below.

c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. A list of all the Company's subsidiary undertakings is provided in note 13 and for the business combination details, refer to note 20.

d) Going concern

These financial statements have been prepared on a going concern basis. In considering the appropriateness of this assumption, the Board has considered the Group's projections for the twelve months from the date of approval of this financial information, including cash flow forecasts. The directors are confident that based on the Group's forecasts and the capital raise of approximately £4.2 million (before costs) in June 2025, the Group will have enough funds to continue in operation for at least 12 months from the date of signing these financial statements. The Directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future and therefore adopt the going concern basis of accounting in preparing these financial statements.

e) Estimates and judgements

The preparation of financial statements requires the Board to make judgements, estimates and assumptions that may affect the application of accounting policies and reported amounts of assets and liabilities as at each balance sheet date and the reported amounts of revenues and expenses during each reporting period. Any estimates and assumptions are based on experience and any other factors that are believed to be relevant under the circumstances and which the Board considers to be reasonable. Actual outcomes may differ from these estimates. Any revisions to accounting estimates will be recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change will be recognised over those periods.

The following are the critical judgements that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimation of the lifetime of intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortization and accumulated impairment losses.

Intangible assets recognised are reviewed against the criteria for capitalisation with useful life determined by reference to the underlying product being developed. Management believes that the assigned values and useful lives, as well as the underlying assumptions, are reasonable, though different assumptions and assigned lives could have a significant impact on the reported amounts.

Useful lives are also examined on an annual basis and adjustments, where applicable are made on a prospective basis. The Group does not have any intangible assets with indefinite lives.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents & Trademarks	-	10% straight line
Brands	-	10% straight line
Customer Relationships	-	25% straight line

Capitalisation of development costs

During the year £152,530 (2024: £169,996) of development costs were capitalised, bringing the total amount of development costs capitalised, as intangible assets, as at 30 June 2025, to £1,009,405 (2024: £860,391), net of amortisation. Management has reviewed the balances by project, compared the carrying amount to expected future revenues and is satisfied that no impairment exists and that the costs capitalised will be fully recovered as the products are launched to market. New product projects are monitored regularly and should the technical or market feasibility of a new product be in question, the project would be cancelled and capitalised costs to date will be removed from the balance sheet and charged to the statement of comprehensive income.

Inventory valuation

Inventory is carried at the lower of cost and net realisable value, using the first in first out method. Appropriate provisions for estimated irrecoverable amounts due to slow-moving or obsolete inventory are recognised in the income statement where there is objective evidence that the assets are impaired.

The provision is £21,764 at 30 June 2025 (2024: £nil).

Recoverability of goodwill, customer relationships and trade name intangible assets

As noted above, part of the Company's strategy is to grow through acquisitions which has led to material goodwill, customer relationships and trade name intangible assets being recognised on the balance sheet. Goodwill, which is allocated across CGUs, is tested annually to determine if there is any indication of impairment by comparing the carrying amount of the goodwill to the recoverable amount of the CGU to which it has been allocated. Assumptions and estimates are used to determine the recoverable amount of each CGU, principally based on the present value of estimated future cash flows. Actual performance may differ from management's expectations. The estimates and assumptions used in performing impairment testing are described in note 12.

Customer relationships and trade name intangible assets are also reviewed annually for indicators of impairment and if an indicator of impairment exists then similar recoverability testing, involving the use of estimates and assumptions, is performed for the business to which the customer relationships and trade name intangible assets relate. The useful economic lives of customer relationships and trade name intangible assets are also reviewed at least annually, with any revisions to the original estimated useful economic lives accounted for prospectively.

Refund accruals

Accruals for sales returns are estimated on the basis of historical returns and are recorded so as to allocate them to the same period in which the original revenue is recorded. These accruals are reviewed regularly and updated to reflect The Board's latest best estimates. The Board do not believe that the difference between the accrual estimate and actual returns will be material.

The accrual for net refunds totalled £nil at 30 June 2025 (2024: £255). The expected returns rate would need to differ to actual returns by 10% to have an impact of +/- £1,945 on reported revenue and on operating profit. The choice of a 10% change for the determination of sensitivity represents an extreme variation in the return rate.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. The judgments made and the model used are further specified in note 24.

Estimation of incremental borrowing rate in accounting for leases under IFRS16

In recognising a lease liability and right-of-use asset under IFRS 16 the Group has used an estimated incremental borrowing rate of 8%. The Group does not have any borrowings, so in order to apply IFRS 16 it was necessary to estimate the incremental borrowing rate that would be faced by the Group. The rate of 8% was determined by looking at a range of loans available on the market. If the interest rate used in the calculation were higher, this would have the effect of reducing the size of both the lease liability and right-of-use asset, reducing the depreciation charge and increasing the interest charge in the consolidated income statement. The overall change to the Company Income Statement and the Company Statement of Financial Position would be immaterial. There would be no change to operating cash flows or lease payments as a result of a change in the estimate of the incremental interest rate.

f) Application of new and revised International Financial Reporting Standards (IFRSs)

The Group has adopted all of the new or amended Accounting Standards and interpretations issued by the International Accounting Standards Board ('IASB') or the IFRS Interpretations Committee ('IFRIC') that are mandatory and relevant to The Group's activities for the current reporting period.

The following standards, amendments and interpretations are new and effective for the year ended 30 June 2025 and have been adopted. None of the pronouncements had a material impact on the Group's consolidated results, assets and liabilities.

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
IAS 1	Disclosure of Accounting Policies	Amendments to clarify how conditions or covenants affect the classification of liabilities.	1 January 2024
IFRS 16	Leases	Amendments to address subsequent measurement in sale and leaseback transactions.	1 January 2024

New and revised IFRSs in issue but not yet effective

There are a number of new and revised IFRSs that have been issued but are not yet effective that the Group has decided not to adopt early. The most significant of these are as follows:

Reference	Title	Summary	Application date of standard (Periods commencing on or after)
IFRS18	Presentation of Financial Statements	IFRS 18 replaces IAS1 on financial statement presentation.	1 January 2027

The adoption of these Standards and Interpretations, specifically IFRS18, is not expected to have a material impact on the financial information of the Group in the period of initial application when they come into effect.

g) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate ruling at that date. Foreign exchange differences on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

h) Revenue recognition

Revenue consists of internet sales, in addition to postage receipts, as well as sales to a range of distributors, national pharmacy chains and wholesalers, with the Group acting as the Principal in all arrangements. Revenues are recorded net of an appropriate deduction for actual and expected returns, sales discounts and sales taxes.

Revenue is recognised on the satisfaction of performance obligations and an assessment of when control is transferred to the customer. This is on dispatch of goods to the customer.

Royalty income is recognised on an accrual basis in accordance with the terms of the underlying royalty agreement. Revenue is measured based on the consideration to which the company expects to be entitled, calculated as a percentage of sales. Royalty income is recognised when it is probable that economic benefits will flow to the company and the amount can be reliably measured.

i) Research and development

Research expenditure is written off to the statement of comprehensive income in the year in which it is incurred.

Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the Group is expected to benefit.

j) Inventories

Inventory is carried at the lower of cost and net realisable value. Cost is determined using the first in, first out method and represents the purchase cost, including transport, handling costs and duties.
Appropriate provisions for estimated irrecoverable amounts due to slow-moving or obsolete inventory are recognised in the income statement where there is objective evidence that the assets are impaired.

k) Property, plant and equipment

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to write off their cost over their estimated useful lives at the following annual rates:

- Plant & machinery 50%

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss in the year in which the asset is derecognised.

l) Impairment testing of intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the assets may be impaired.

m) Business combinations and goodwill

Business combinations are accounted for under IFRS 3 Business Combinations (Revised) using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition-date fair value. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 in the income statement.

Goodwill is initially measured at cost, being the excess of the aggregate of the acquisition-date fair value of the consideration transferred over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination. Assets acquired and liabilities assumed in transactions separate from the business combinations, such as the settlement of pre-existing relationships or post-acquisition remuneration arrangements, are accounted for separately from the business combination in accordance with their nature and applicable IFRSs. Identifiable intangible assets, meeting either the contractual-legal or separability criterion, are recognised separately from goodwill. Contingent liabilities representing a present obligation are recognised if the acquisition-date fair value can be measured reliably.

Brands and customer relationships arising on the acquisition of business combinations, are measured at cost less accumulated amortisation and accumulated impairment losses. The acquired brand is a well-know brand which is registered, has a good track record and has a finite useful life. Customer relationships are measured at the time of the business combination and have finite useful lives.

n) Leasing

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether each of the following criteria apply:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At the commencement date of a lease, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date, net of any incentives received.

The Group depreciates right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when indicators of impairment exist.

At the commencement date of a lease, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available, or the Group's incremental borrowing rate. Details of this borrowing rate are given in note 2e.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under any residual value guarantees and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability is reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. If a lease liability is remeasured, a corresponding adjustment is reflected in the value of the right-of-use asset, or, if the carrying value of the right-of-use asset is already reduced to zero, the income statement.

The Group has elected to account for short-term leases (with a term of up to 12 months) and leases of low-value assets using the practical expedients available in IFRS 16. Instead of recognising a right-of- use asset and lease liability, the payments in relation to such leases are recognised as an expense in the income statement on a straight-line basis over the lease term.

o) Tax

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the income statement because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's current tax is calculated using rates that have been enacted during the reporting period.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

p) Payroll expense and related contributions

Wages, salaries, payroll tax, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered.

q) Share-based compensation

The Group issues share based payments to certain directors and others providing similar services. The fair value of the employee and suppliers services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The fair value of share-based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account non-market 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 management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

r) Financial assets and liabilities

Financial assets and liabilities are recognised when the Group unconditionally becomes a party to the contractual terms of the instrument. Unless otherwise indicated, the carrying amounts of financial assets and liabilities are considered by the directors to be a reasonable estimate of their fair values at each balance sheet date.
Financial assets include trade and other receivable; these are classified as loans and receivables. Financial liabilities include trade and other payables, convertible loan notes and borrowings; these are classified as other financial liabilities carried at amortised cost.

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised as the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the terms of a financial liability are renegotiated and result in the Group issuing equity instruments to a creditor of the Group to extinguish all or part of the financial liability, the Group recognises the issue of equity instruments at their fair values. Any difference between the fair value of the equity instruments and the carrying amount of the financial liability to be extinguished is recognised in the income statement.

Trade and other receivables

Trade and other receivables are recognised initially at their fair value and subsequently at their amortised cost using the effective interest method, less provision for impairment. If there is objective evidence that the recoverability of the asset is at risk, appropriate allowances for any estimated irrecoverably amounts are recognised in the income statement.

Intercompany receivables

Amounts owed by subsidiary undertaking represent loans made to the Company's main subsidiary on an interest-free basis. No repayment terms have been mandated and are repayable on demand.
IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses - the 'expected credit loss (ECL) model'.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1');
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2'); and
- financial assets that have objective evidence of impairment at the reporting date ('Stage 3').

'12-month expected credit losses' are recognised for 'Stage 1' financial instruments, while 'lifetime expected credit losses' are recognised for 'Stage 2' financial instruments. Measurement of the expected credit losses is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

The Group considers that the current intercompany loan should be recognised as Stage 1, and 12- month expected credit losses have been calculated.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits and other short-term highly liquid investments with maturities of three months or less at inception that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other payables

Trade and other payables are recognised initially at their fair value, net of transaction costs, and subsequently at their amortised cost using the effective interest method.

Financial risk management

Risk management objectives

Management identify and evaluate financial risks on an on-going basis. The principal risks to which the Group is exposed are market risk (including interest rate risk, and cash flow risk), credit risk, and liquidity risk.

Market risk

Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from open positions in (a) interest-bearing assets and liabilities, and (b) foreign currencies; to the extent that these are exposed to general and specific market movements (see details below).

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 the Group's income.

Currency risk

The Group is exposed to movement in foreign currency exchange rates arising from normal trading transactions that are denominated in currencies other than the respective functional currencies of the Group. The Group does not have a policy to hedge its exposure to foreign currency exchange risk as currently overseas transactions are only a small percentage of total transactions and fluctuations in foreign currencies are not expected to significantly affect the Group's total transactions. In future the Group may consider hedging its exposure to foreign currency exchange 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. Credit risk arises from cash balances (including bank deposits, cash and cash equivalents) and credit exposures to trade receivables. The Group's maximum exposure to credit risk is represented by the carrying value of cash and cash equivalents and trade receivables. Credit risk is managed by monitoring clients and performing credit checks before accepting any customers.

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets.

The Group seeks to manage its liquidity risk by ensuring that sufficient liquidity is available to meet its foreseeable needs.

s) Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders. The Group's overall strategy remained unchanged during the period.

The capital structure of the Group consists of cash and cash equivalents, issued capital, the share premium account, the share-based compensation reserve resulting from the grant of equity-settled share options to selected directors and others providing similar services, and retained earnings.

The Group is not subject to any externally imposed capital requirements.

As part of the Group's management of capital structure, consideration is given to the cost of capital.

3. Segmental information

IFRS 8 'Operating Segments' requires operating segments to be determined based on The Group's internal reporting to the Chief Operating Decision Maker. The Chief Operating Decision Maker has been determined to be The Board of Directors which receives information on the basis of the Group's operations in key geographical territories, based on the Group's management and internal reporting structure. Based on this assessment the Group consider there to be 4 operating segments. Despite there being 4 operating segments, it is not currently feasible to allocate assets and liabilities to the operating segments. As these operating segments grow, we expect that allocation of assets and liabilities will be possible. Administrative expenses are not segmented for accounting purposes as the Board do not review these by segment currently.

	Year ended 30 June 2025				
	UK	**US**	**EU**	**RoW**	**Total**
	£	**£**	**£**	**£**	**£**
Sales of products	3,124,113	147,493	1,222,584	143,957	**4,638,147**
Cost of sales	(1,504,174)	(30,805)	(195,185)	(48,703)	**(1,778,867)**
Gross profit	1,619,939	116,688	1,027,399	95,254	**2,859,280**

	Year ended 30 June 2024				
	UK	**US**	**EU**	**RoW**	**Total**
	£	**£**	**£**	**£**	**£**
Sales of products	990,350	35,363	102,676	80,280	**1,208,669**
Cost of sales	(444,616)	(8,238)	(39,862)	(32,915)	**(525,631)**
Gross profit	545,734	27,125	62,814	47,365	**683,038**

Due to the nature of its activities, the Group is not reliant on any individual major customers.

4. Expenses - analysis by nature

	Group	
	2025	**2024**
	£	**£**
Other income	(7,841)	(15,726)
Selling and distribution costs	293,375	170,597
Depreciation of right-of-use asset	95,448	35,704
Depreciation of plant and equipment	58,295	49,260
Research and development	127,347	512,115
Directors remuneration (including consultancy fees)	746,501	761,311
Staff costs	669,950	373,923
Foreign exchange differences	7,349	1,041
Auditors remuneration		

- audit fees	77,000	66,400
- other services	6,500	4,025
Other operating costs	1,908,491	1,629,520
Total operating expenses	**3,982,415**	**3,588,170**

5. Finance costs

	Group	
	2025	**2024**
	£	**£**
Interest payable	26,758	6,944
Other interest charges	4,189	7,762
Loan Interest	58,794	-
Convertible loan interest	2,240	29,054
	91,981	**43,760**

Interest payable represents amounts arising on leases accounted for under IFRS 16.

6. Employees and Directors

Group	**2025**	**2024**
The average monthly number of employees and senior management was:	**Number**	**Number**
Executive directors	2	2
Non-executive directors	3	3
Employees	29	9
Average total persons employed	**34**	**14**

As at 30 June 2025 the Group had 41 employees (2024: 15).

Group	**2025**	**2024**
Staff costs in respect of these employees were:	**£**	**£**
Wages and salaries	1,135,461	922,275
Social security costs	153,755	108,419
Defined contribution pensions	40,969	18,867
Total remuneration	**1,330,185**	**1,049,561**

Some of these staff costs are included within research and development.

Group	**2025**	**2024**
Directors remuneration:	**£**	**£**
Stuart J. Ashman	358,740	367,306
Manprit Randhawa	218,775	257,613
Simon Hewitson	30,303	-
Martin Hunt	72,787	71,676
Dr Cathy Prescott	36,026	36,099
Danielle Bekker	29,870	28,617
Total remuneration	**746,501**	**761,311**

Group	**2025**	**2024**
Directors remuneration:	**£**	**£**
Remuneration	656,560	676,912
Company contributions to pension schemes	15,985	12,110
Social Security Costs	73,956	72,289
Total remuneration	**746,501**	**761,311**

All the directors above can be considered to be key management and have the responsibility for planning, directing and controlling, directly or indirectly, the activities of the Company.

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The Company operates a defined contribution pension scheme for employees and directors. The assets of the scheme are held separately from those of the Company in independently administered funds. The amounts outstanding at 30 June 2025 are £7,515 (2024: £2,911).

The number of directors to whom retirement benefits are accruing in respect of qualifying services under defined contribution pension schemes is 3 (2024: 2). The highest paid director received total emoluments of £358,740 (2024: £367,306) during the year.

7. Taxation

	Group	
Income taxes recognised in profit or loss	**2025**	**2024**
	£	**£**
Current tax		
Current period - UK corporation tax	-	(4,476)
R&D tax credit	(18,863)	(68,426)
Tax credit for the year	**18,863**	**72,902**

The tax charge for each period can be reconciled to the loss per the statement of comprehensive income as follows:

Taxable losses	(715,116)	(2,948,892)
Normal applicable rate of tax	24.53%	25.00%
Loss on ordinary activities multiplied by normal rate of tax	(175,435)	(737,223)
Effects of:		
Depreciation	92,503	31,015
Disallowables	13,112	85,165
Capital allowances	(20,508)	(3,740)
R&D enhanced deductions	-	(78,927)
R&D tax credit	(18,863)	(68,426)
Group relief	412	-
Losses surrendered	-	201,594
Unused tax losses carried forward	89,916	497,640
UK tax charge/(credit)	**(18,863)**	**(72,902)**

The Group has an unrecognised deferred tax asset of £2,794,998 (2024: £2,705,082) at the period end, which has not been recognised in the financial statements due to uncertainty of future profits. The Group has an estimated tax loss of £11,188,351 (2024: £10,820,328) available to be carried forward against future profits.

[illegible] available to be carried forward against future profits.

8. Loss per share

	Group 2025 £	2024 £
Basic and diluted loss per share		
Total comprehensive loss for the year	(696,253)	(2,875,990)
Weighted average number of shares	227,866,899	186,287,360
Basic and diluted loss per share (pence)	**(0.31)**	**(1.54)**

As the Group and Company are reporting a loss from continuing operations for the year then, in accordance with IAS 33, the share options are not considered dilutive because the exercise of the share options would have an anti-dilutive effect. The basic and diluted earnings per share as presented on the face of the income statement are therefore identical.

9. Property, plant and equipment

	Group £	Company £
Cost		
At 1 July 2023	99,994	99,994
Additions	14,959	14,959
At 30 June 2024	114,953	114,953
Additions	6,300	-
Disposals	(103,452)	-
Arising on acquisition	388,025	-
At 30 June 2025	**405,826**	**114,953**
Accumulated depreciation		
At 1 July 2023	21,336	21,336
Charge for the year	49,260	49,260
At 30 June 2024	70,596	70,596
Charge for the year	58,385	41,018
Disposals	(79,446)	-
At 30 June 2025	**49,535**	**111,614**
Net book value		
At 1 July 2023	78,658	78,658
At 30 June 2024	44,357	44,357
At 30 June 2025	**356,291**	**3,339**

10. Right-of-use assets

	Group £	Company £
Cost		
At 1 July 2023	158,754	158,754
Additions	13,214	13,214
At 30 June 2024	171,968	171,968
Additions	395,493	4,572
At 30 June 2025	**567,461**	**176,540**
Accumulated amortisation		
At 1 July 2023	64,252	64,252
Charge for the year	35,704	35,704
At 30 June 2024	99,956	99,956
Charge for the year	95,448	36,810
At 30 June 2025	**195,404**	**136,766**
Net book value		
At 1 July 2023	94,502	94,502
At 30 June 2024	72,012	72,012
At 30 June 2025	**372,057**	**39,774**

11. Goodwill

Net Book Value	**£**
Cost	
At 1 July 2024	2,038,325
Acquired through business combinations	381,315
At 30 June 2025	**2,419,640**

During the year an amount of £0.4m (2024: £2.0m) has been acquired through business combinations (see note 20).

Goodwill represents the excess of consideration over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition.

Impairment testing
The carrying amount of goodwill is allocated across CGUs and is tested annually for impairment by comparing the recoverable amount of each CGU with its carrying value.

The identification of CGUs reflects the way the business is managed and monitored on a business-by-business basis, taking into account the generation of cash flows and the sharing of synergies. Given the similar nature of the activities of each CGU, a consistent methodology is applied across the Group in assessing CGU recoverable amounts.

The recoverable amount is the higher of the value in use and the fair value less the costs of disposal. The value in use is the present value of the cash flows expected to be generated by the CGU over a projection period together with a terminal value. The projection period is the time period over which future cash flows are predicted. The Group's methodology is to use a projection period of four years consisting of detailed cash flow forecasts for the first two years and CGU specific growth assumptions for years three and four. For periods after this four-year period, the methodology applies a long-term growth rate specific to the CGU to derive a terminal value.

The value in use calculations is principally sensitive to revenue growth, including any significant changes to the customer base, achievability of future profit margins and the discount rates used in the present value calculation. The information used for valuation purposes takes into consideration past experience and the current economic environment with regard to customer attrition rates and additions to the customer base, the ability to introduce price increases and new products and experience in controlling the underlying cost base. This information is used to determine a long-term growth rate which is consistent with the geographic segments in which the Group operates and management's assessment of future operating performance and market share movements. The discount rates used are determined with assistance provided by external valuation specialists.

The weighted average long term growth rate used in 2025 was in the range of 7%-10% (2024: 8%-15%) reflecting the anticipated revenue and profit growth. A pre-tax discount rate of 20% (2024: 40%) has been applied to the value in use calculations reflecting market assessments of the time value of money at the balance sheet date.

Based on our impairment testing, no impairments were identified to the carrying value of goodwill within the Group. As for the impairment testing for the Group's CGUs noted above, value in use calculations were prepared based on management's latest expectations of the performance of the relevant business over a five-year projection period and appropriate long-term growth and discount rates.

12. Intangible assets

Group

	Patents & trademarks	Customer relationships	Brands	Total
	£	£	£	£
Cost				
At 1 July 2023	701,237	-	-	**701,237**
Additions	169,996	577,000	25,000	**771,996**
At 30 June 2024	871,233	577,000	25,000	**1,473,233**
Additions	152,530	574,000	-	**726,530**
At 30 June 2025	**1,023,763**	**1,151,000**	**25,000**	**2,199,763**
Accumulated amortisation				
At 1 July 2023	906	-	-	**906**
Charge for the year	9,936	72,179	1,253	**83,368**
At 30 June 2024	10,842	72,179	1,253	**84,274**
Charge for the year	3,516	239,981	2,507	**246,004**
At 30 June 2025	**14,358**	**312,160**	**3,760**	**330,278**
Net book value				
At 1 July 2023	700,331	-	-	**700,331**
At 30 June 2024	860,391	504,821	23,747	**1,388,959**
At 30 June 2025	**1,009,405**	**838,840**	**21,240**	**1,869,485**

Company

	Patents & trademarks	Customer relationships	Brands	Total
	£	£	£	£
Cost				
At 1 July 2023	624,255	-	-	**624,255**
Additions	177,595	-	-	**177,595**
At 30 June 2024	801,850	-	-	**801,850**
Additions	83,125	-	-	**83,125**
At 30 June 2025	**884,975**	**-**	**-**	**884,975**
Accumulated amortisation				
At 1 July 2023	-	-	-	**-**
Charge for the year	-	-	-	**-**
At 30 June 2024	-	-	-	**-**
Charge for the year	-	-	-	**-**
At 30 June 2025	**-**	**-**	**-**	**-**
Net book value				
At 1 July 2023	624,255	-	-	**624,255**
At 30 June 2024	801,850	-	-	**801,850**
At 30 June 2025	**884,975**	**-**	**-**	**884,975**

Intellectual property is to be amortised over the expected period that the asset generates income. A small part of the IP belonging to the active subsidiary, AxisBiotix Limited, commenced amortisation in the year ending 30 June 2024.

13. Investments

Company: Investments in subsidiary undertakings	**£**
Cost	
At 1 July 2023	482,434
Additions	3,160,426
At 30 June 2024	**3,642,860**
Additions	2,050,962
At 30 June 2025	**5,693,822**

As at 30 June 2025, the Company directly owned the following subsidiaries:

Name of company	**Country of incorporation**	**Proportion of equity interest**
SkinBiotix™ Limited	United Kingdom	100% of ordinary shares
AxisBiotix Limited	United Kingdom	100% of ordinary shares
MediBiotix Limited	United Kingdom	100% of ordinary shares
CleanBiotix Limited	United Kingdom	100% of ordinary shares
PharmaBiotix Limited	United Kingdom	100% of ordinary shares
Dermatonics Limited	United Kingdom	100% of ordinary shares
Bio-Tech Solutions Limited (acquired 11th October 2024)	United Kingdom	100% of ordinary shares

14. Inventories

Group

	Group	
	2025	2024
	£	£
Inventories	800,154	472,419
	800,154	472,419

The cost of inventories recognised as an expense during the year was £1,778,867 (2024: £525,631).

The cost of inventories recognised as an expense includes £21,764 (2024: £nil) in respect of write-downs of inventory to net realisable value.

15. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Current				
Trade debtors	618,824	279,806	-	-
Accrued Income	769,000	-	769,000	-
Sales taxes recoverable	467	-	34,634	24,348
Other receivables	23,437	61,348	11,021	11,589
Prepayments	116,900	56,934	41,061	53,117
	1,528,628	398,088	855,716	89,054
Non-current				
Amounts due from group undertakings	-	-	1,619,723	1,593,553
	-	-	1,619,723	1,593,553

The fair values of the Company's current trade and other receivables are considered to equate to their carrying amounts. The maximum exposure to credit risk for trade receivables is represented by their carrying amount. There are no financial assets which are past due but not impaired. No current financial assets are impaired.

The amounts owed by subsidiary undertakings include loans to AxisBiotix Limited for £2,104,397 (2024: £1,976,870) which was discounted to £1,714,047 nil impairment required in the year, with earlier years impairment of £94,320 to give a current value of £1,619,723 (2024: £1,593,553) under IFRS 9, as set out in note 2. Although the loan has
no repayment terms, it is anticipated to be repaid in 2 years from the date of these financial statements.

The amounts owed by Dermatonics (£48,012) and Bio-Tech Solutions (£9,338) relate to intercompany balances and are payable on demand.

16. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Current				
Trade creditors	513,328	281,062	228,713	119,116
Accruals	221,140	175,712	174,010	115,812
Sales taxes payable	75,914	23,715	-	-
Other taxes	45,185	14,331	27,736	6,095
Other payables	217,352	3,741	188,992	2,304
	1,072,919	498,561	619,451	243,327

Trade and other payables principally consist of amounts outstanding for trade purchases and ongoing costs. They are non-interest bearing and are normally settled on 30-day terms. The directors consider that the carrying value of trade and other payables approximates to their fair value. All trade and other payables are denominated in Sterling. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe and no interest has been charged by any suppliers as a result of late payment of invoices during the period.

The fair value of trade and other payables approximates their current book values.

17. Lease liabilities

Group

	2025	2024
	£	£
Maturity analysis		
Year 1	138,633	43,485
Year 2	97,946	41,254
Year 3	97,946	-
Year 4	97,946	-
Year 5	24,486	-
	456,957	**84,739**
Less future interest charges	(63,491)	(5,997)
	393,466	78,742
Analysed as		
Current	112,112	38,881
Non-current	281,354	39,861
	393,466	78,742

	2025	2024
	£	£
As at 01 July	78,742	100,646
Additional provisions	395,493	-
Discount unwind	26,758	20,855
Utilisation of provisions	(107,527)	(42,759)
As at 30 June	393,466	78,742
Current	112,112	38,881
Non current	281,354	39,861
	393,466	78,742

Company

	2025	2024
	£	£
Maturity analysis		
Year 1	44,397	43,485
Year 2	-	41,254
Year 3	-	-
Year 4	-	-
Year 5	-	-

	44,397	**84,739**
Less future interest charges	(1,494)	(5,997)
	42,903	**78,742**
Analysed as		
Current	42,903	38,881
Non-current	-	39,861
	42,903	**78,742**

Bio-Tech Solutions Limited leases certain low-value items such as printers. These leases are accounted for using the low-value asset exemption under IFRS 16.

During the year, the Company recognised lease expenses of £1,000 relating to these low-value leases.

18. Convertible Loan Note

In the previous financial year, the Company entered into a £5m convertible bond facility with Macquarie Bank Limited and CLG Capital LLC, from which a tranche of £1.6m was drawn down in January 2024 in order to finance the upfront cash consideration for the acquisition of Dermatonics Limited. The balance at the end of the year was £740,000.

On the 20th June 2024 the company received notice from Macquarie for £100,000 of Convertible Bonds which were admitted to AIM on 2nd July 2024. Following this conversion the balance outstanding was £640,000.

On the 17th July 2024 the company received notice from Macquarie for £160,000 of Convertible Bonds which were admitted to AIM on 24th July 2024. Following this conversion the balance outstanding bonds was £480,000.

On the 22nd July 2024 the company received notice from Macquarie for £480,000 of Convertible Bonds which were admitted to AIM on 26th July 2024. The company announced there would be no further drawdowns from the facility at this date and therefore this conversion closed the facility.

Group and Company

	2025 £	**2024 £**
Proceeds of issue of convertible loan notes	-	1,600,000
Transaction costs	-	(128,000)
Net proceeds from issue of convertible loan notes	**-**	1,472,000

	2025 £	**2024 £**
As at 1 July 2024	740,000	-
Drawdown	-	1,600,000
Conversions into equity during the year	(740,000)	(860,000)
Liability at 30 June 2025	**-**	740,000

The interest expensed for the year is calculated by applying an effective interest rate of 1% per annum over the 3-month term SONIA rate and payable quarterly in cash. The interest expense during the year was £2,240 (2024: £29,054).

19. Borrowings

On 11th October 2024, the company entered into a £950,000 loan agreement with David Brierwood, a long-term shareholder, to fund the Bio-Tech Solutions acquisition.

The term of the loan was 3 years with quarterly interest payments being made for the first two years and interest payments and capital repayment in the third year. The interest rate is 13%.

In addition, the Company entered into a subscription agreement with the same shareholder to subscribe for 3,289,474 new Ordinary shares at 10.64p raising £350,000.

The funds from the warrants on exercise will be used to reduce the debt from £950,000 to £600,000 and these were exercised on 25th February 2025.

20. Business combinations

This note details acquisition transactions carried out in the current period. For accounting policies see 'Business combinations and goodwill' in note 2.

The Group has developed a process to assist with the identification of the fair values of the assets acquired and liabilities assumed, including the separate identification of intangible assets in accordance with IFRS 3 'Business Combinations' as revised. This formal process is applied to each acquisition and involves an assessment of the assets acquired and liabilities assumed.

The consideration paid or payable in respect of acquisitions comprises amounts paid on completion and deferred consideration. All consideration has been allocated against the identified net assets, with the balance recorded as goodwill. Transaction costs and expenses such as professional fees are charged to the income statement. The acquisitions provide opportunities for further development of the Group's activities and to create enhanced returns.

On 11th October 2024, SkinBioTherapeutics plc acquired 100% of Bio-Tech Solutions Ltd for an initial sum of £1.5m plus a completion payment of £0.2m due 1st July 2025 as per the SPA. This gives a total consideration £1.7m.

Aggregate net assets at the date of acquisition:

	£ 2025
Property, plant and equipment	388,025
Intangible assets	-
Cash and cash equivalent	284,230
Trade and other receivables	378,257
Inventories	346,101
Trade and other payables	(461,668)
Net assets	**934,945**
Deferred tax liability	(143,500)
Fair Value of Asset at acquisition:	
Trade Name	-
Customers	574,000
Goodwill	381,314
Total Consideration	**1,746,759**

Goodwill of £0.4m reflects certain intangibles that cannot be individually separated and reliably measured due to their nature. These items include value of expected synergies arising from business combination and the experience and skill of the acquired workforce. The fair value of the acquired trademark, brand and customer base was identified and included in intangible assets detailed in note 13.

Acquisition costs of £289k have been expensed through operating costs.

The acquisition of Bio-Tech Solutions contributed £1.4m to the Group's revenue and -£31k to the Group's operating loss. This includes accounting adjustments post acquisition following the adoption of IFRS now it is part of the larger group.

The estimated contribution from the Bio-Tech Solutions acquisition to the results of the Group for the year ended 30 June 2025 if such an acquisition had been made at the start of the financial year are £1.9m to revenue and -£43k to operating losses.

Deferred Tax Liability

	£
As at 1 July 2024	150,624
Recognised in respect of subsidiary's existing temporary differences	61,900
Arising on the recognition of the fair value of customer list at the acquisition	143,500
As at 30 June 2025	**356,024**

The deferred tax liability at the beginning of the year relates to the customer list recognised at the consolidated level from the acquisition of Dermatonics Limited in the prior year. During the year, the Company recognised additional deferred tax liabilities in respect of temporary differences on property, plant, and equipment already recorded in the books of Bio-Tech Solutions at acquisition, and a further liability arising on the customer list recognised at the consolidated level from the acquisition of Bio-Tech Solutions.

Deferred consideration of £250,000 (2024: £750,000) relates to the acquisition of Dermatonics and has been assessed by management for repayment.

21. Financial instruments

Maturity analysis

A summary table with maturity of financial assets and liabilities presented below is used by management to manage liquidity risks. The amounts disclosed in the following tables are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the statement of financial position, as the impact of discounting is not material.

The maturity analysis of financial instruments at 30 June 2025 is as follows:

Group

	Carrying amount	**On demand and less than 3 months**	**3 to 12 months**	**1 to 2 years**	**2 to 5 years**
Assets					
Cash and cash equivalents	4,779,433	4,779,433	-	-	-
Trade & other receivables	1,411,728	1,411,728	-	-	-
	6,191,161	**6,191,161**	**-**	**-**	**-**
Liabilities					
Trade and other payables	951,818	951,818	-	-	-
Lease liabilities	456,957	65,174	73,459	97,946	220,378
Deferred consideration	250,000	-	250,000	-	-
Borrowings	600,000	-	-	600,000	-
	2,258,775	**1,016,992**	**323,459**	**697,946**	**220,378**

Company

	Carrying amount	**On demand and less than 3 months**	**3 to 12 months**	**1 to 2 years**	**2 to 5 years**
Assets					
Cash and cash equivalents	3,998,493	3,998,493	-	-	-
Trade & other receivables	780,021	780,021	-	-	-
Amounts due from group undertakings	1,619,723	1,619,723	-	-	-
	6,398,237	**6,398,237**	**-**	**-**	**-**

	Carrying amount	**On demand and less than 3 months**	**3 to 12 months**	**1 to 2 years**	**2 to 5 years**
Liabilities					
Trade and other payables	591,713	591,713	-	-	-
Lease liabilities	44,397	12,435	31,962	-	-
Deferred consideration	250,000	-	250,000	-	-
	886,110	**604,148**	**281,962**	**-**	**-**

The maturity analysis of financial instruments at 30 June 2024 was as follows:

Group

	Carrying amount	**On demand and less than 3 months**	**3 to 12 months**	**1 to 2 years**	**2 to 5 years**
Assets					
Cash and cash equivalents	800,904	800,904	-	-	-
Trade and other receivables	341,155	341,155	-	-	-
	1,142,059	**1,142,059**	**-**	**-**	**-**
Liabilities					
Trade and other payables	460,743	460,743	-	-	-
Lease liabilities	84,739	10,871	32,614	41,254	-

Convertible Loan Note	740,000	-	-	740,000	-
Deferred Consideration	750,000	-	500,000	250,000	-
Deferred tax	150,624	-	-	-	150,624
	2,186,106	**471,614**	**532,614**	**1,031,254**	**150,624**

Company

	Carrying amount	On demand and less than 3 months	3 to 12 months	1 to 2 years	2 to 5 years
Assets					
Cash and cash equivalents	524,854	524,854	-	-	-
Trade and other receivables	11,588	11,588	-	-	-
Amounts due from group undertakings	1,593,553	1,593,553	-	-	-
	2,129,995	**2,129,995**	**-**	**-**	**-**
Liabilities					
Trade and other payables	237,231	237,231	-	-	-
Lease liabilities	84,739	10,871	32,614	41,254	-
Convertible Loan note	740,000	-	-	740,000	-
Deferred consideration	750,000	-	500,000	250,000	-
	1,811,970	**248,102**	**532,614**	**1,031,254**	**-**

22. Changes in liabilities arising from financing activities

Group

	1 July 2024	Cash flows	New leases	Other non-cash changes	30 June 2025
Lease Liabilities	78,742	(107,527)	395,493	26,758	393,466
Convertible Loan	740,000	-	-	(740,000)	-
Borrowings	-	600,000	-	-	600,000
	818,742	**492,473**	**395,493**	**(713,242)**	**993,466**

	1 July 2023	Cash flows	New leases	Other non-cash changes	30 June 2024
Lease Liabilities	100,646	(42,759)	-	20,855	78,742
Convertible Loan	-	1,600,000	-	(860,000)	740,000
	100,646	**1,557,241**	**-**	**(839,145)**	**818,742**

Company

	1 July 2024	Cash flows	New leases	Other non-cash changes	30 June 2025
Lease Liabilities	78,742	(45,194)	-	9,355	42,903
Convertible Loan	740,000	-	-	(740,000)	-
Borrowings	-	600,000	-	-	600,000
	818,742	**554,806**	**-**	**(730,645)**	**642,903**

	1 July 2023	Cash flows	New leases	Other non-cash changes	30 June 2024
Lease Liabilities	100,646	(42,759)	-	20,855	78,742
Convertible Loan	-	1,600,000	-	(860,000)	740,000
Borrowings	-	-	-	-	-
	100,646	**1,557,241**	**-**	**(839,145)**	**818,742**

23. Share capital

Company - Issued and fully paid

	Number of shares	Share capital	Share premium
As at 1 July 2023	173,138,854	1,731,390	10,947,874
As at 30 June 2024	202,255,223	2,022,552	14,507,673
Ordinary share issued at 1p per share	56,524,240	565,242	7,016,484
Costs related to shares issued	-	-	(436,257)
As at 30 June 2025	**258,779,463**	**2,587,794**	**21,087,900**

On 02 July 2024 1,116,814 ordinary shares were issued by way of conversion at a price of 8.954040p per share.

On 24 July 2024 1,989,879 ordinary shares were issued by way of conversion at a price of 8.040687p per share.

On 26 July 2024 5,848,620 ordinary shares were issued by way of conversion at a price of 8.207064p per share.

On 07 August 2024 14,875,749 ordinary shares were issued by way of a placing at a price of 10.5p per share to raise finance.

On 17 October 2024 2,349,624 ordinary shares were issued by way of placing at a price of 10.64p per share to raise funds for Bio-Tech Solutions acquisition.

On 25 February 2025 3,289,474 ordinary shares were issued by way of exercise of warrants at a price of 10.64p per share.

On 21 March 2025 250,000 ordinary shares were issued by way of exercise of warrants at a price of 20.43p per share.

On 08 April 2025 1,000,000 ordinary shares were issued by way of exercise of warrants at a price of 20.43p per share.

On 01 May 2025 1,099,244 ordinary shares were issued by way of exercise of warrants at a price of 20.43p per share.

On 24 June 2025 24,704,836 ordinary shares were issued by way of a placing at a price of 17.0p per share to raise finance.
Share capital is the amount subscribed for shares at nominal value, issued and fully paid.

Share premium is the amount subscribed for share capital in excess of nominal value.

24. Share-based payments

Share options

The Group operates share-based payment arrangements to remunerate directors and others providing similar services in the form of a share option scheme. The exercise price of the option is normally equal to the market price of an ordinary share in the Group at the date of grant. Each share option converts into one ordinary share of the Group on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

Group and company	**2025**		**2024**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
		£		**£**
Outstanding at 1 July	16,729,343	0.11	16,729,343	0.11
Granted during the year	-	-	-	-
Forfeited/cancelled during the year	-	-	-	-
Outstanding at 30 June	**16,729,343**	**0.11**	**16,729,343**	**0.11**

No share options were issued in the year. The charge recognised for the year ended 30 June 2025 for share options is £nil (2024: £nil). The following assumptions were used in the calculations:

Deed pool	**1**	**2**	**3a**	**3b**	**3c**
Grant date	05/04/17	05/04/17	05/04/17	05/04/17	05/04/17
Exercise price	9p	9p	9p	9p	9p
Share price at grant date	9p	9p	9p	9p	9p
Risk-free rate	0.24%	0.24%	0.16%	0.16%	0.16%
Volatility	60%	60%	60%	60%	60%
Expected life	3.5 years	3.5 years	2.75 years	2.75 years	2.75 years
Fair value	2.58p	1.85p	2.30p	2.30p	2.30p

Deed pool	**4**	**5**	**6**	**7**	**8**
Grant date	18/04/19	18/04/19	18/04/19	03/03/20	08/04/20
Exercise price	18p	18p	18p	9.5p	9p
Share price at grant date	18p	18p	18p	9.5p	7p
Risk-free rate	0.75%	0.75%	0.75%	0.29%	0.12%
Volatility	60%	60%	60%	80%	80%
Expected life	3.5 years	3.5 years	3.5 years	0 years	2 years
Fair value	2.85p	3.99p	3.48p	9.50p	0.87p

The closing share price per share at 30 June 2025 was 16.80p (30 June 2024: 8.75p).

Expected volatility is based on a conservative estimate for an AIM listed entity. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

25. Related party transactions

Group and company

Key management personnel compensation	**2025**	**2024**
	£	**£**
Short-term employee benefits including social security costs	730,516	749,201
Post-employment benefits	15,985	12,110
	746,501	**761,311**

Compensation figures above include directors and key management personnel. Detailed remuneration disclosures for directors are provided in the employees and directors note on page 49, and in the Directors Report.

At the year end there was loan between the parent company and AxisBiotix Limited, this is disclosed in Note 15.

Transactions with other related parties

During the period ended 30 June 2025, the Company was charged fees of £57,511 (2024: £57,123) by Invictus Management Ltd, a company in which Martin Hunt, a director of the Company, is also a director. These fees relate to Martin Hunt's consultancy services to the Company. As at 30 June 2025 £nil (2024: £5,557) was outstanding.

During the period ended 30 June 2025, the Company was charged fees of £28,755 (2024: £28,550) by Biolatris Ltd, a company in which Dr Cathy Prescott, a director of the Company, is also a director. These fees relate to Dr Cathy Prescott's consultancy services to the Company. As at 30 June 2025 £22,077 (2024: £nil) was outstanding.

26. Ultimate controlling party

No one shareholder has control of the Company.

27. Events after the reporting date

The Company has evaluated all events and transactions that occurred after 30 June 2025 up to the date of signing of the financial statements.

No other material subsequent events have occurred that would require adjustment to or disclosure in the financial statements.

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