Itaconix

For Nature with Nature™

Itaconix plc
2024 Annual Report
& Financial Statements

SAFER INGREDIENTS FOR THE LOW CARBON ECONOMY

Plant-Based Carbon

Produced for nature with nature

Everyday Products

Better performance & cost
Safer & more sustainable

Itaconix Ingredients

Safer to produce & use
Performance advantages
Low carbon footprint

Plant-based carbon

Itaconix uses sustainable plant-based carbon for its products. First plants capture and convert carbon dioxide into sugars. Next a fungus ferments this sugar into itaconic acid. Finally, Itaconix's US operation, uses our patented process to produce polymers with 75-100% plant-based carbon from itaconic acid.

Major Products

Product	Category	Claims	
Itaconix® DSP 2K®	Cleaning		Efficient multi-functional alternative to phosphates and acrylates with added plant-based sustainability.
Itaconix® TSI® 322	Cleaning		Comparable to Itaconix DSP 2K with better scale inhibition and wider temperature and pH stability.
Itaconix® TSI® 422	Cleaning		Multi-functional scale inhibition and dispersion; allows for more compact dosing in detergent tablets and pods.
Itaconix® ONZ 100 Itaconix® ONZ 105	Cleaning		Excellent odour neutralization for home & industrial uses; no residue on fabrics; 100% plant-based sustainability; liquid and powder forms.
Itaconix® ONZ 400 Itaconix® ONZ 405	Cleaning		Excellent odour neutralization for home & industrial uses; no residue on fabrics; high plant-based sustainability; liquid and powder forms.
Itaconix® SF 505	Cleaning		Enhance foam quality and skin feel in liquid soaps and cleaners; 100% plant-based sustainability.
VELASOFT® NE 100	Beauty		High performance weightless hair styling and frizz control; 100% plant-based sustainability.
VELAFRESH® ZP20 VELAFRESH® ZP75	Hygiene		Fast, permanent odour neutralization for beauty & hygiene uses; no residue on fabrics; 100% plant-based sustainability; liquid and powder forms.
VELAFRESH® ZP30 VELAFRESH® ZP95	Hygiene		Fast, permanent odour neutralization for home & industrial uses; no residue on fabrics; high plant-based sustainability; liquid and powder forms.

Product claim key

Ideal for Eco-Labels	Compact Dosing	Dries to Crystal	Foam Enhancement	Hair Styling
Scale Inhibition	Low Toxicity	Microbiome Safe	Natural Skin Effect	Non-Staining
Odor Neutralizer Fragrance Free	Plant-Based	Replaces Acrylates/Phosphates	Residue Free	

Itaconix plc

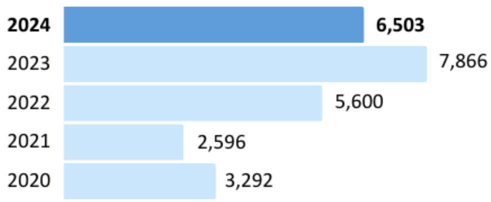
Annual Report & Accounts 2024

HIGHLIGHTS

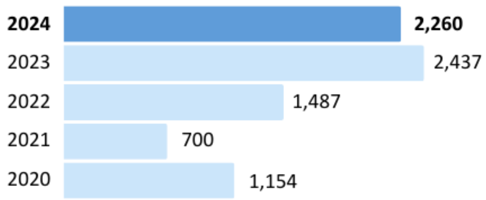
Itaconix plc (AIM:ITX)(OTC:ITXXF)(the "Company" and "Group"), a leading innovator in sustainable plant-based polymers used to decarbonise everyday products, is pleased to announce its final results for the year ending 31 December 2024.

- Revenues from 2020 to 2024 grew at a compound annual growth rate of 18.6%.
- Cleaning revenues in Europe increased by 100.2% from 2023 with success with Itaconix TSI 322 and Itaconix TSI 422.
- Gross profit margins improved to greater than 35%.
- Ended the year in a strong cash and investment position of $6.7m, despite drop in revenues from 2023 due to decision announced in April 2024 to withdraw from a major merchandiser.

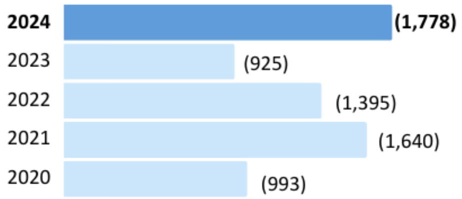
Revenue ($'000)
$6,503
-17.3%



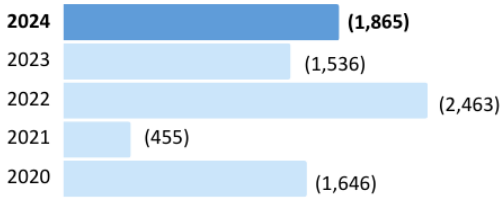
Gross profit ($'000)
$2,260
-7.3%



Adjusted EBITDA[1] ($'000)
$(1,778)
-92.2%



Net loss ($'000)
$(1,865)
-21.4%



Basic & Diluted loss per shares (¢)
$(0.14)
-15.8%

[1] Adjusted for interest, tax, depreciation, amortization, share based payment charge and exceptional items

For Nature with Nature

Innovative uses of biology and chemistry can make the world better.

We believe that itaconic acid offers extensive opportunities for capturing this potential without placing costly burdens on consumers and society. Itaconic acid is a natural biological material generated in the human and plant world. It is produced at industrial scale by fermentation using plant-based feedstock and is readily available. We use the unique functionality of itaconic acid to produce proprietary ingredients that enable plant-based solutions for new generations of cutting-edge consumer products.

We believe our ingredients can create consumer products that are better and safer by how they are produced, how they are used, how they interact with animals, and how they do not persist in the environment.

Our Business Plan

Our goal is to build a large, highly profitable company with recurring revenues from a diverse base of customers that purchase Itaconix products as key enabling ingredients in new generations of consumer products.

To achieve our goal, Itaconix has built a broad technology platform around the versatility and safety of itaconic acid as a building block for ingredients, mainly as potential replacements for acrylic acid polymers. With 16 patent families, we have by far the broadest technology platform for harnessing the functional value of itaconic acid in polymers.

We use our technology platform to create new itaconic acid-based ingredients that meet specific customer needs or opportunities in leading consumer product categories such as cleaning, beauty and hygiene. We produce these ingredients by purchasing itaconic acid and polymerising it through our proprietary processes.

Our ingredients compete primarily on safety, performance, and cost. We work with brand managers and end-product formulators directly and through intermediaries, such as contract manufacturers, distributors, and merchandisers, to develop new consumer products that utilise our ingredients to succeed in highly competitive consumer segments. Our primary focus is selling ingredients directly to the manufacturers of consumer product brands in North America and Europe. We also collaborate with distributors and category leaders such Croda and Nouryon on broader geographic and application opportunities.

Increasing usage in everyday products, particularly in the 360 million North American and European households, is expected to form a robust base of recurring revenues from consumer brands that rely on our ingredients for safety, performance, affordability, and sustainability.

2024

Following our decision in April 2024 to redirect part of our business, I am pleased to report that we have increased our gross profit margins to 34.7% in 2024 from 31.0% in 2023 and substantially broadened our revenue base across more customers, more applications and more geographies. Our top three accounts represented 40% of our 2024 revenues, compared to 74% for our top three accounts in 2023. Demand for our ingredients in Europe grew to account for 30% of 2024 revenues versus 12% in 2023. In fact, excluding the business relinquished we grew our adjusted revenue base by more than 53.5% during the year.

We also judiciously used our cash resources to invest in our customer pipeline through new marketing capabilities, new products, additional product studies, global regulatory approvals, better production, and organisation development to support our growth.

Summary

2024 marked our second year into a new stage of development and growth. We have a proprietary technology platform that is generating valuable products, a broad base of recurring revenues, and attractive applications for far higher revenue potential. We believe our strategic efforts in 2024 place our Performance Ingredients and Formulated Solutions businesses on a better path for more profitable long-term growth. We remain focussed on achieving revenue growth and profitability from increasing the adoption of our current ingredients and creating new and better solutions in high-volume applications.

Our progress is occurring in a global environment with significant uncertainties. Views and regulations on the relative safety of chemicals are fragmenting between consumer market segments and across geographies. Our purchases of key raw materials and the sales of our ingredients face risks from political acts that disrupt trade flows and consumer purchasing. As we monitor and manage these forces to meet the strong underlying needs for our ingredients, we are confident in the value of our proprietary technology and in the opportunities for near-term and long-term revenue growth.

Dr. Peter Nieuwenhuizen
Chair
28 March 2025

Introduction

Our commercial progress in 2024 continued to validate our technology platform, the value of our polymers, our growth potential, and our path to profitability. We added new customers and applications in Europe and North America, grew substantially in Europe, and gained use for our newly launched detergent polymer. We completed more studies on the safety of our ingredients and expanded our global regulatory footprint. We exited 2024 with new revenue momentum, higher gross profit margins, and a better base of customers and applications.

But 2024 started with a major challenge to our belief about the value of our ingredients. The inflationary squeeze starting in 2023 between retailers and consumers exposed the potential for price pressure on our ingredients from a concentrated revenue base. We know the cost-efficacy of our ingredients in competitive consumer detergents. We know how our ingredients enable success for customers. As announced in April 2024, however, we reached an impasse between our ingredient value and desired pricing with a North American detergent merchandiser, losing revenues as a result. We set about pursuing growth with existing and new customers on commercial terms that better capture and protect the value of our Performance Ingredients.

Revenues in 2024 grew in every part of the Company except for cleaning ingredients in North America. Europe revenues doubled. Hygiene revenues grew by 49.7%. Beauty revenues grew by 24.0%. Formulated Solutions revenues grew by 7.0%. The drop in revenues to $6.5 million in 2024 from $7.9 million in 2023 was offset by gross profit margins increasing to 34.7% in 2024 from 31.0% in 2023. Gross profit remained at $2.3 million in 2024 versus $2.4 million in 2023.

With the improvement in our revenue base and continued key operating and capital spending on future growth, we are turning our proprietary technology platform into a broad foundation for a large, high-gross margin, specialty ingredients business. Our key areas of focus through 2026 for achieving mid-term profitability, while also maintaining our long-term revenue potential, are to:

- Regain lost North American cleaning revenues for scale inhibition at attractive pricing;
- Expand European cleaning revenues with broader adoption for scale inhibition;
- Land and expand North American odour neutralisation revenues in broader home and industrial applications;
- Gain initial traction for BIO*Asterix specialty monomers and binders.

Details on our potential and progress as outlined below.

Addressable Markets

Itaconix has a broad technology platform built around the versatility and safety of itaconic acid as a building block for ingredients that can replace acrylic acid or styrene polymers. We purchase itaconic acid on the open market and process it into proprietary ingredients that contribute key functional value and product claims to end-user products, with a current focus on everyday consumer products.

The addressable markets for the Itaconix technology platform are broadly defined by the $20 billion market in current uses for acrylic acid and styrene polymers in consumer care, hygiene, water solutions, agriculture, composites, and coatings. We currently have a portfolio of 14 ingredients for formulators to use in a new generation of consumer products, and we continuously develop new ingredients. Our products are protected by 16 patent families covering proprietary processes, compositions, and applications.

Mineral dispersion and scale inhibition

Preventing the detrimental effects of scale buildup is often a major need when high levels of calcium or other minerals are found in water. Ingredients to keep minerals dispersed or inhibit scale are used in cleaning, industrial water treatment, desalination, agriculture, mining, oilfield, and many other applications. Itaconix polymers have multi-functional benefits at dispersing minerals and inhibiting crystal formation, especially when the use of phosphate-based chemistries is banned or not desired. Current Itaconix ingredients have performance and cost advantages in some applications due to the ability to replace two or more ingredients in a formulation, usually including an acrylate polymer. The majority of Itaconix current revenues are from scale inhibition in home dish and laundry detergents. Broader potential may exist in industrial scale inhibition and mineral dispersion.

Odour neutralisation

Zinc metal ions are effective at binding with and neutralising malodour compounds, such as sulphur or ammonia. Zinc-based chemistries, such as zinc ricinoleate, are broadly used as delivery methods in consumer and industrial applications. Itaconix complexes zinc into an Itaconix polymer to hold the zinc and have it available in water to act as an odour neutraliser. These Itaconix ingredients have valuable formulation, cost, efficacy, and post-use benefits over other zinc-based chemistries in certain applications, including detergents and deodorants.

Hair and collagen fixation

Itaconix polymers have functional groups that allow them to interface with hair and collagen. This property allows them to have value for curl retention in hair styling, temporary surface effects in skin products, and filling in the collagen at the end of the leather tanning process. When used as a hair fixative, Itaconix polymers will hold a curl in place without a film to leave the hair feeling softer and less weighted. Itaconix polymers are currently in the early stages of use in both hair styling and leather tanning.

Specialty monomers and binders

Latex binders made from esters of acrylic acid, such as butyl acrylate, are used broadly for water-based paints, adhesives, and coatings. Similar binders are possible from esters of itaconic acid. Itaconix has a broad range of proprietary and non-proprietary esters of itaconic acid that it can make into binders that have potential value for functional purposes in certain applications, their plant-based content, and their safety profile.

Crop production

Metal ions, such as zinc, have value as micronutrients absorbed through roots or foliage to increase crop production. Polymers, such as polyaspartic acid, are used at the interface between soils and roots to improve crop production. Like the zinc complex for odour neutralisation, Itaconix can complex micronutrients into its polymers that may have dual potential for improving crop production.

Absorption

Crosslinked acrylate polymers have a large market for use as superabsorbents that improve the efficacy of infant and adult diapers. Itaconix has developed crosslinked polymers that can compete with the absorption performance of current acrylate polymers and offer high plant-based content. Itaconix polymers may offer a low-cost approach to plant-based superabsorbents but would be more expensive than fossil-based acrylate superabsorbents.

Rheology modification

Acrylate polymers are also used to maintain a desired viscosity in water-based solutions and slurries. Itaconix is using its technology platform to research and develop plant-based polymers that deliver comparable performance.

Revenues

Within broad addressable markets, we find sizeable market opportunities where we believe an Itaconix polymer enables a new cost-effective solution that creates near-term traction and can progress to become a standard ingredient within certain product formulations. We believe that consumer product applications currently offer better potential for faster revenue growth.

Revenue paths

The decision to use an Itaconix ingredient is made directly or indirectly by a consumer brand, usually based on how effective an entire formulation is at meeting a brand's performance and cost objectives. While our marketing and sales efforts focus heavily on influencing the brands on valuable product claims available through the use of our ingredients, about 80% of our 2024 revenues were to contract manufacturers that purchase our ingredients to blend and package into end-products for brands. These volumes were for use in formulations that either a brand developed and brought to a contract manufacturer or a contract manufacturer brought to a brand. A contract manufacturer may use our ingredients across 20 or more brands.

Another 17% of 2024 revenues were for products sold to Croda and Nouryon to sell under their own label or to distributors, such as Brenntag, to resell under our label. Only 3% of 2024 revenues were directly from brands.

Cleaning applications

The leading current use and near-term growth for our ingredients is in cleaning applications. Our Itaconix® TSI® 322, Itaconix® DSP 2K®, and new Itaconix® TSI® 422 polymers are multi-functionality scale inhibitors with high value from replacing two or more materials in formulations, allowing more compact dosage, and increasing the plant-based content of detergents.

We generate most of our cleaning revenues through direct selling efforts with technical assistance and support to determine or influence the best formula for a brand to achieve its desired performance and cost targets. Although the loss of our largest detergent customer led to a decline in 2024 cleaning revenues to $5.6 million from $7.2 million in 2023, European cleaning revenues grew by 100% and rebuilding the North American revenue pipeline began with new accounts won directly and through contract manufacturers.

When contract manufacturers and consumer brands know that our ingredient enables significant competitive advantages in a product category, such as dishwashing detergent, they may seek our formulation support to assure better and faster success. Brands also seek our technical knowledge and solutions to rapidly reformulate or create products in new formats, such as tablets or sachets. We have responded by selectively selling full or partially formulated solutions to contract manufacturers and brands in North America to accelerate adoption, assure quality, and build value for our technical capabilities.

Formulated Solutions revenues grew to $2.0 million in 2024 from $1.9 million in 2023 as more customers succeed in the market with our offerings. We are also attracting more requests from brands, contract manufacturers, and other value-added ingredient suppliers to collaborate on new innovative solutions and formats. We are formalising these collaborations under our new SPARX™ program to focus our collective efforts and innovations on new generations of consumer products in certain categories, with a target of ten new products in 2025. Our first announced collaboration is with Bonals, a leading European unit dose tablet equipment company, to work on innovations in unique detergent tablets for North America.

We believe our expanded line of detergent polymers, increased adoption in Europe, the rebuild of our North American detergent revenue pipeline, and collaborative innovations from our SPARX™ program will generate the core foundation for Itaconix's near-term key performance indicators.

Hygiene applications

Itaconix produces polymers for odour neutralisation that are sold through Croda as ZINADOR® 22L/35L and by Itaconix as VELAFRESH® ZP20/ZP30 and ITACONIX® ONZ™ 100/105/400/405. These ingredients have comparable odour control performance to incumbent zinc-based ingredients, such as zinc ricinoleate, while offering the advantages in certain applications from ease of use, not leaving residues, and high plant-based content.

Hygiene revenues increased to $0.5 million in 2024 from $0.4 million in 2023 from increased adoption. We believe that high consumer interest in effective odour control, work on new applications, and collaborative efforts within our SPARX™ program will add new accounts and profitable growth.

Beauty applications

Itaconix produces polymers for hairstyling that are sold through Nouryon as Amaze® SP and by Itaconix as VELASOFT® NE 100. These ingredients are gaining use in hair care products as alternatives to fossil-based fixatives based on excellent curl retention, novel soft feel for "weightless" hairstyling, and high plant-based content. Beauty revenues remained at $0.3 million in 2024 from $0.3 million in 2023.

Product Stewardship

We expanded our base of product safety data and global regulatory approvals in 2024 to support our near-term growth. To further substantiate the safety of our ingredients and differentiate them from the growing public concerns about micro-plastics and "forever" chemicals, we completed additional biodegradation studies to broaden and enhance our data on how our current water-soluble polymers do not persist in the environment. We presented the technical results from these studies at leading cleaning conferences in Europe and North America. To meet customer needs, we completed global regulatory approvals in key countries. We gained new regulatory approvals in Australia, New Zealand, and South Korea, and expanded volume allowances in Europe and China.

Innovation

Our major new product launch in 2024 was the introduction of Itaconix® TSI™ 422. This ingredient further extends the competitive advantages of Itaconix® TSI™ 322 for scale inhibition with cost savings from 10-20% less volume needed per dose. Itaconix® TSI™ 422 has already gained usage in North America and has growing revenue potential from customer projects outside of North America.

We progressed our development of our Asterix® itaconate esters with prototypes of itaconate binders in a specialty paint application, safety studies for US regulatory approval filings, advancement of a patent for a specific itaconate ester application, and work on the sale of research quantities in North America.

We are researching modifications to our current production processes to achieve the desired competitive performance for our superabsorbent polymer and extend our line of water-soluble polymers into new application areas. Although we have achieved desired laboratory results, we are focussing our efforts on the commercial progress of our current ingredients before advancing further development of these new polymers.

Production and Fulfilment

We continue to have sufficient capacity at our US production operations to meet our needs and have no current plans to invest in an additional production facility. In 2024, we invested selectively in improvements to our manufacturing capabilities to increase production efficiencies, assure reliability, and meet new packaging needs.

We increased our finished goods inventories in Europe to assure sufficient fulfilment capabilities to meet growing demand for Itaconix ingredients in European cleaning products.

Profitability and Funding

As outlined above, we are progressing in key areas toward a broad foundation of customers and profitable revenues to achieve both our mid-term profitability goal and our long-term revenue potential.

Our adjusted EBITDA[1] loss of $1.8 million and net loss of $1.9 million in 2024 reflect the measured use of our cash resources on key operating and capital expenditures to speed and assure progress toward our desired revenue base despite the decline in 2024 revenues. We ended 2024 in a strong financial position with $6.7 million in cash and investments.

Full details on our financial results are available in the Financial Review.

Outlook

We are continuing our progress toward building a large, high gross margin, capital efficient, specialty ingredients business. We are structuring and building our revenues for long-term success with products that are valued and purchased for their performance, that are used across a broad range of customers and applications, and that enable new generations of safer and more sustainable consumer products. With our new SPARX™ program, we work closely with other innovators to speed the introduction of new consumer products that address valuable unmet needs.

We have made key investments in regulatory approvals, product studies, sales, and marketing to build our customer revenue pipeline. We have the balance sheet and production capabilities to support our near-term growth and expected path to profitability. In addition, we are using our technology platform to invest in new products to expand our revenue potential and in new processes to extend our intellectual property.

Global economic and political forces continue to present challenges in our customer fulfilment operations and our raw material supply chain that have become new norms since the start of the pandemic. We believe that enabling safer, better performing, and more affordable solutions for everyday consumer needs both mitigates the risks of global uncertainties and provides a clear path to profitability with our current resources.

[1] Adjusted for interest, tax, depreciation, amortisation, share based payment charge, and exceptional items.

With H2 2024 revenues of $3.7 million verses H2 2023 revenues of $3.9 million, we entered 2025 with a more profitable customer base and revenue momentum across our major applications and geographies. With a strong start to 2025, current trading is in line with the Board's expectations and the Board remains confident in Itaconix's mid-term path to profitability and long-term revenue potential.

John R. Shaw
Chief Executive Officer
28 March 2025

Principal Activities

Itaconix is a leading innovator in plant-based ingredients for improving the safety and performance of consumer and industrial products. The material at the core of our platform, itaconic acid, is a natural metabolite found in the human and plant world. Itaconic acid has been recognised for decades as a valuable plant-based material due to its versatile functionality and its safety profile. It is produced for commercial purposes by fermentation using plant-based feedstock and is readily available.

We purchase and process it into key ingredients used in a wide range of consumer products. The long-term potential for our business is based on our proprietary technology platform for turning itaconic acid into functional polymers that have high performance, safety, and sustainability value in consumer products.

The Group's principal activities are the development of plant-based polymers and the production and sale of these materials globally, both directly and through partners as ingredients in product formulations.

Most of the Group's efforts are focused on cleaning, beauty, and hygiene applications, which are where consumer interests and desires for safer and more sustainable products are particularly high.

Progress in 2024

The Group focused on diversifying our customer base, increasing cleaning volumes in Europe, increasing non-cleaning sales and improving gross profit margins. Our concerted effort in growing Europe cleaning volumes were successful and we were able to nearly double such revenues. After the stalled negotiations with a North American merchandiser to reach mutually acceptable terms on pricing, we moved our focus towards diversifying our customer base and improving gross profit margins on our Performance Ingredients and Formulated Solutions for cleaning. We successfully worked with our partners to continue to develop beauty and hygiene revenues.

The Group advanced its development and commercial activities in its core cleaning, beauty, and hygiene applications, as detailed in the Chief Executive Officer's Statement.

Key Performance Indicators (KPIs)

The Directors believe there are financial and non-financial key performance indicators for the Group. These KPIs are critical for management's aim to monetise its technology platform through revenues generated by a growing number of commercial products. Non-financial KPIs are detailed above in the Chief Executive Officer's Statement.

Financial:

- Revenue
- Adjusted EBITDA, the earnings before interest, tax, depreciation, amortization, share based payments, and exceptional items
- Cash

Non-Financial:

- Diverse revenues across products, customers, applications, and geographies
- Value of intellectual property

Revenues for the year decreased by 17.3% while gross profits decreased by only 7.3% when compared to 2023. Gross profit margins improved from 31.0% in 2023 to 34.7% in 2024. Adjusted EBITDA increased from a loss of $0.9m in 2023 to a loss of $1.8m in 2024. Cash used in operations increased from $1.9m used in 2023 to $2.8m used in 2024. Cash use in operations consisted of approximately $1.9m of operating loss and an increase in working capital of $0.9m. These cash outflows were used to support the commercial efforts of the business in sales and marketing as well as inventory readiness. Below is a table showing the Group's key performance metrics and financial highlights:

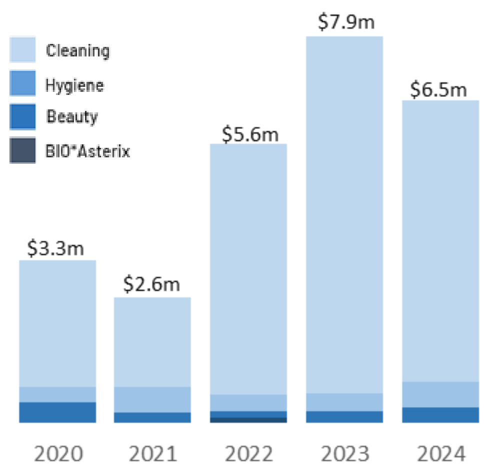
	2024	2023	2022	2021	2020
	$'000	$'000	$'000	$'000	$'000
Revenue	**6,503**	7,866	5,600	2,596	3,292
Gross profit	**2,260**	2,437	1,487	700	1,154
Gross profit margin	***34.7%***	*31.0%*	*26.6%*	*27.0%*	*35.1%*
Adjusted EBITDA[1]	**(1,778)**	(925)	(1,395)	(1,640)	(993)
Cash used from operating activities	**(2,753)**	(1,923)	(219)	(2,023)	(1,157)
Net cash and investments at year-end	**6,734**	10,023	597	683	1,448

Financial Performance

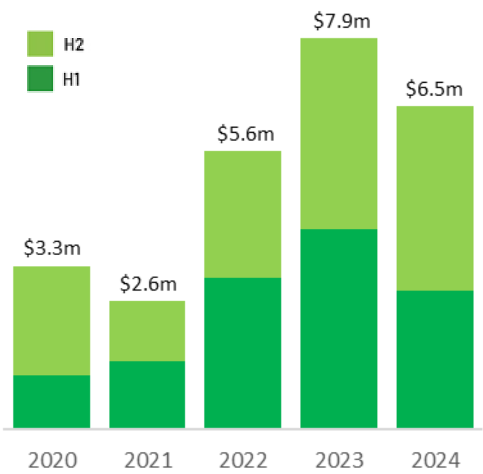
Revenue

Total revenues for the year ended 31 December 2024 were $6.5m, representing a 17.3% decrease from 2023 revenues of $7.9m. Revenues since 2020 have a compound annual growth rate of 18.6%. Revenues for the period comprised 86.3% cleaning sales and 13.7% from beauty, hygiene, and other sales.

Revenues 2020 – 2024 (End Market)



Revenues 2020 – 2024 (H1 v H2[2])



Europe represented 29.8% of the Group's revenues in 2024 and increased by 100.2% year on year. North America represented 70.9% of the Group's revenue in 2024 and decreased by 33.9% year on year. Revenue in North America largely consists of revenue generated in cleaning applications.

Revenues in H1 2024 lagged due to the strategic decision to reject the proposed pricing with a large North American merchandiser but revenues recovered in H2 2024 with significant volumes in the European cleaning

[1] Adjusted for interest, tax, depreciation, amortisation, share based payment charge, and exceptional items.
[2] Unaudited revenues by reporting period.

market and growth with other North American customers. Cleaning revenues in Europe doubled as Itaconix® TSI 322 and Itaconix® TSI 422 are now available in this region offering the performance, price and sustainability the market is desiring. Revenues in beauty and hygiene increased with more brands and more uses. Revenue growth from non-merchandiser revenues grew by 53.5% from 2023 to 2024.

Hygiene revenues improved by 49.7% from 2023, with the increase in sales attributable to more applications and brands using our odour neutralisation technology through our partnership with Croda.

Beauty revenues improved by 24.0% from 2023, with sales in North America driving the growth in the year.

Gross profit and adjusted EBITDA[1]

The gross profit margin was 34.7% in 2024 compared to 31.0% in 2023. Improvements in gross profit margins were due to an effective pricing strategy, a reduction in raw materials costs and improved operating efficiencies. We have been working with a diverse group of customers to bring our technologies to brands that desire the key claims our products offer. We have also worked with suppliers to secure adequate raw materials at competitive prices. Our operations team continues to improve production efficiency and through put. These efforts contributed to improvements in gross profit margins across our Performance Ingredients.

Adjusted EBITDA is a non-IFRS measure but is widely recognised in financial markets and it is used within the Group as a key performance indicator. Adjusted EBITDA was a loss of $1.8m in 2024 (2023: loss $0.9m) which increased by 92.2%. The Group actively monitor administrative expenses and makes prudent spending decisions to support the Group's strategic objectives.

Below is a reconciliation of Loss for the Year to Adjusted EBITDA:

	2024	2023	2022	2021	2020
	$'000	$'000	$'000	$'000	$'000
Loss after tax	**(1,865)**	(1,536)	(2,463)	(455)	(1,646)
Taxation	**-**	27	8	7	7
Depreciation	**120**	194	161	167	200
Amortisation	**213**	202	202	201	198
Share based payments	**72**	229	559	-	-
Interest income	**(330)**	(141)	-	-	-
Interest expense	**12**	79	-	-	-
Exceptional revaluation of lease liability	**-**	21	-	-	-
Exceptional revaluation of contingent consideration	**-**	-	138	(1,560)	339
Exceptional organisational restructuring	**-**	-	-	-	(91)
Adjusted EBITDA	**(1,778)**	(925)	(1,395)	(1,640)	(993)

Administrative expenses

Administrative expenses consist of sales, marketing, operations, research and development, and public company costs such as legal, finance and the Group Board. These expenses were $4.4m in 2024 up from $3.9m in 2023. The increase in administrative expenses was largely due to increased staffing to support the Group's growth plans.

[1] Adjusted for interest, tax, depreciation, amortisation, share based payment charge, and exceptional items.

Costs and investments

As at 31 December 2024, the Group held cash of $5.5m and investments in term deposits of $1.3m, compared to $2.6m and $7.5m, respectively as at 31 December 2023. Net cash outflows from operating activities of $2.8m in 2024 were used to support the Group's growth plan while managing working capital needs, compared to $1.9m in 2023.

Working capital

At the year end, working capital had increased as inventory readiness to support global volumes grew. Inventories increased to $2.3m in 2024 from $1.1m in 2023. The Group increased inventories in Europe to support revenue growth and mitigate the risk of geopolitical and social events such as the US election and US port strike in 2024. Trade and other receivables decreased to $1.3m in 2024 from $1.4m in 2023. Trade and other payables increased to $1.9m in 2024 from $1.7m in 2023. Working capital as a percentage of revenues increased to 110.7% in 2024 from 43.5% in 2023.

Financial Reporting

The Group and the Company financial statements have been prepared in accordance with UK adopted International Accounting Standards ("IFRS") and the provisions of the Companies Act 2006. There were no new reporting standards adopted for the year ended 31 December 2024 that have a material impact on the financial statements.

Going Concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed the Company's and the Group's going concern position taking account its current business activities, budgeted performance and the factors likely to affect its future development, set out in the Annual Report, and including the Group's objectives, policies and processes for managing its working capital, its financial risk management objectives and its exposure to credit and liquidity risks.

The Directors have also taken into consideration the current inflationary environment and geopolitical uncertainties on the Group's revenues and supply chain. While there has not been a significant negative impact during the period on the Group revenues or supply chain, the Directors have applied sensitivities to the timing, quantum, and growth of new customer projects in revenue models and have assessed alternate supply chains that have been developed by the Group to mitigate any issues in deliveries to our customers.

As further detailed in the Directors' Report on page 28 and note 2 to the financial statements, the Directors have reviewed the Group's cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements, which foresee that the Group will be able to meet its liabilities as they fall due. However, the success of the business is dependent on customers continuing to purchase our products in order to increase revenues and to reduce losses and the Directors continuing to control the Group's and the Company's cost base.

Shareholdings and Earnings per Share

Itaconix had 13,486,122 shares in issue as at 31 December 2024. The undiluted weighted average number of shares for the period to 31 December 2024 was 13,486,122. The undiluted weighted average number of shares was used to calculate the loss per share presented in note 9 to the financial statements.

The Group is exposed to several risks in its markets and business. The Directors have overall responsibility for the Group's risk management process but have delegated responsibility for its implementation, for the system of controls which reduce risk and for reviewing their effectiveness to the management team. As the uncertainties that the Group face evolve over time, the management team reviews emerging risks and updates mitigation measures. The results are reported to the Board.

Commercialisation Activities

The commercial activity in North America and Europe continues to progress. Meeting customer demand both domestically and globally has remained a key focus of the Group. Forecasting volumes is important for managing customer demand and balancing working capital needs to the business. Ultimately the success of the business relies upon Itaconix products reaching sufficient sales volumes for the Group to generate an overall profit.

Management of risk: The Group has sought to manage this commercialisation risk by partnering with market leaders for the worldwide promotion of our leading products, continued development of end-user formulas to provide customers with packaged solutions, and continuous review of the market needs for Itaconix products.

Recruitment and Retention of Key Staff

The Group depends on its ability to recruit and retain highly qualified managerial and scientific personnel. There are a limited number of candidates with the experience and skills to replace these key personnel. Attracting the best candidates can be highly competitive. Considerable focus has been given to recruitment, development and retention. While the Group has employment agreements with key personnel, their retention cannot be guaranteed.

Management of risk: The Group expanded its management team in 2024 to support operations and offers competitive market rates and benefits to recruit and retain top talent. Management continues to provide competitive compensation packages including benefits for employees to be an attractive employer to work for. In addition, the Group seeks to retain key personnel in the US using the Company's 2019 Equity Incentive Plan for share option grants, as disclosed in note 22 to the financial statements.

Key Persons Risk

For senior corporate management, the Group relies on two people, the Chief Executive Officer and the Chief Financial Officer. The Group has not updated the employment agreements with these officers since 2019. Both officers play a pivotal role in shaping the Company's vision, strategy, and operations. The Board recognises the importance of mitigating key person risk to ensure the long-term stability of the Company.

Management of risk: The Group is negotiating new executive employment agreements and uses the 2019 Equity Incentive Plan for share option grants, not only for incentivisation but also to encourage retention. The Board is developing contingency plans to address unforeseen circumstances, as well as succession planning, to ensure that the Company remains resilient and well-positioned for sustainable growth.

Customer Concentration and Retention

The ability to retain key customers at attractive gross profit margins is critical to maintaining revenue streams. The loss of key customers or excessive dependence on a limited number of customers could impact business results adversely.

Management of risk: We engage with the product managers and formulators either directly or through contract manufacturers to create consumer products that achieve desired performance claims and overall costs. During the process, we monitor the estimated value of our ingredients in the end-product formulations and price our ingredients relative to competitive alternatives. The revenues for a particular ingredient are often concentrated in a few customers in the early commercial stages. As we introduce more products and these products enter new phases of growth, we are seeking to diversify our customer base and to more consistently achieve pricing that reflects the value of our ingredients in the end-product formulations.

Regulatory, Legislation and Environmental Impact

Consumer and regulatory focus on the in-use and post-use safety of chemicals has transformed the global consumer products market, particularly in Europe and North America over the last ten years. Consumers, brands, retailers, regulators, and other industry stakeholders are seeking ingredients that are less toxic, do not persist in the environment, and have a smaller carbon footprint. These desires are increasingly reflected in regulations, product certifications, and consumer purchasing decisions. Itaconix polymers are effective replacements for phosphates in detergents and are used in numerous detergent products in North America and Europe for this purpose. In addition, there is growing scrutiny from customers, retailers, and industry stakeholders on the carbon footprint of raw materials and finished products. Companies are increasingly reducing their environmental impact to align with consumer demand for sustainable products. This shift is influencing purchasing decisions and product formulations across industries, including home and personal care, and also requires the suppliers of plant-based alternatives like Itaconix polymers to monitor their carbon footprint.

Management of risk: The value of Itaconix products starts with their safety and environmental profile. The Group closely monitors the evolving requirements for substantiating these profiles and regularly conducts technical studies to reinforce and extend the safety and environmental claims of Itaconix ingredients.

Competition and Technology

The production and use of Itaconix polymers are subject to technological change over time. There can be no assurance that developments by others will not render the Group's product offerings and research activities obsolete or otherwise uncompetitive.

Management of risk: The Group employs experienced and highly-trained polymer chemists to develop and protect the Group's intellectual property. These efforts include continuous work on the performance and cost advantages of Itaconix polymers. In addition, the staff monitors technologies and patents through publications, scientific conferences, and collaborations with other organisations to identify new risks and opportunities.

Manufacturing Risk

Itaconix has one production facility in North America, that supports the Group's revenues. Key raw materials are sourced globally which can result in an extended supply chain.

Management of risk: The Group holds additional finished goods and raw material inventories off site at a warehouse in North America and another in Europe. Suppliers also hold additional raw materials in North America.

Liquidity Risk

Itaconix seeks to manage financial risk by ensuring adequate liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. In addition, short-term flexibility is achieved by holding significant cash balances in Itaconix's functional currencies, notably UK Sterling and US Dollars.

Management of risk: The Group monitors bank balances held in established financial institutions and maintains adequate cash balances in its functional currencies.

Credit Risk

The principal credit risk for Itaconix arises from its trade receivables. To manage credit risk, new customers are subject to credit review and all customer accounts are regularly reviewed for debt aging and collection history. As at 31 December 2024, there were no significant credit risk balances.

Management of risk: The Group's control environment requires new customers to establish credit terms through providing credit references and a credit review. Trade receivables are actively monitored for collection history.

Inflation and Foreign Currency Risk

Inflation in global economies continues to increase but to a lesser extent than in prior years. The Company experienced, for example, stabilisation in most raw materials costs and in international shipping costs in the financial year.

Selling price to international customers in foreign currencies has increased in 2024. This is offset by the ability to increase pricing to these customers and the Group has the ability to receive various foreign currencies in bank accounts and convert them as market conditions are favourable.

Management of risk: The Group actively monitors raw material costs and works with vendors to manage these costs. Costs increases are periodically passed onto customers through pricing increases.

Foreign Exchange Risk

Itaconix is a holding company publicly traded on the London Stock Exchange. The Group's primary operations are in the US. These US based operations transact trades with customers in North America and internationally. Revenue and costs are exposed to variations in exchange rates and therefore reported losses. In 2019, the Group elected to convert the reporting currency from UK Sterling to US Dollars. The US Dollar transactions represent a significant portion of the functional currency transactions and therefore reduce the Group's overall exposure to translation exchange risk.

Management of risk: The Group manages foreign exchange risk by maintaining bank balances in major functional currencies to control the impact on transaction costs for operational expenses. The Group will continue to monitor the appropriateness of reporting in US Dollars.

Government and Geopolitical Risk

The Group has potential exposure to government activities related to US-Europe and US-China trade relations and geopolitical risk, such as through the procurement and import of itaconic acid from China, and the sale of products to Europe and Canada. Trade tensions have led to fluctuating tariff regimes that impact the costs of raw materials, production, distribution, and sales. The imposition of tariffs on chemicals and specialty ingredients can increase costs for both manufacturers and end customers, potentially affecting demand and competitive positioning. This can have a negative impact but in certain cases can also improve our competitive position relative to other products. Tariffs or sudden policy shifts may also create supply chain disruptions, forcing companies to adjust sourcing strategies or seek alternative suppliers, often at higher costs. Limited availability and extended delivery times may also trigger increases of raw material or product costs and may continue to cause volatility.

Management of risk: The Group actively monitors global trade policies and tariff developments to assess potential cost impacts and mitigate supply chain risks. The Group also actively monitors raw material sourcing, particularly of itaconic acid and the impact it could have on the Group's products. It works with current suppliers on raw materials pricing and mitigating the impact of tariffs on the pricing of the Group's products. Additionally, the Group stays informed on potential trade developments and advocates for policies that support fair and predictable market conditions. By proactively managing these risks, the Group aims to maintain cost efficiency and supply chain stability while continuing to serve its customers competitively.

Cyber and Information Risk

There is a growing risk of fraudulent attacks on the business, such attack could have the potential to significantly disrupt the Group's operations and result in loss to the business.

Management of risk: The Group monitor IT systems in place to ensure they are up to date and regularly updated with the latest security protection.

Statement of Compliance with Section 172 of the Companies Act 2006

The Directors are required to include a separate statement in the Annual Report that explains how they have considered broader stakeholder needs when performing their duty under Section 172(1) of the Companies Act 2006. This duty requires that a director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers, and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company to maintain a reputation for high standards of business conduct; and
- The need to act fairly between members of the company.

In connection with its statement, the Board describes in general terms how key stakeholders, as well as issues relevant to key decisions are identified, and also the processes for engaging with key stakeholders including customers, employees and suppliers, and understanding those issues. It is the Board's view that these requirements are predominantly addressed in the corporate governance disclosures made in the Directors' Report, which are themselves discussed more extensively on the Group's website.

A more detailed description is limited to matters that are of strategic importance in order to remain meaningful and informative for shareholders. The Board believes that five decisions taken during the year fall into this category, and engaged with appropriate internal and external stakeholders on these decisions, where applicable:

- Impasse on negotiations with a North American detergent merchandiser - The Directors continually assessed management's negotiations with this merchandiser supported the decision to pursue growth of cleaning revenues with other customers;
- Appointment of new Non-Executive Directors – The Directors continually assess the evolving needs of the Group and appoint individuals that will support the Group's strategic needs;
- Appointment of a new nominated advisor ("NOMAD") and broker – The Directors continually assess the evolving needs of the Group. The Group interviewed several NOMADs and brokers to determine the best fit for the Group and made the ultimate decision to change to a new NOMAD and broker in January 2024;
- ESG Report – The Directors believe that sustainability and environmental, social and governance ("ESG") matters are increasingly important. The Group issued a stand alone report to capture, measure and report on these important matters;
- Audit tender process – The Audit Committee completed an audit tender process for the 2024 audit engagement. During the process the Committee engaged with several firms of various sizes to determine the best fit for the Group's needs. The Committee reported its findings and proposed the best fit for the business to the Board for approval.

The Strategic Report encompassed on pages 8 through 14 was approved by the Board of Directors on 28 March 2025 and signed on behalf of the Board of Directors by:

Peter Nieuwenhuizen	John R. Shaw
Chair	Chief Executive Officer

Dr. Peter J. Nieuwenhuizen (aged 54)

Independent Non-Executive Chair

Peter joined the Board and became Chair on 5 July 2022. Peter started his career at AkzoNobel, the coatings & chemicals company, where he held positions in R&D sales & marketing, supply chain, sustainability, and eventually as CTO & Corporate Director Sustainability for AkzoNobel Specialty Chemicals. Peter also worked as a strategy consultant for Arthur D. Little and as VP Technology Deployment for Enerkem Inc. He co-founded the European Circular Bioeconomy Fund (ECBF), a €300m venture fund dedicated to the circular bioeconomy.

He has a Ph.D. in Chemistry from Leiden University. He is active in several organisations making contributions to a sustainable, circular chemical industry, including as Chair of Change Chemistry.

Committee Membership

Chair of the Remuneration Committee and member of the Audit and Nomination Committees.

Paul Daniel LeBlanc (aged 63)

Independent Non-Executive Director

Paul joined the Board and became Audit Committee Chair on 5 January 2023. He has 25 years' experience in growing international manufacturing businesses. He retired as CFO and Treasurer at Bemis Associates, Inc., an international adhesives manufacturing company, as of 1 July 2024.

He has a BS in Accounting from Thomas College and an MBA from University of Massachusetts Dartmouth.

Committee Membership

Chair of the Audit Committee and member of the Remuneration and Nomination Committees.

Jonathan Brooks (aged 61)

Independent Non-Executive Director

Jonathan joined the Board and became Nomination Committee Chair on 9 February 2024. He has 35 years of experience advising fast-growing companies on the London Stock Exchange and international equity capital markets. Prior to joining the Itaconix board, Jonathan was most recently a Partner in the Equity Capital Markets practice at Fieldfisher LLP.

He has a Bachelor of Laws (LLB) from the University of Bristol.

Committee Membership

Chair of the Nomination Committee and member of the Remuneration Committee.

John Roger Shaw (aged 65)
Chief Executive Officer

John joined the Board on 12 July 2018, when he assumed the role of Chief Executive Officer. As a founder, John has driven the direction and growth of Itaconix Corporation since 2008. He has over 25 years of experience in senior management roles in the pharmaceutical, biomedical, and specialty chemical sectors and brings significant marketing, strategy, and business management expertise along with a broad technical understanding to Itaconix's management team. John began his career holding a number of increasingly senior roles at SmithKline Beecham, Westaim, and Mitek Systems, Inc.

He has a BA in Economics from Pomona College and an MBA from Harvard Business School.

Laura Elizabeth Denner (aged 41)
Chief Financial Officer

Laura joined the Board on 20 July 2022. She has supported Itaconix growth since 2013 when she joined the organization as Controller. Laura began her career in public accounting with Feeley & Driscoll, PC focused on audits for manufacturing companies.

She has a BA in Accounting and International Studies from Bryant University and an MS in Accounting from Boston College. Laura is a Certified Public Accountant.

The Board is committed to ensuring that the Group has the people, strategy, and structure to deliver value to customers and shareholders in the near and long term. We recognise that effective corporate governance is essential to meeting this commitment and fundamental to the success of the Group.

Solid corporate governance starts with the calibre and talents of the Directors. Biographies of the Directors are presented on pages 16 and 17 in this Annual Report and reveal a range of relevant experience that brings a high level of independent judgement to Itaconix's business.

Under AIM Rule 26, AIM-quoted companies are required to adopt and give details of the corporate governance code which they have adopted and to show how they are following it. Of the recognised codes generally adhered to by AIM companies, the Corporate Governance Code for small and mid-size quoted companies (the "QCA Code") published by the Quoted Companies Alliance's ("QCA") in April 2018 was drafted with smaller businesses in mind using a pragmatic and principles-based approach. The Board deemed the QCA Code as the most suitable for the Group and adopted it with effect from 29 September 2018.

As Chair, I am responsible for leading the overall effectiveness of the Board, for ensuring that the Board maintains effective corporate governance processes, and for promoting open communication and debate within the Board and across the Group to foster a positive governance culture. I am pleased with the continued application of the QCA Code and the Company's approach to complying with the QCA Code which is set out below.

Compliance with the QCA Code

The QCA Code identifies ten principles that focus on the pursuit of medium- to long-term value for shareholders without stifling entrepreneurial spirit. Itaconix's adoption of the ten principles in the QCA Code is summarised below. From 1 January 2025 the Board will adopt and apply the updated version of the QCA Corporate Governance Code published in November 2023.

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

   Over the last ten years, Itaconix has developed a polymer technology platform for producing specialty ingredients from renewable resources. The Group uses its novel chemistries to create new ingredients with unique functionality that create value and meet customer needs in homecare, personal care, and industrial products. We utilise direct sales efforts to acquire initial customers and confirm the value for a new product and may elect to scale globally with appropriate marketing partners. The long-term revenue and profit potential of each new product relative to its near-term development cost can generate many years of attractive returns and shareholder value. Our near-term strategy is to balance sustained product innovation from our polymer technology platform with a focus on profitable product lines and long-term financial stability. Additional information on our strategy and business model is presented in the Strategic Report on pages 8 to 14.

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

   The Board is committed to communicating and having constructive dialogues with current and potential shareholders on a regular basis. Shareholders are encouraged to attend the Company's Annual General Meeting and any other General Meetings that may be held during the year. Information on significant Group milestones and developments is readily available in news releases, investor presentations, interim reports, and annual reports issued directly, broadcast widely, and posted to the Group's website. While the Non-Executive Directors are available and will occasionally interact directly with shareholders, our Chief Executive Officer and Chief Financial Officer are the primary contacts for current and potential investors, and they work closely with our Nominated Advisor and others to interact with the broader investment community on a regular basis.

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

   The Board is committed to the Group developing and maintaining open communications and dialogues with employees, customers, suppliers, regulators, investors, and partners. In addition to the investor activities described above, key practical elements of this commitment include a flat organization with ready employee access to management and the Board, regular direct contact with customers, quality assessments and reviews with vendors, and leadership roles in industry and scientific associations.

4. **Embed effective risk management, considering both opportunities and threats, throughout the organisation**

   The Board and management use a framework that aims to identify, assess, and manage the risks to the business that allows the Group to achieve its corporate objectives. The risk management process is embedded in monthly reporting and quarterly meetings. The risks that the Board considers to be most significant to the Group's business are set out in the Strategic Report on pages 8 to 14.

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

   The QCA Code requires that Boards have an appropriate balance between Executive and Non-Executive Directors and that each Board should have at least two Independent Directors. The Board is made up of two Executive Directors and three Independent Non-Executive Directors. The three Independent Non-Executive Directors are experienced and independent persons who have each succeeded in their own field and are not dependent upon income from the Group. They have a strong and detailed understanding of the business and are prepared and able to intervene and challenge the Executive Directors and management.

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

   All members of the Board bring relevant experience to the Board's responsibilities and duties. The Board believes its blend of experience, skills, and personal capabilities are well-suited for governing the success of the Group. Details of the background and experience of the Directors are set out in their biographies. These demonstrate that the Board collectively has relevant knowledge and experience on the challenges of a technology-based, specialty chemicals growth businesses and publicly traded companies in the UK.

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

   The Board in 2024 implemented a self-assessment to evaluate various aspects of its structure, performance, and interaction with management. The Board has identified specific areas to focus on in 2025, including to further to strengthen the alignment of resources with strategy, and to further detail the steps towards profitability. The Board will continually review its needs and assess opportunities for improvement as the Group's commercial activities develop.

8. **Promote a corporate culture that is based on ethical values and behaviours**

   Itaconix's core values are embedded in its quality system, which commits the Group to consistently deliver customer value, satisfaction and service through continual improvement and employee development. Key pillars of the culture are curiosity to use new approaches and technology to meet a need, accuracy of scientific analyses, the safety of our products and our processes, data-driven product claims that encourage customers to reformulate, reliable order fulfilment with quality product, compliance with all laws and regulations, and respect for the livelihoods of all stakeholders. These values and pillars are introduced and reinforced through daily routines and periodic activities that instil ethical and rewarding behaviour into each employee's work practices and experience.

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

   Formal Board meetings are required to be held at least quarterly, although the Board has committed to a practice of meeting monthly to review strategy, management, and performance of the Group. We have three Board committees, the Audit Committee, the Remuneration Committee, and the Nomination Committee. The terms of reference of these committees of the Board are available on our website.

10. **Communicate how Itaconix is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

    The Company's approach to investor and shareholder engagement is described under Principle 2 above. Annual reports, Annual General Meeting notices, regulatory announcements, trading updates and other governance related materials since the year 2016 are available on our website.

The Board of Directors

The Board of Directors is responsible for the proper management of the Group by formulating, reviewing, and approving the Group's strategy, budgets, and corporate actions. To achieve its objectives, the Board has adopted the ten principles of the QCA Code. Through successfully implementing these principles, the Board aims to deliver long-term growth for shareholders and maintain a flexible, efficient, and effective management framework within an entrepreneurial environment.

It is important that the Board itself contains the right mix of skills and experience to deliver the strategy of the Group. As such, the Board is comprised of:

- An Independent Non-Executive Chair, whose primary responsibility is the delivery of the Group's corporate governance model. The Chair has a clear separation from the day-to-day business of the Group which allows him to make independent decisions;
- Two Executive Directors; and
- Two Independent Non-Executive Directors.

The Board has not appointed a Senior Independent Director after considering the Group's size and development stage.

Each Director serves on the Board subject to re-election annually at the Annual General Meeting. The Board meets monthly.

Corporate Governance

In compliance with UK best practice, the Board has established the following committees to help the Board discharge its responsibilities with formally delegated duties and responsibilities.

1. Audit Committee

The purpose of the Audit Committee is to monitor the integrity of the financial statements of the Group and to assist the Board in its oversight of risk and risk management processes.

Some of the Audit Committee's duties include:

- Reviewing the Group's accounting policies and adoption of new accounting standards;
- Reviewing reports from the external auditor;
- Considering whether the Group has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the views of the external auditor;
- Reporting its views to the Board of Directors if it is not satisfied with any aspect of the proposed financial reporting by the Group;
- Reviewing the adequacy and effectiveness of the Group’s internal financial controls and internal control and risk management systems;
- Reviewing the adequacy and effectiveness of the Group's anti-money laundering systems and controls for the prevention of bribery and receive reports on non-compliance; and
- Overseeing the appointment of and the relationship with the external auditor.

The Audit Committee currently has two members, all of whom are Independent Non-Executive Directors and at least one member who has recent and relevant financial experience. As of 28 March 2025, the Audit Committee is comprised of Paul LeBlanc as Chair, and Peter Nieuwenhuizen.

2. Remuneration Committee

The purpose of the Remuneration Committee is to develop and propose to the Board the framework and policies for the remuneration of the Group’s Executive Directors and senior management.

The Committee normally meets at least twice a year and is responsible for determining and reviewing the policy for the remuneration of the Executive Directors and such other members of the executive management as it is designated to consider. Within the terms of the agreed policy, it determines the total individual remuneration of the Executive Directors. The Committee also approves the design of, and determines targets for, any performance-related pay schemes, reviews the design of any share incentive plans, determines the awards to the Executive Directors and sets the policy for, and scope of, pension arrangements for each Executive Director, as appropriate. Finally, the Committee approves the design and principles of the remuneration schemes for the employees of the business outside of the management team, which are implemented by the Executive Directors.

As of 28 March 2025, the Remuneration Committee is comprised of Peter Nieuwenhuizen as Chair, Paul LeBlanc, and Jonathan Brooks, each of whom is an Independent Non-Executive Director.

3. Nomination Committee

The Nomination Committee is normally required to meet at least once a year and is responsible for reviewing the structure, size and composition of the Board and recommending to the Board any changes required, for succession planning, and for identifying and nominating for approval of the Board candidates to fill vacancies as and when they arise, with a view to ensuring that the Board is composed of individuals with the necessary skills. The Committee is also responsible for succession planning for Directors and Executives, reviewing the leadership needs of the organisation, reviewing Board performance, making recommendations to the Board concerning suitable candidates for the role of Senior Independent Director (if applicable) and the membership of the Board's committees, and the election or re-election of Directors at the Annual General Meeting.

As of 28 March 2025, the Nomination Committee is comprised of Jonathan Brooks as Chair, Peter Nieuwenhuizen, and Paul LeBlanc, each of whom is an Independent Non-Executive Director.

Terms of Reference

All Board committees operate within defined terms of reference and sufficient resources are made available for them to undertake their duties. The terms of reference for each committee are available on the Company's website (in the Investor Relations section under Corporate Governance).

Corporate Social Responsibility

The Board recognises the critical role of ethics, the growing concerns for social and environmental matters, and the need to take into account the interests of the Group's stakeholders, including its investors, employees, suppliers and business partners, when operating the business.

Employment

The Board recognises its legal responsibility to ensure the well-being, safety and welfare of its employees and maintain a safe and healthy working environment for them and for its visitors.

Itaconix recognises the value of gender and ethnic diversity in its Board and Company. The Group is committed to diversity and inclusion of its governance and work force.

Relations with Shareholders

Itaconix attaches a high priority to effective communication with both institutional and private shareholders. The AGM is the principal forum for dialogue with private shareholders. A business presentation is made after the AGM and there is an opportunity for shareholders to put questions to the Directors. Itaconix aims to maintain regular contact with institutional shareholders through a programme of one-to-one presentations, group meetings, and briefings scheduled around the announcement of significant commercial developments in the business and the preliminary and interim financial results.

Share Dealing Code

The Company has adopted a share dealing code to ensure Directors and certain employees do not abuse and do not place themselves under suspicion of abusing inside information of which they are in possession and to comply with its obligations under the Market Abuse Regulation ("MAR") which applies to the Company by virtue of its shares being traded on AIM. Furthermore, the Company's share dealing code is compliant with the AIM Rules for Companies, published by the London Stock Exchange (as amended from time to time).

Under the share dealing code, the Company must:

- Keep a list of each person who is in possession of inside information relating to the Group;
- Procure that all persons discharging managerial responsibilities and certain employees are given clearance by the Group before they are allowed to trade in the Company's securities; and
- Procure that all persons discharging managerial responsibilities and persons closely associated to them notify both the Company and the Financial Conduct Authority of all trades in the Company's securities that they make.

Internal Control

The Board has overall responsibility for ensuring that the Group maintains a system of internal control to provide its members with reasonable assurance regarding the reliability of financial information used within the business and for publication and that the Group's assets are safeguarded. There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, and not absolute, assurance with respect to the preparation of accurate financial information and the safeguarding of assets. The key features of the internal control system that operated throughout the year are described under the following headings:

- Control environment: particularly the definition of the organisation structure and the appropriate delegation of responsibility to operational management, as implicitly articulated in management's job descriptions;
- Identification and evaluation of business risks and control objectives: particularly through a formal process of consideration and documentation of risks and controls which is periodically undertaken by the Board;
- Main control procedures: which include the setting of annual and longer-term budgets and the monthly reporting of performance against them, agreed treasury management and physical security procedures, formal capital expenditure and investment appraisal approval procedures, and the definition of authorisation limits (both financial and otherwise);
- Monitoring: particularly through the regular review of performance against budgets and the progress of research activities undertaken by the Board. The Board reviews the operation and effectiveness of this framework on a regular basis. The Directors consider that there have been no weaknesses in internal controls that have resulted in any losses, contingencies or uncertainties requiring disclosures in the financial statements.

Annual General Meeting

The Annual General Meeting of the Company will take place on 8 May 2025. Full details are included in the Notice of Meeting that accompanies this Annual Report and is published on our website (www.itaconix.com).

Peter Nieuwenhuizen
Chair

28 March 2025

I am pleased to present the report on behalf of the Remuneration Committee.

The Committee is responsible for setting the remuneration policy of the Executive Directors and other senior staff, including terms of employment, salaries, any performance bonuses and share option awards. As an AIM-quoted company, Itaconix is not required to have a binding shareholder vote on the remuneration policy for its Directors. Nonetheless, both the Board and the Remuneration Committee believe that transparency of the policy under which Directors' remuneration is structured is beneficial to shareholders, and in keeping with this the remuneration policy will be put to an annual advisory shareholder vote with effect from the Company's 2025 Annual General Meeting in advance of the Company's proposed adoption of the 2023 QCA Corporate Governance Code for the financial year ending on 31 December 2025.

Committee Composition

The members of the Remuneration Committee as at 28 March 2025 are Peter Nieuwenhuizen as Chair, Paul LeBlanc, and Jonathan Brooks. We are all Independent Non-Executive Directors.

The Committee is required to meet at least twice a year. The Committee met six times during the financial year to 31 December 2024.

Committee Duties

The Company has established a transparent policy on executive remuneration, which is the basis for the remuneration packages of individual Directors. No Director is involved in deciding their own remuneration.

Remuneration Policy

The key principles of the remuneration policy include:

- To be able to attract, retain, and motivate executives who have capability to ensure the Group achieves its strategic objectives;
- To ensure that short term benefits and long-term incentive plans are aligned with the interests of shareholders, using performance measures that are easy to measure and clear;
- To align remuneration to the median level for comparable AIM companies, taking into account the competitive landscape in the North American and European specialty chemicals industry and current best practices in setting appropriate levels of compensation;
- To provide post-retirement benefits through payment into private pension arrangements and/or salary supplements; and
- To offer shareholders an annual advisory vote on the remuneration policy.

The Executive Directors' remuneration packages are considered annually by the Remuneration Committee in accordance with the remuneration policy and include several elements for which the Committee looks at external remuneration surveys and has undertaken its own research:

- Base salary - In reviewing the base salary the Committee takes account of the profitability and strategy of the Group and the individual's contribution, as well as the salary level of comparable AIM companies;
- Annual performance incentive - Executive Directors can earn, at the Committee's discretion, a maximum bonus of up to 50% of their base salary. This bonus is based upon the achievement of corporate performance measures related to EBITDA, revenue and personal objectives, which the Committee believes align with the long-term interests of shareholders;
- Retirement contribution and other benefits in kind - Individuals receive contributions of 3.0% to their annual compensation. Other benefits provided are health insurance benefits; and
- Share awards - Executive Directors may, at the discretion of the Remuneration Committee, be granted share option awards under the Equity Incentive Plan adopted by the Company in 2019. The options granted in 2025 will vest over a four-year period, based on two criteria. 50% of the options will vest over a 4-year period, 12.5% annually, to encourage retention. The other 50% of the options will vest on the achievement of a total shareholder return target.

The remuneration of the Non-Executive Directors is determined by the Board, based on a review of current practices in comparable companies. The Non-Executive Directors do not receive any pension payments and do not participate in any incentive or share option schemes.

Directors' Remuneration

The following table summarises the total gross remuneration for the qualifying services of the Directors who served during the year to 31 December 2024.

Directors' Remuneration (audited)

The Directors' emoluments in the year ended 31 December 2024 were:

	Basic salary/fees $'000	Benefits in kind $'000	Retirement $'000	Bonus $'000	2024 total $'000	2023 total $'000
Executive Directors						
John R. Shaw	237	10	8	25	280	296
Laura Denner	203	3	7	21	234	239
Non-Executive Directors						
Peter Nieuwenhuizen	*60*	-	-	-	*60*	*60*
Paul LeBlanc	*46*	-	-	-	*46*	*45*
Jonathan Brooks[1]	*41*	-	-	-	*41*	-
Total	*587*	*13*	*15*	*46*	*661*	*640*

[1]*Appointed 9 February 2024*

Directors' Share Options

The aggregate emoluments disclosed above do not include any amounts for the value of options to acquire shares in the Company granted to or held by Directors except for those awards vesting in the year.

Details of all options over shares in Itaconix for Directors who served during the year are as follows:

Name	Scheme	1 Jan 2024	Grant/ (Lapsed)	Exercised	31 Dec 2024	Exercise price £	Date from which exercisable	Expiry date
John R. Shaw								
	2019	79,023	-	-	79,023	2.755	01/01/22	04/21/32
	LTIP	12,040	-	-	12,040	2.755	01/01/23	04/21/32
	2019	20,464	-	-	20,464	2.755	01/01/23	04/21/32
	2019	-	35,700	-	35,700	1.664	04/15/24	04/15/34
	Sub total	111,527	35,700	-	147,227			
Laura Denner								
	2019	40,000	-	-	40,000	1.355	10/28/21	10/28/30
	2019	63,351	-	-	63,351	2.505	01/01/22	04/21/32
	LTIP	4,115	-	-	4,115	2.505	01/01/23	04/21/32
	2019	21,942	-	-	21,942	2.505	01/01/23	04/21/32
	2019	-	32,150	-	32,150	1.664	04/15/24	04/15/34
	Sub total	129,408	32,150	-	161,558			
Total		240,935	67,850	-	308,785			

Directors' Interests

The interests of the Directors in the share capital of the Company are disclosed below.

Directors' Interests	31 December 2024 Number of ordinary shares of 50p each	31 December 2023 Number of ordinary shares of 50p each
John R. Shaw	1,081,441	1,081,441
Laura Denner	257,000	257,000
Peter Nieuwenhuizen	25,457	25,457
Paul LeBlanc	1,950	1,950
Jonathan Brooks[1]	-	-

[1]*Appointed 9 February 2024*

None of the Directors had, either during or at the end of the year, any material interest in any contract of significance with the Company or its subsidiaries.

Directors' Remuneration for 2025

The Executive Directors have each signed an employment agreement with the Company. The Non-Executive Directors have signed letters of appointment. Under the terms of these agreements, the Directors are currently entitled to a salary or fees and benefits as set out below.

	2025 Salary/fees & benefits $'000	2024 Salary/fees & benefits $'000
John R. Shaw	255	280
Laura Denner	213	234
Peter Nieuwenhuizen	66	60
Paul LeBlanc	51	46
Jonathan Brooks[1]	51	41
Total	636	661

[1]*Appointed 9 February 2024*

Executive Directors' Service Contracts

The Executive Director signed service contracts on his appointment. These contracts are not of fixed duration. The Chief Executive Officer's contract is terminable by either party giving six months' written notice.

Non-Executive Directors Letters of Appointment

The Non-Executive Directors signed letters of appointment with the Group for the provision of Non-Executive Directors' services, which may be terminated by either party giving written notice. The remuneration of the Non-Executive Directors is determined by the Board as a whole.

Peter Nieuwenhuizen
Chair of the Remuneration Committee

28 March 2025

The Audit Committee is responsible for promoting the quality of internal controls and ensuring that the financial performance of Itaconix is reviewed and reported properly.

The Committee reviews reports on the interim and annual accounts, financial announcements, the Company's accounting and financial control systems, changes to accounting policies, the extent of non-audit services undertaken by the external auditor, and the appointment of the external auditor.

During the period the Audit Committee reviewed the draft interim reports and associated announcements. The Audit Committee considered the accounting policies and principles adopted in these accounts as well as significant accounting issues and areas of judgement and complexity.

Committee Composition

The terms of reference for the Audit Committee require the Committee to consist of preferably three members but not less than two members and that a majority of the members shall be independent non-executives with at least one with recent and relevant financial experience.

The members of the Audit Committee as at 28 March 2025 are Paul LeBlanc as Chair, and Peter Nieuwenhuizen. We are both Independent Non-Executive Directors.

The Board is of the view that the Audit Committee has recent and relevant financial experience. John Shaw, Chief Executive Officer, Laura Denner, Chief Financial Officer, and relevant management may attend Committee meetings by invitation.

Role of the Committee

The main duties of the Committee are set out in its terms of reference, which are available on Itaconix's website. The main items of business considered by the Committee included:

- Reviewing the Group's accounting policies and reports produced by internal and external audit functions;
- Considering whether the Group has followed appropriate accounting standards and made appropriate estimates and judgements, taking into consideration the views of the external auditor;
- Reporting its views to the Board of Directors if it is not satisfied with any aspect of the proposed financial reporting by the Group;
- Reviewing the adequacy and effectiveness of the Group's internal financial controls and its internal control and risk management systems;
- Reviewing the adequacy and effectiveness of the Group's controls for the prevention of bribery and receive reports on non-compliance, and
- Overseeing the appointment of and the relationship with the external auditor.

Financial Reporting

The Committee reviews whether suitable accounting policies have been adopted and whether management has made appropriate judgements and estimates. The Committee's remit includes reviews of accounting papers prepared by management providing details on the main financial reporting judgements as well as assessments of the impact of potential new accounting standards.

The Committee has concluded that the Annual Report and financial statements are prepared appropriately and provide the necessary information for shareholders to assess the Group's strategy and performance.

Risk Management and Internal Controls

The Group's risk and control management framework is designed to manage rather than eliminate the risk of failure to meet the Group's objectives. The system of controls can provide reasonable but not absolute assurances against material misstatement or loss. Itaconix faces a number of risks, the significant ones of which are set out in the section on Principal Risks and Uncertainties on page 12 to 14.

Through the control systems outlined in the Corporate Governance Report on pages 18 to 22, Itaconix operates an ongoing process of identifying, evaluating, and managing significant risks faced by the business. This process includes the following:

- Defined organisation structure and appropriate delegation of authority;
- Formal authorisation procedure for investments;
- Clear responsibility for management to maintain good financial control and the production and review of detailed, accurate and timely financial information;
- Identification of operational risks and mitigation plans developed by senior management; and
- Regular reports to the Board from the Executive Directors.

Itaconix remains, in substance, in early stage development and is currently implementing appropriate internal controls and processes to reflect its size and business complexity. The Committee has been kept up-to-date of progress in implementing these processes, reviewed the Board's processes, and the Committee is satisfied that the risk management and internal control systems in place are currently operating effectively.

External Auditor

PKF Littlejohn LLP was appointed auditor of Itaconix in 2024. The Committee completed an audit tender process involving several audit firms. During this process, the Committee considered the needs of the business and its investors in determining that a change in auditors was appropriate.

The Committee is responsible for implementing a suitable policy for ensuring that non-audit work undertaken by the auditor is reviewed so that it will not impact their independence and objectivity. The breakdown of fees between audit and non-audit services is provided in note 5 to the financial statements.

The Board considers auditor independence and objectivity and the effectiveness of the audit process. It also considers the nature and extent of the non-audit services supplied by the auditor reviewing the ratio of audit to non-audit fees and ensures that an appropriate relationship is maintained between the Group and its external auditor.

For and on behalf of the Audit Committee

Paul LeBlanc
Chair of the Audit Committee

28 March 2025

The Directors of Itaconix plc (registered number 08024489) submit their report as follows:

Principal Activities

The principal activities of the Group are the research and production of proprietary specialty polymers that meet significant customer needs, with a strategy of direct selling efforts to establish initial use of new polymers, with the option to also scale global demand through partnerships where desirable, with a focus on North America and Europe.

Most of the Group's activities are focused on homecare and personal care applications where consumer interest and desires for safer and more sustainable products are particularly high.

Website Publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained herein. Financial Instruments and Liquidity Risks Information about the use of financial instruments by the Company and its subsidiaries and the Group's financial risk management policies are given in note 18 to the financial statements.

Directors and their Interests

The Directors of Itaconix at 31 December 2024 were:

Peter Nieuwenhuizen (Chair);
Paul LeBlanc (Non-Executive Director);
Jonathan Brooks (Non-Executive Director);
John R. Shaw (Chief Executive Officer); and
Laura Denner (Chief Financial Officer).

Jonathan Brooks was appointed as a Non-Executive Director and Chair of the Nomination Committee on 9 February 2024.

Jonathan Brooks was elected at the 2024 Annual General Meeting. All the Directors will stand for election at the 2025 Annual General Meeting. Biographical details of all the Directors as at 28 March 2025 are given above on pages 16 to 17.

Company Secretary

Laura Denner was appointed Company Secretary on 1 September 2019.

Liability Insurance for Directors, Officers and Employees

Itaconix has purchased insurance to cover the Directors, officers and employees of Itaconix and its subsidiaries against defence costs and civil damages awarded following an action brought against them in their personal capacity whilst carrying out their professional duties for the Group.

Dividends

Itaconix is seeking primarily to achieve capital growth for its shareholders. Its intention is to retain future distributable profits, if any, and therefore the Company does not anticipate paying any dividends in the foreseeable future. The Directors therefore do not recommend payment of a dividend (2023: £nil).

Events after the Balance Sheet Date

There were no events post balance sheet date.

Research and Development

Details of the Group's activities on research and development during the year are set out in the Strategic Report on pages 8 to 14 and Chief Executive Officer's Statement on pages 3 to 7.

Going Concern

Itaconix business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and the financial position of Itaconix, its cash flows and liquidity position are described in the notes to the financial statements, in particular in the consolidated cash flow statement and in note 18 (financial instruments).

The financial statements have been prepared on a going concern basis. The Directors have reviewed the Company's and the Group's going concern position taking account its current business activities, budgeted performance and the factors likely to affect its future development, set out in the Annual Report, and including the Group's objectives, policies and processes for managing its working capital, its financial risk management objectives and its exposure to credit and liquidity risks.

As described in Note 2 to the financial statements, the Directors have reviewed the Group's cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements, which foresee that the Group will be able to meet its liabilities as they fall due. However, the success of the business is dependent on customers continuing to purchase our products in order to increase revenue and profit growth and continuing to control the Group and the Company's cost base.

The Directors believe that, taken as a whole, the factors described above enable the Company and Group to be and continue as a going concern for the foreseeable future. The financial statements do not include the adjustments that would be required if the Company and the Group were unable to continue as a going concern.

Substantial Shareholdings

In addition to the Directors' interests, as disclosed in the Director's Remuneration Report, the Company is aware of the following shareholders with a percentage holding amounting to 3% or more of the ordinary share capital based on the Company's shareholder register as of 31 December 2024:

Shareholder	Shares Held	% Holding
Hargreaves Lansdown Asset Management	1,759,732	13.1%
Octopus Investments	1,447,146	10.7%
Canaccord Genuity Wealth Management	1,186,140	8.8%
IP Group	1,118,262	8.3%
Amati Global Investors	784,313	5.8%
Interactive Investor	783,665	5.8%
HSLD Stockbrokers	519,971	3.9%
Rathbones	500,397	3.7%
AJ Bell Stockbrokers	460,082	3.5%

The percentage interest has been calculated on the total voting rights of 13,486,122, being the Company's issued share capital on 31 December 2024. No other person has reported an interest in the ordinary shares of the Company required to be notified to the Company.

Information Presented in Other Sections

Certain information required to be included in a Directors' Report, including references to future developments, research and development, and financial instruments, can be found where applicable in the other sections of this Annual Report. All of the information presented in those sections is incorporated by reference into this Directors' Report and is deemed to form part of this report.

Greenhouse Gas Emissions

The 2018 Regulations introduced requirements under Part 15 of the Companies Act 2006 for an enhanced group of companies, which are defined as large by the Companies Act 2006, to disclose their annual energy use and greenhouse gas emissions, and related information. Under the 2018 Regulations, the Group is not currently defined as large and is considered a low energy user, with annual energy consumption less than 40 MWh.

Peter Nieuwenhuizen
Chair

28 March 2025

Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under the law the Directors have elected to prepare the Group's and the Company's financial statements in accordance with UK adopted International Accounting Standards ("IFRS") and applicable law. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the AIM Rules for Companies, published by the London Stock Exchange. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK adopted International Accounting Standards ("IFRS"), subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Information Given to the Auditor

Each of the persons who are Directors of the Company at the date when this report was approved confirms that:

- So far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and

- The Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information (as defined in the Companies Act 2006) and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

PKF Littlejohn LLP have expressed their willingness to continue in office as auditor. A resolution concerning their re-appointment will be proposed at the 2025 Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board,

John R. Shaw
Chief Executive Officer

28 March 2025

Opinion

We have audited the financial statements of Itaconix plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, Consolidated and Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- An understanding of the future plans for the Group;
- Reviewing cashflow forecasts for the 12 month period ending 31 March 2026 and the two year period to 31 December 2026, and challenging management on the key operating assumptions based on the 2024 actual results;
- Reviewing all the key inputs into the cash flow forecast to ensure they are appropriate, and no evidence of management bias exists;
- Testing the integrity of the forecast model by checking the accuracy and completeness of the model, including challenging the appropriateness of estimates and assumptions;
- Reviewing the company and Group's management accounts to assess if material matters have been reflected in the underlying assumptions to the forecasts;
- Comparing Board of Directors approved budgets to actual figures achieved to assess the reliability of management's forecasts;
- Performing sensitivity analysis on the forecasts provided; and
- Review the going concern disclosure within the financial statements for appropriateness

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative

thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Materiality for the Group was set based on the consolidated position of the Group, at $94,400. This was calculated based on 1.5% of revenue. Using our professional judgement, we have determined this to be the principal benchmark within the financial statements as it will be most relevant to stakeholders in assessing the financial performance of the Group.

We also determined a level of Group performance materiality which we use to assess the extent of testing needed to reduce to an appropriate low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Performance Materiality for the Group was set at $66,000 being 70% of materiality for the financial statements as a whole. A benchmark of 70% for performance materiality was applied to provide sufficient coverage of significant and residual risks in the financial statements.

In determining performance materiality, we considered the following factors:

- the number and quantum of identified misstatements in the prior year audit observed through our review of the predecessor auditors working papers;
- and the consistency in the level of judgement required in key accounting estimates and the level of significant or other key risks, including KAMs, identified during our planning procedures.

We agreed to report to the audit committee all corrected and uncorrected misstatements we identified through the audit of the Group with a value in excess of $4,700.

Materiality for the Parent Company was set at $47,100, with a performance materiality of $33,000. The benchmark used in determining the materiality for the Parent Company was 2% of total assets, given this is a holding company with no external trade, but capped at an allocated component materiality.

We agreed to report to the audit committee all corrected and uncorrected misstatements for the Parent Company we identified through the audit with a value in excess of $2,350.

Our approach to the audit

Our audit was tailored in such a way as to perform sufficient work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and of the company, the accounting processes and controls, and the industry in which they operate.

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. We looked at the areas directors make subjective judgements, for example in respect of significant accounting estimates which involve making assumptions and considering future events, this process being inherently uncertain.

The Group comprises of two UK incorporated companies (including Itaconix plc) and one US trading component.

Based on our assessment of the Group, the Parent Company, Itaconix plc, and the US subsidiary Itaconix Corporation, were identified as significant components contribute to 99.5% of the trading activities and were subject to full scope audit for Group reporting purposes. Specified procedures were performed over key risk areas on the other UK incorporated entity as determined sufficient by the audit team for the purposes of the Group audit.

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
Revenue Recognition Refer to accounting policies in Note 2 and further details in Note 4.	
Revenue from the business is comprised of selling and distributing goods to customers. Revenue is recognised when the underlying risk and rewards have been transferred to the customers which is based on the specific contract incoterms. As a result of this, we have identified revenue recognised in the last two months of the year as a significant risk as there is a risk that the entity may fail to recognise the revenue in line with the incoterms and this could mean that income is recognised before the entity has met the entitlement criteria.	Our work in this area included, but was not limited to: • Discussions with management in respect of revenue transaction arrangements for all revenue streams, and understanding management's own assessment of the treatment of each revenue stream; • Performing walkthrough testing to develop an understanding of the revenue transaction flow; • We assessed whether the revenue recognition policies adopted by the Group comply with accounting standards by comparing the accounting policy to the requirements of IFRS 15 – Revenue from contracts with customers; • Tested a sample of transactions throughout the period to invoice and evidence of delivery to check that they have been recorded in the correct period in accordance with agreed delivery terms; • For a sample of transactions, in particular around the year end, we assessed compliance with IFRS 15 Revenue Recognition requirements and verified whether revenue is recorded appropriately, in line with respective performance obligations when satisfied, with reference to despatch records signed by courier on despatch of goods and other supporting information including receipt of funds and proof of delivery; • A review of unusual journals posted to revenue by selecting a sample and agreeing to supporting documentation. • Tested the disclosure of revenue within the financial statements. **Key observations** Based on the procedures performed, we have no observations.

Recoverability of investments in subsidiaries and intergroup loans (Company only) Refer to Note 10 for further details.	
The Parent Company statement of financial position has material investments in subsidiaries: 2024 - $1,864k (2023 - $1,513k) and amounts due from Group undertakings after impairment charges 2024 - Nil (2023 - Nil). In line with IAS 36, Management are required to make an assessment to determine whether the carrying value of the Parent Company's investments in subsidiaries is recoverable. Management must also exercise judgement in assessing the recoverability of these balances which can involve complex modelling and assumptions, presenting a risk of material misstatement if not performed correctly.	Our work in this area included, but was not limited to: • An assessment of the assumptions used by management in determining the recoverability of investments in subsidiaries and amounts due from Group undertakings for reasonableness; • Review of the minutes of Board meetings to understand the strategy for the subsidiaries and expectations going forward; • A review of current period performance and expected future trading of the subsidiary entities. **Key observations** Based on the procedures performed, we have no observations.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the Group and Parent Company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, review of board minutes and cumulative knowledge of the industries in which the subsidiaries operate.
- We determined the principal laws and regulations relevant to the Group and Parent Company in this regard to be those arising from the:
  - Companies Act 2006;
  - UK-adopted international accounting standards
  - UK and overseas taxation regulations;
  - Health and Safety Act 1974
  - UK Bribery Act 2010
  - Data Protection and GDPR rules;
  - AIM Rules for Companies;
  - Anti-bribery and anti-money laundering regulations.

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Group and Parent Company with those laws and regulations. These procedures included, but were not limited to:
    - Making enquiries of management;
    - Reviewing board meeting minutes;
    - Reviewing legal correspondence (where applicable) and reviewing legal and professional fees.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to both the estimates and judgements in relation to the impairment assessment of Investments and intergroup balances (parent), the determination of lease term for IFRS16 leases (Group), valuation of share based payments (Group) and determination of inventory reserve (Group). We addressed this by challenging the assumptions and judgements made by management when auditing that significant accounting estimate and ensuring that there were adequate disclosures included in the respective notes including the disclosures within critical accounting estimates; and

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Hannes Verwey (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

28 March 2025

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2024

Continuing Operations:	Notes	2024 $'000	2023 $'000
Revenue	4	**6,503**	7,866
Cost of sales		**(4,243)**	(5,429)
Gross profit		**2,260**	2,437
Administrative expenses		**(4,443)**	(3,987)
Operating loss before exceptional items	5	**(2,183)**	(1,550)
Loss on modification of lease		-	(21)
Operating loss before tax from operations		**(2,183)**	(1,571)
Finance income	7	**330**	141
Interest expense		**(12)**	(79)
Loss before tax		**(1,865)**	(1,509)
Taxation charge	8	**-**	(27)
Loss after tax		**(1,865)**	(1,536)
Basic loss per share ¢	9	**(0.14)¢**	(0.12)¢
Diluted loss per share ¢	9	**(0.14)¢**	(0.12)¢

The accompanying notes 1 to 26 form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 $'000	2023 $'000
Loss for the year		**(1,865)**	(1,536)
Items that will be reclassified subsequently to profit or loss			
Exchange gain in translation of foreign operations		**(98)**	530
Total comprehensive loss for the year		**(1,963)**	(1,006)
Attributable to:			
Equity holders of parent		**(1,963)**	(1,006)

The accompanying notes 1 to 26 form an integral part of the financial statements.

CONSOLIDATED AND COMPANY BALANCE SHEETS

At 31 December 2024

		Group		Company	
		31 Dec 2024	31 Dec 2023	**31 Dec 2024**	31 Dec 2023
	Notes	**$'000**	$'000	**$'000**	$'000
Non-current assets					
Intangible assets	11	**244**	24	-	-
Property, plant and equipment	12	**584**	337	-	-
Right-of-use assets	19	**2,023**	2,236	-	-
Investments	15	**-**	1,273	**-**	1,273
Investment in subsidiary undertakings	10	**-**	-	**1,864**	1,824
		2,851	3,870	**1,864**	3,097
Current assets					
Inventories	13	**2,312**	1,096	**-**	-
Trade and other receivables	14	**1,281**	1,421	**158**	123
Investments	15	**1,252**	6,183	**1,252**	6,183
Cash and cash equivalents	16	**5,482**	2,567	**4,744**	2,201
		10,327	11,267	**6,154**	8,507
Total assets		**13,178**	15,137	**8,018**	11,604
Financed by					
Equity shareholders' funds					
Equity share capital	20	**8,665**	8,665	**8,665**	8,665
Equity share premium		**58,012**	58,012	**58,012**	58,012
Own shares reserve		**(5)**	(5)	**(5)**	(5)
Merger reserve		**31,343**	31,343	**3,582**	3,582
Share based payment reserve	22	**944**	872	**944**	872
Foreign translation reserve		**331**	429	**(1,662)**	(1,505)
Retained deficit		**(89,957)**	(88,092)	**(61,831)**	(58,319)
Total equity		**9,333**	11,224	**7,705**	11,302
Non-current liabilities					
Lease liabilities	19	**1,698**	1,957	**-**	-
		1,698	1,957	**-**	-
Current liabilities					
Trade and other payables	17	**1,876**	1,677	**313**	302
Lease liabilities	17, 19	**271**	279	**-**	-
		2,147	1,956	**313**	302
Total liabilities		**3,845**	3,913	**313**	302
Total equity and liabilities		**13,178**	15,137	**8,018**	11,604

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss in these financial statements. The loss for the year for the Company amounted to $3.5m (2023: loss of $2.6m). The financial statements of Itaconix plc, registered number 08024489, were approved by the Board of Directors for issue on 28 March 2025.

John R. Shaw	**Peter Nieuwenhuizen**
Director	Director

The accompanying notes 1 to 26 form an integral part of the financial statements

Consolidated statement of changes in equity

	Equity share capital $'000	Equity share premium $'000	Own shares reserve $'000	Merger reserve $'000	Share based payment reserve $'000	Foreign translation reserve $'000	Retained deficit $'000	Total $'000
At 1 January 2023	5,959	47,942	(5)	31,343	643	(101)	(86,556)	(775)
Loss for the year	–	–	–	–	–	–	(1,536)	(1,536)
Share issuance proceeds	2,488	10,195	–	–	–	–	–	12,683
Share issuance expenses	–	(1,014)	–	–	–	–	–	(1,014)
Contingent consideration	218	915	–	–	–	–	–	1,133
Share consolidation	–	(26)	–	–	–	–	–	(26)
Exchange differences on translation of foreign operations	–	–	–	–	–	530	–	530
Share based payments	–	–	–	–	229	–	–	229
At 31 December 2023	8,665	58,012	(5)	31,343	872	429	(88,092)	11,224
Loss for the year	–	–	–	–	–	–	(1,865)	(1,865)
Exchange differences on translation of foreign operations	–	–	–	–	–	(98)	–	(98)
Share based payments	–	–	–	–	72	–	–	72
At 31 December 2024	**8,665**	**58,012**	**(5)**	**31,343**	**944**	**331**	**(89,957)**	**9,333**

Company statement of changes in equity

	Equity share capital $'000	Equity share premium $'000	Own shares reserve $'000	Merger reserve $'000	Share based payment reserve $'000	Foreign translation reserve $'000	Retained deficit $'000	Total $'000
At 1 January 2023	5,959	47,942	(5)	3,582	643	(2,213)	(55,709)	199
Loss for the year	–	–	–	–	–	–	(2,610)	(2,610)
Share issuance proceeds	2,488	10,195	–	–	–	–	–	12,683
Share issuance expenses	–	(1,014)	–	–	–	–	–	(1,014)
Contingent consideration	218	915	–	–	–	–	–	1,133
Share consolidation	–	(26)	–	–	–	–	–	(26)
Exchange differences on translation of foreign operations	–	–	–	–	–	708	–	708
Share based payments	–	–	–	–	229	–	–	229
At 31 December 2023	8,665	58,012	(5)	3,582	872	(1,505)	(58,319)	11,302
Loss for the year	–	–	–	–	–	–	(3,512)	(3,512)
Exchange differences on translation of foreign operations	–	–	–	–	–	(157)	–	(157)
Share based payments	–	–	–	–	72	–	–	72
At 31 December 2024	**8,665**	**58,012**	**(5)**	**3,582**	**944**	**(1,662)**	**(61,831)**	**7,705**

The accompanying notes 1 to 26 form an integral part of the financial statements.

The reserves described above have the purposes described below:

Share capital

Amount subscribed for share capital at par value.

Share premium

Amount subscribed for share capital in excess of nominal value less the cost of issuance of shares.

Own shares reserve

The reserve records the nominal value of shares purchased and held by the Employee Benefit Trust to satisfy the future exercise of options under the Group's share option schemes.

Merger reserve

This reserve arose as a result of a common control business combination on the formation of the Group. The premium on the issue of shares as part of a business combination is credited to this reserve.

Share based payment reserve

This reserve records the credit to equity in respect of the share based payment cost.

Foreign exchange translation reserve

This reserve arises on the translation of the assets and liabilities of overseas subsidiaries.

CONSOLIDATED AND COMPANY STATEMENTS OF CASH FLOWS

For the year ended 31 December 2024

		Group		Company	
		2024	2023	**2024**	2023
	Notes	**$'000**	$'000	**$'000**	$'000
Net cash outflow from operating activities	21	**(2,753)**	(1,923)	**(978)**	(398)
Interest received		**330**	141	**256**	141
Purchase of securities		**-**	(7,456)	**-**	(7,456)
Deposit of securities		**6,204**	-	**6,204**	-
Purchase of property, plant and equipment		**(363)**	(226)	**-**	-
Development of website		**(27)**	(29)	**-**	-
Capitalisation of development costs		**(197)**	-	**-**	-
Cash loaned to subsidiary undertakings		**-**	-	**(2,939)**	(1,808)
Net cash inflow / (outflow) from investing activities		**5,947**	(7,570)	**3,521**	(9,123)
Cash received from issue of shares		**-**	12,683	**-**	12,683
Transactions costs paid on the issue of shares		**-**	(1,014)	**-**	(1,014)
Transactions costs paid on the share consolidation		**-**	(26)	**-**	(26)
Repayment of lease liability		**(279)**	(252)	**-**	-
Interest paid - leases		**-**	72	**-**	-
Net cash (outflow) / inflow from financing activities		**(279)**	11,463	**-**	11,643
Net inflow in cash and cash equivalents		**2,915**	1,970	**2,543**	2,122
Cash and cash equivalents at beginning of year		**2,567**	597	**2,201**	79
Cash and cash equivalents at end of year		**5,482**	2,567	**4,744**	2,201

The accompanying notes 1 to 26 form an integral part of the financial statements

1. General Information

Itaconix plc ("Itaconix", "the Parent Company" and the "Group") is a public limited company incorporated in England and Wales. The address of its registered office and principal place of business is set out on page 67. The principal accounting policies adopted by the Parent Company and its subsidiaries ("the Group") are set out in note 2. The nature of the Group's operations and its principal activities are set out in the Strategic Report. The principal activities of the Parent Company and its subsidiaries are described in the Strategic Report. The financial statements have been presented in US Dollars and rounded to the nearest thousand ($'000) unless otherwise indicated.

2. Accounting policies

Basis of presentation

The Group and Parent Company financial statements have been prepared in accordance with UK adopted International Accounting Standards ("IFRS") and the provisions of the Companies Act 2006. The financial information has been prepared on the historical cost basis except that financial instruments are stated at their fair value. Amounts are rounded to the nearest thousand, unless otherwise stated.

While the Parent Company's functional currency is UK Sterling, the Group's and Parent Company's financial statements have been presented in US Dollars. The Directors believe this better reflects the underlying nature of the business. Approximately ninety-five per cent of the Group's revenue and operating costs are denominated in US Dollars. The exchange rates used for translation of UK Sterling amounts are 1.2520 US Dollars to UK Sterling as at 31 December 2024 and 1.2639 US Dollars to UK Sterling as the average rate prevailing during 2024.

The Group applied all standards and interpretations endorsed by the UK Endorsement Board ("UKEB") that were effective as of 1 January 2024. The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in this financial information.

The preparation of the financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

Adoption of new and revised standards

There are no new standards impacting the Group that have been adopted in the annual financial statements for the year ended 31 December 2024, which have given rise to material changes in the Group's accounting policies.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed the Parent Company's and the Group's going concern position taking account its current business activities, budgeted performance and the factors likely to affect its future development, set out in the Annual Report, and including the Group's objectives, policies and processes for managing its working capital, its financial risk management objectives and its exposure to credit and liquidity risks.

The Group made a loss for the year of $1.9m, had Net Operating Assets at the period end of $9.3m and a Net Cash Outflow from Operating Activities of $2.8m. Primarily, the Group meets its day to day working capital requirements through existing cash resources and had on hand cash, cash equivalents and investments at the balance sheet date of $6.7m.

The Directors have reviewed the Group's cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements, which foresee that the Group will be able to meet its liabilities as they fall due. However, the success of the business is dependent on customers continuing to purchase the Group's products in order to increase revenue and profit growth and continuing to control the Group and Parent Company's cost base.

The Directors believe that, taken as a whole, the factors described above enable the Parent Company and Group to be and continue as a going concern for the foreseeable future. The financial statements do not include the adjustments that would be required if the Parent Company and the Group were unable to continue as a going concern.

Consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company (its subsidiaries) made up to 31 December each year. The Parent Company controls an investee if, and only if the Parent Company has the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure of rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In accordance with Section 408 of the Companies Act 2006, no profit and loss account is presented for the Parent Company.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at the acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred 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.

Revenue recognition

Revenue is recognised to the extent that services have been delivered and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenue from the sale of goods is recognised when performance obligations have been satisfied. The delivery date is usually the date on which performance obligations have been satisfied. However, where goods are supplied when title does not irrevocably pass on delivery, it may not be appropriate to recognise all the revenue immediately. The Group provides for potential sales returns based on its actual experience of returns from customers in such cases. Where it has no such history it makes estimates by reference to minimum sales commitments in the relevant contract, or by reference, where available, to customer retail sales data or customer inventory levels at the financial year end, or based on other reasonable and relevant judgements.

Leases

Leases are accounted for under IFRS 16: Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases.

IFRS 16 requires lessees to recognise a lease liability that reflects the net present value of future lease payments and a corresponding "right-of-use asset" in all lease contracts, although lessees may elect not to recognise lease liabilities and right-of-use assets in respect of short-term leases or leases of assets of low value.

The Group has elected not to recognise right-of-use assets and lease liabilities in respect of certain leases of office equipment of low value or of short term. The lease payments associated with these leases is recognised as an expense on a straight-line basis over the lease term.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. The lease liability is initially measured at the present value of the following lease payments:

- Fixed payments;
- Variable payments that are based on index or rate;
- The exercise price of any extension or purchase option if reasonably certain to be exercised;
- Penalties for terminating the lease, if relevant; and
- Other payments to the landlord relating to the leased asset which are determined to be in substance lease payments.

Judgement is applied to determine whether common area expenses paid to the landlord are determined to be lease or non-lease payments (see note 3).

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group has used its incremental borrowing rate as the discount rate.

The right-of-use assets are initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs. The right-of-use assets are depreciated over the period of the lease term, or, if earlier, the useful life of the asset, using the straight-line method. The lease term includes periods covered by an option to extend, if the Group is reasonably certain to exercise that option. In addition, the right-of-use assets may during the lease term be reduced by impairment losses, if any, or adjusted for certain remeasurements of the lease liability.

Government funding, grants and research income

Government grants and research income are recognised as a credit to the income statement where there is reasonable assurance that they will be received, and all associated conditions will be complied with.

When the income relates to an expense item, it is recognised as income over the period necessary to match it on a systematic basis to the costs that it is intended to compensate. Where the income relates to an asset, it is recognised as deferred income and released to income in equal annual amounts over the expected useful life of the related asset.

Research and development costs

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible asset only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the year-end date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in the income statement in the period in which they arise. Exchange differences on non-monetary items are recognised in the statement of comprehensive income to the extent that they relate to a gain or loss on that non-monetary item taken to the statement of comprehensive income, otherwise such gains and losses are recognised in the income statement.

The assets and liabilities in the financial statements of foreign subsidiaries and those of the Parent Company where the functional and presentational currency differ, are translated at the rate of exchange ruling at the year-end date. Income and expenses are translated at the actual rate. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are taken directly to the 'Foreign currency retranslation reserve' in equity. On disposal of a foreign operation the cumulative translation differences (including, if applicable, gains and losses on related hedges) are transferred to the income statement as part of the gain or loss on disposal.

Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and any accumulated impairment in value. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met.

Depreciation is calculated to write off the cost less estimated residual value of all tangible assets over their expected useful economic life on a straight-line basis. The rates generally applicable are:

Plant and equipment	4-7 years
Leasehold improvements	10 years
Computer, furniture and fixtures	3 years

Financial assets

Financial assets are recognised in the Parent Company and the Group's balance sheet when the Parent Company and the Group become party to the contractual provisions of the instrument. Under IFRS 9 the classification of financial assets is based both on the business model and cash flow type under which the assets are held. There are three principal classification categories for financial assets: amortised cost; fair value through other comprehensive income; and fair value through profit or loss. The Group has not classified any of its financial assets as fair value through other comprehensive income.

Amortised cost

These assets are non-derivative financial assets held under the 'held to collect' business model and attracting cash flows that are solely payments of principal and interest. They comprise trade and other receivables and cash and cash equivalents. They are initially measured at fair value plus transaction costs, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade and other receivables are calculated using an expected credit loss model. Under this model, impairment provisions are recognised to reflect expected credit losses based on combination of historic and forward-looking information, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net; such provisions are recorded in a separate allowance account. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash, cash equivalents and investments

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. Investments comprise funds placed on short-term and long-term deposits.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- Where the temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss; and
- Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities are stated at fair value with differences taken to the consolidated income statement. Interest on financial liabilities up to maturity is included in the finance costs line item in the consolidated income statement.

Trade and other payables

Trade payables and other payables are not interest bearing and are stated at their full value on initial recognition. For disclosure purposes, the fair values of trade and other payables are estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date. As trade payables and other payables are short term in nature as at the reporting date, the carrying value is considered to be a reasonable approximation of fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised costs using the effective interest method, with interest recognised on an effective rate basis.

Inventory valuation

Inventory is valued using the specific identification method. Under this method, the cost of each individual item in inventory is identified and recorded separately. Costs include direct materials, direct labour, and applicable overhead costs. Inventory is stated at the lower of cost or net realisable value, with adjustments made for any obsolete or slow moving items. The cost of goods sold is determined based on the specific cost of each item sold during the reporting period.

Share based payments

The Parent Company issues equity-settled share-based payments to certain employees of the Group and these payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of the grant using appropriate pricing models. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded basis over the vesting period, based on the Parent Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

At the balance sheet date, the Parent Company revises its estimate of the number of equity instruments that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment is made to equity over the remaining vesting period. The fair value of the awards and ultimate expense are not adjusted on a change in market vesting conditions during the vesting period.

The value of share-based payment is taken directly to reserves and the charge for the period is recorded in the income statement. The Parent Company's scheme, which awards shares in the Parent Company, includes recipients who are employees in all subsidiaries. In the consolidated financial statements, the transaction is treated as an equity-settled share-based payment, as the Parent Company has received services in consideration for equity instruments. An expense is recognised in the Group income statement for the fair value of share-based payment over the vesting year, with a credit recognised in equity.

In the Parent Company's and subsidiaries' financial statements, the awards, in proportion to the recipients who are employees in said subsidiary, are treated as an equity-settled share-based payment, as the subsidiaries do not have an obligation to settle the award. An expense for the grant date fair value of the award is recognised over the vesting year, with a credit recognised in equity on the subsidiary's accounts. This credit is treated as a capital contribution. In the Parent Company's financial statements, there is no share-based payment charge where the recipients are employed by a subsidiary, with the Parent Company recognising an increase in the investment in the subsidiaries effecting as capital contribution from the Parent Company and a credit to equity.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs. Dividends and distributions relating to equity instruments are debited direct to equity.

Exceptional items

The Group has classified the finance income, loss on lease modification, and the fair value adjustment of the contingent consideration as exceptional items in the income statement. These items are not considered to reoccur and are of such significance to the results that they have been presented as exceptional to provide a fair and balanced presentation in the financial statements.

3. Critical accounting assumptions and key sources of estimation uncertainty

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and estimates. Those which have the most significant effect on the amounts recognised in the financial statements are summarised below:

Judgements

Fair value of Group indebtedness (Parent Company only)

The fair value of amounts owing from Group companies is impaired in those cases where the subsidiary is, at the balance sheet date, deemed to be both illiquid and not yet generating positive cash flows, or otherwise highly unlikely to repay such indebtedness in the longer term (See note 14).

IFRS 16 – Lease Accounting - lease term, non-lease components

The determination of the lease term for some lease contracts of the Group is based on the consideration as to whether the Group is reasonably certain to exercise lessee options.

Judgement is applied to determine whether common area expenses paid to the landlord are determined to be lease or non-lease payments. Consideration is made to the nature and variability of costs incurred and other terms within such arrangements (see note 19).

Estimates

Share based payment cost

The estimation of share based payment costs requires the selection of an appropriate valuation model, considerations as to the inputs necessary for the valuation model chosen and the estimation of the number of awards that will ultimately vest, the expected term of the option, inputs which arise from judgements relating to the probability of meeting non-market performance conditions and the continuing participation of employees (See note 22).

Inventory reserve

The Parent Company maintains a reserve for inventory obsolescence and slow-moving inventory to reflect potential decreases in the value of inventory. The reserve is determined based on an estimate by management considering factors such as historical experience, market trends, and specific product considerations. Adjustments to the reserve are recorded to cost of goods sold in the period which they are identified.

4. Revenue

Revenue recognised in the Group income statement is analysed as follows:

Geographical information

	Revenues		***Net assets***	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
North America	**4,555**	6,898	**2,990**	1,504
Europe	**1,938**	968	**6,343**	9,720
Rest of World	**10**	-	**-**	-
	6,503	7,866	**9,333**	11,224

The revenue information is based on the location of the customer. Net assets of the Group (being total assets less total liabilities) are attributable to geographical locations.

End Market information

Revenue for the Group is comprised of three primary end market segments, as identified below:

	2024	2023
	$'000	$'000
Cleaning	**5,610**	7,207
Hygiene	**527**	351
Beauty	**315**	254
Other	**51**	54
	6,503	7,866

Segment information

The Group has three business segments. Performance Ingredients develops, produces and sells proprietary specialty polymers that are used as functional ingredients to meet customers' needs in cleaning, beauty and hygiene products. Formulated Solutions provides technical services and ingredient supplies for formulated products developed for customers based on Performance Ingredients. These segments make up the continuing operations. Core Operations include development expense, general and administrative expense, professional fees, and governance costs to progress and grow the Group's operations.

	Performance Ingredients $'000	*Formulated Solutions $'000*	*Core Operations $'000*	**2024 $'000**
Revenue				
Sale of goods	4,463	2,040	-	**6,503**
Results:				
Depreciation and amortisation	(203)	-	-	**(203)**
Cost of sales	(2,316)	(1,724)	-	**(4,040)**
Gross profit	1,944	316	-	**2,260**
Administrative expense	-	-	(4,443)	**(4,443)**
Other income	-	-	330	**330**
Interest expense	-	-	(12)	**(12)**
Taxation charge	-	-	-	**-**
Segment performance	1,944	316	(4,125)	**(1,865)**
Operating assets	5,493	276	5,913	11,682
Operating liabilities	(2,420)	(237)	(1,188)	(3,845)
Other disclosure:				
Capital expenditure*	**57**	**-**	**305**	**362**

	Performance Ingredients $'000	*Formulated Solutions $'000*	*Core Operations $'000*	2023 $'000
Revenue				
Sale of goods	5,958	1,908	-	7,866
Results:				
Depreciation and amortisation	(294)	-	-	(294)
Cost of sales	(3,406)	(1,729)	-	(5,135)
Gross profit	2,258	179	-	2,437
Administrative expense	-	-	(4,066)	(4,066)
Other income	-	-	120	120
Taxation charge	-	-	(27)	(27)
Segment performance	2,258	179	(3,973)	(1,536)
Operating assets	4,381	284	2,992	7,657
Operating liabilities	(2,381)	(308)	(1,224)	(3,913)
Other disclosure:				
Capital expenditure*	48	-	178	226

*Capital expenditure consists of additions of property, plant and equipment.

Customer concentration information

The Group has revenue concentration in three customers of 40%.

5. Operating loss before exceptional items

This is stated after charging:

	2024 $'000	2023 $'000
Auditor's remuneration:		
Audit of the financial statements	**10**	10
Audit of the subsidiaries	**120**	151
Audit of the financial statements in the prior year	**51**	-
Non-audit services	**-**	-
Total fees	**181**	161
Equity settled share based payment expense (SOCIE)	**72**	229
Depreciation of owned assets (note 11 and note 12)	**120**	194
Amortisation of right-of-use assets (note 19)	**213**	202
Research and development expenditure	**488**	145
Foreign exchange differences	**67**	36

6. Staff costs

Staff costs for the Group, including Directors, consist of:

	2024 $'000	2023 $'000
Wages and salaries	**2,502**	2,087
Incentive compensation	**145**	160
Post-employment benefits	**55**	51
Equity settled share based payment expense	**72**	229
	2,774	2,527

Details of Directors' fees are included in the Directors' Remuneration Report on page 23 to 25.

Details of key management personnel fees are included in Note 23.

The average monthly number of Group employees, including Directors, during the year was made up as follows:

	2024 No.	2023 No.
Executive Directors	**2**	2
Non-Executive Directors	**3**	2
Research and development	**5**	4
Finance and administration	**2**	1
Sales	**4**	3
Production	**6**	4
	22	17

The Parent Company had one employee other than the Non-Executive Directors.

7. Finance income

	2024 $'000	2023 $'000
Interest receivable on bank deposits and term deposits	**330**	141

8. Taxation

	2023 $'000	2023 $'000
Corporation tax expense		
Prior years' corporation tax liability	**-**	-
Current year corporation tax liability	**-**	(27)
Corporation tax expense	**-**	(27)

During the year ended 31 December 2024, the Group had a taxation expense of nil (2022: $27k).

Total tax on loss on ordinary activities

The tax for the year can be reconciled to the loss per the income statement as follows:

	2024 $'000	2023 $'000
Loss before tax	**(1,865)**	(1,509)
Loss on ordinary activities multiplied by standard UK corporation tax rate of 19%	**(354)**	(287)
Effects of:		
Disallowed expenses & non-taxable income	**3**	-
Adjustments in respect of prior periods	**-**	-
Other timing differences	**-**	-
Movement in deferred tax not recognised	**351**	260
Total tax expense for the year	**-**	(27)

Deferred tax

The Group has the following net deferred tax asset which is not recognised:

	2024 $'000	2023 $'000
Accelerated capital allowances	**2,375**	2,344
Other timing differences	**795**	671
Tax losses carried forward	**10,336**	10,310
Share based payments	**106**	150
	13,612	13,475

The net deferred tax asset is not recognised as there is insufficient evidence of future taxable profits against which the asset will be available for offset. Certain operating losses will expire in 2030 if no profits are generated to offset the loss carry forwards. These losses are also subject to certain regulatory restrictions.

Tax rate

The small profit rate of UK corporation tax was 19% from 1 April 2023.

The US federal tax rate is 21% as of 1 January 2018.

9. Earnings per share

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

	2024	2023
Loss	**$'000**	$'000
Loss for the purposes of basic and diluted loss per share	**(1,865)**	(1,536)
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share ('000)	**13,486**	12,863
Basic and diluted loss per share	**(13.8)¢**	(11.9)¢
Basic and diluted loss per share (post consolidation comparison)	**(13.8)¢**	(11.9)¢

The loss for the period and the weighted average number of ordinary shares for calculating the diluted earnings per share for the period to 31 December 2024 are identical to those used for the basic earnings per share. This is because the outstanding share options (note 22) would have the effect of reducing the loss per ordinary share and would therefore not be dilutive.

10. Investment in subsidiary undertakings

In prior years, management has fully impaired the intangible assets arising on the acquisition of Itaconix Corporation and has also impaired the value of the investment in Itaconix Corporation in the Parent Company's balance sheet proportionate to its shareholding.

	Company
	$000
At 1 January 2023	1,513
Share based payment expense – capital contributed to subsidiary	229
Foreign translation adjustment	82
At 31 December 2023	1,824
Share based payment expense – capital contributed to subsidiary	72
Foreign translation adjustment	(32)
At 31 December 2024	**1,864**

Name	Principal activity	Place of incorporation and operation	Proportion of ownership interest
Direct investments			
Itaconix (U.K.) Limited (1)(2)	UK operating company	England	100%
Itaconix EBT Limited (1)	Trustee of Itaconix employee benefit trust	England	100%
Indirect investments			
Itaconix Corporation (3)	Trading US subsidiary of Itaconix (U.K.) Limited	USA	100%

(1) The registered address is Fieldfisher LLP, Riverbank House, 2 Swan Lane, London, EC4R 3TT, UK
(2) For the purposes of section 479A to 479C, Companies Act 2006 (the "Act") the Company confirms that the UK subsidiaries of the Company, all of which are included in these consolidated accounts, are exempt from the requirements of the Act relating to the audit of individual accounts by virtue of s479A of the Act. The outstanding liabilities at 31 December 2024 of the UK subsidiaries have been (or will be) guaranteed by the Company pursuant to s479A and s479C of the Act. In the opinion of the Directors, the possibility of the guarantee being called upon is remote.
(3) The registered address is 2 Marin Way, Stratham, NH 03885, USA

11. Intangible Assets

Group	Website $'000	Development costs $'000	Total $'000
Cost			
At 1 January 2023	-	-	-
Additions	24	-	24
Impairment	-	-	-
At 31 December 2023	24	-	24
Additions	27	197	224
Impairment	-	-	-
At 31 December 2024	51	197	248
Accumulated amortisation			
At 1 January 2023	-	-	-
Charge	-	-	-
At 31 December 2023	-	-	-
Charge	4	-	4
At 31 December 2024	**4**	-	**4**
Carrying Amount			
At 31 December 2024	**47**	**197**	**244**
At 31 December 2023	24	-	24

The Group launched a new corporate website in September 2024 and incurred additional capitalised website costs of $27k in the current year related to the development, design, and implementation of our online platform. These costs have been recognised as an intangible asset on the balance sheet and will be subject to straight-line amortisation over the estimated useful life.

The Group capitalised certain development costs of $197k associated with a new polymer production process. These costs have been recognised as an intangible asset on the balance sheet and will be subject to straight-line amortisation over the estimated useful life.

12. Property, plant and equipment

Group	Computer and office equipment $'000	Plant and equipment $'000	Leasehold improvements $'000	Total $'000
Cost				
At 1 January 2023	25	1,363	96	1,484
Additions	16	208	6	230
Impairment	-	-	-	-
Disposals	-	-	-	-
At 31 December 2023	41	1,571	102	1,714
Additions	40	17	306	363
Impairment	-	-	-	-
Disposals	-	-	-	-
At 31 December 2023	**81**	**1,588**	**408**	**2,077**
Accumulated depreciation				
At 1 January 2023	25	1,062	96	1,183
Charge	3	191	-	194
Eliminated on disposal	-	-	-	-
At 31 December 2023	28	1,253	96	1,377
Charge	7	109	-	116
Eliminated on disposal	-	-	-	**-**
At 31 December 2024	**35**	**1,362**	**96**	**1,493**
Carrying Amount				
At 31 December 2024	**46**	**226**	**312**	**584**
At 31 December 2023	13	318	6	337

The Parent Company has no property, plant and equipment.

13. Inventories

Group	**2024 $'000**	2023 $'000
Raw materials	**812**	418
Work in progress	**9**	28
Finished goods	**1,655**	675
Inventory reserve	**(164)**	(25)
	2,312	1,096

The cost of goods recognised in expense was $4,143k (2023: $5,361k).

14. Trade and other receivables

Current assets	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Trade receivables	**926**	1,253	**-**	-
Other receivables	**355**	168	**158**	123
	1,281	1,421	**158**	123

Trade receivables are non-interest bearing and are generally on 30 day terms.

As at 31 December 2024, no provision (2023: no provision) has been made for trade receivables that were considered to be impaired. The Parent Company and Group have no expected credit loss, as all receivables have been or are expected to be received subsequent to year end.

In respect of the Parent Company:

- Amounts due from Group undertakings have been classified as current. The Parent Company does not consider any of the amounts due from Group undertakings to be overdue.
- As at 31 December 2024 the balance of the fair value of debt from Group undertakings before an impairment charge of $51,392k (2023: $48,965k).
- The loss for the year includes a release of fair value impairment of Group indebtedness of $3,679k resulting from a movement in provisions for this indebtedness (2023: $2,474k).
- There is significant doubt as to the future recoverability of these balances, and as such, a provision for bad and doubtful debts has been raised against the amounts due from Group subsidiaries. To the extent the counter party is unable to do so, the Group does not intend to recall the amounts due, within one year.

As at 31 December, the analysis of the Group's trade receivables that were past due but not impaired is as follows:

Group	Total	Neither past due nor impaired	<30 days	30–60 Days	60–90 days	90–120 days	>120 Days
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2024	926	689	213	21	-	3	-
2023	1,253	496	671	12	50	3	21

The fair value of amounts owing from Group companies to the Parent Company has been impaired to the extent the subsidiary is, at the balance sheet date, both illiquid and not yet generating positive cash flows, or otherwise unlikely to repay such indebtedness. The Group provides against trade receivables where there are significant doubts as to future recoverability based on prior experience, on assessment of the current economic climate and on the length of time that the receivable has been overdue.

Non-current assets	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Amounts owed by Group companies	-	-	-	-
	-	-	-	-

15. Investments

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Term deposits maturing within one year	**1,252**	6,183	**1,252**	6,183
Term deposits maturing within two years	**-**	1,273	**-**	1,273
	1,252	7,456	**1,252**	7,456

16. Cash and cash equivalents

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with a maturity of less than three months. The carrying amount of these assets approximates their fair value.

Analysis of cash and cash equivalents disclosed in the cash flow statement:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Cash at bank and in hand	**5,482**	2,567	**4,744**	2,201

Credit, liquidity and market risk

The Group's principal financial assets are bank balances. The credit risk on these assets is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Directors have carefully reviewed the carrying value of the Group's financial assets and consider that at the date of this report no impairment in those values is anticipated.

17. Current liabilities

Current liabilities

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Trade payables and other payables	**1,439**	1,209	**160**	40
Accruals	**437**	468	**153**	262
Lease liabilities (note 19)	**271**	279	**-**	-
	2,147	1,956	**313**	302

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

18. Financial instruments

Financial risk management objectives and policies

The Parent Company's principal financial liabilities comprise trade and other payables and borrowings. The primary purpose of these financial liabilities is to finance the operation. The Parent Company has trade and other receivables and cash that derive directly from its operations.

The Parent Company has limited financial liabilities as its primary purpose is to hold investments in other Group companies. The Parent Company's receivables largely relate to funding the operations of the Parent Company.

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Financial assets				
Cash	**5,482**	2,567	**4,744**	2,201
Trade and other receivables	**926**	1,421	**-**	123
Intercompany receivable	**-**	-	**-**	-
Investments	**1,252**	7,456	**1,252**	7,456
Financial liabilities				
Trade and other payables	**(1,851)**	(1,677)	**(313)**	(302)
Lease liabilities	**(3,046)**	(2,236)	**-**	-
Net Financial assets / (liabilities)	**2,763**	7,531	**5,683**	9,478

The Directors consider that the carrying amount for all financial assets and liabilities approximates to their fair value.

Financial risk management

The Group is exposed to market risk, which includes interest rate risk and currency risk, credit risk and liquidity risk. The senior management oversees the management of these risks and ensures that the financial risk taken is governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Parent Company's policies and risk appetite.

Liquidity risk

The Parent Company seeks to manage financial risk by ensuring adequate liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by holding adequate cash balances in the Parent Company's main operational currencies, notably UK Sterling, US Dollars, and Euros.

Credit risk

The principal credit risk for the Parent Company arises from its trade receivables. In order to manage credit risk, new customers undergo credit review and customer accounts are regularly reviewed for debt ageing and collection history. As at 31 December 2024, there were no significant credit risk balances.

Credit risk from cash balances with banks and financial institutions is managed in accordance with Group policy. Credit risk with respect to cash is managed by carefully selecting the institutions with which cash is deposited.

The financial assets of the Group comprise cash at banks, trade receivables and other receivables. Having reviewed the recoverability of the Parent Company's financial assets since the reporting date, as well as the likelihood of future losses over the next 12 months and the lifetime of the assets, the Board does not consider it necessary to recognise any credit losses.

Interest rate risk

The Group finances its operations principally from equity funding and has no debt. Therefore the downside risk associated with changes in interest rates is minimal. No sensitivity analysis has been presented for changes in interest rates as these do not have a material impact on the loss before tax.

Currency risk

During the year, the Group received revenue in UK Sterling, US Dollars, and Euros, whilst the majority of its cost base is in US Dollars. The receipts in Euros and UK Sterling are currently relatively small and tend to be used first to cover costs in the same currency before conversion to US Dollars, and so currency risk impacting cash balances is deemed to be appropriately managed. Intercompany loans from the Parent Company to Itaconix Corporation to fund the US operations is denominated in UK Sterling and so is translated to US Dollars each period end, potentially resulting in significant debits or credits to the Parent Company's profit and loss but with no cash or other impact on the Group as the loan is eliminated on consolidation. Management notes that such foreign exchange movements are non-cash items. No forward foreign exchange contracts were entered into during the period (2023: nil). At 31 December 2024 the bank balances on hand of foreign currencies were:

Currency	**2024 '000**	2023 '000
UK Sterling	**3,474**	4,814
Euros	**612**	297

The foreign currency balances are in lower than at the end of 2023, which is due use of funds to support working capital and capital spending. Management performs a quarterly sensitivity analysis on currency and cash demands of the Group and will convert funds as needed.

Liquidity risk

The Group seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Group's policy through the period has been to ensure continuity of funding by equity. The table below summarises the maturity profile of the Group's financial liabilities at the year-end based on contractual undiscounted payments, specifically noting that the lease liability total is determined as the undiscounted lease payments including interest payable.

At 31 December 2024:

Group	On demand $000	Less than 3 months $000	3 to 12 months $000	1 to 5 years $000	> 5 years $000	Total $000
Trade and other payables	**-**	**1,851**	**-**	**-**	**-**	**1,851**
Lease liability	**-**	**76**	**228**	**1,204**	**1,538**	**3,046**
	-	**1,927**	**228**	**1,204**	**1,538**	**4,897**

At 31 December 2023:

Group	On demand $000	Less than 3 months $000	3 to 12 months $000	1 to 5 years $000	> 5 years $000	Total $000
Trade and other payables	**-**	**1,677**	**-**	**-**	**-**	**1,677**
Lease liability	**-**	**65**	**214**	**1,206**	**1,841**	**3,326**
	-	**1,742**	**214**	**1,206**	**1,841**	**5,003**

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while also maximising the operational potential of the business. The capital structure of the Parent Company consists of cash and cash equivalents and equity attributable to equity holders of the Parent Company, comprising issued capital and reserves as disclosed in the consolidated statement of changes in equity. The Parent Company is not exposed to externally imposed capital requirements.

Committed facilities

The Group has no floating rate committed borrowing facilities as at 31 December 2024 (2023: nil).

There are no material differences between the fair value of financial instruments and the amount at which they are stated in the financial statements. This is due to the fact that they are of short maturity and if payable on demand the fair value is not materially different from the carrying value.

19. Leases

The Group leases all its facilities from which it operates. The headquarters, production, and main offices are located in Stratham, NH, USA.

In applying IFRS 16, the Group used practical expedients permitted by the standard:

- Reliance on previous assessments on whether leases are onerous;
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Right-of-use asset

	Leased Building $'000	**Leased Equipment $'000**	**Total $'000**
At 1 January 2023	329	14	343
Additions in year	2,095	-	2,095
Amortisation	(197)	(5)	(202)
Exchange differences	-	-	-
At 31 December 2023	2,227	9	2,236
Amortisation	(209)	(4)	(213)
Exchange differences	-	-	-
At 31 December 2024	2,018	5	2,023

Lease liability

	Leased Building $'000	Leased Equipment $'000	Total $'000
At 1 January 2023	286	13	299
Additions in the year	2,117	-	2,117
Interest expense	71	1	72
Lease payments	(247)	(5)	(252)
Exchange differences	-	-	-
At 31 December 2023	2,227	9	2,236
Interest expense	11	1	12
Lease payments	(273)	(6)	(279)
Exchange differences	-	-	-
At 31 December 2024	1,965	4	1,969
At 31 December 2024:			
Carrying Amount			
Current	268	3	271
Long-term	1,697	1	1,698
	1,965	4	1,969
At 31 December 2023:			
Carrying Amount			
Current	275	4	279
Long-term	1,952	5	1,957
	2,227	9	2,236

The above table also provides an evaluation of the material changes in the Group's liabilities arising from financial activities, as noted in the Group's Cashflow.

At 31 December 2024, the maturity of the lease (undiscounted) is as follows:

	Up to 3 months $'000	Between 3 months and 12 months $'000	One to two years $'000	Two to five years $'000	Thereafter $'000
Leased building	69	198	247	639	811
Leased equipment	1	3	1	-	-

20. Share capital

	Group $000	Company $000
At 1 January 2023 (450,129,425 shares in issue)	5,959	5,959
Issued as a result of an exercise of options		
Nil	-	-
New share issued		
08/02/23 – 18,094,582	218	218
08/02/23 – 67,519,000	815	815
27/02/23 – 138,563,048	1,673	1,673
21/08/23 – 45	-	-
Share consolidation 50:1		
21/08/23 – 660,819,978	-	-
At 31 December 2023 (13,486,122 shares in issue)	8,665	8,665
Issued as a result of an exercise of options		
Nil	-	-
At 31 December 2024 (13,486,122 shares in issue)	8,665	8,665

Itaconix plc (previously Revolymer plc) was incorporated on 10 April 2012.

On 8 February 2023, the Parent Company and the Contingent Consideration Payees entered into a settlement agreement for the contingent consideration with the issuance of 18,094,582 new ordinary shares.

On 8 February 2023, the Parent Company issued 67,519,000 ordinary shares with a nominal value of 1p per share for 5.1p per share. The consideration was received in cash.

On 27 February 2023, the Parent Company issued 138,563,048 ordinary shares with a nominal value of 1p per share for 5.1p per share. The consideration was received in cash.

On 21 August 2023, the Parent Company consolidated the outstanding shares in a 50:1 consolidation.

21. Notes to the statements of cash flow

	Group		Company	
	2024 $'000	2023 $'000	**2024 $'000**	2023 $'000
Loss before tax	**(1,865)**	(1,509)	**(3,512)**	(2,610)
Interest received	**(330)**	(141)	**(256)**	(141)
Depreciation of property, plant and equipment	**120**	194	**-**	-
Amortisation of right-of-use asset	**213**	202	**-**	-
Loss on lease modification	**-**	21	**-**	-
Impairment of Group indebtedness	**-**	-	**3,679**	2,473
Reversal of Group interest income	**-**	-	**(742)**	(665)
Loss on foreign exchange	**(97)**	530	**(197)**	398
Share based payments charge	**72**	229	**72**	229
Taxation	**-**	(27)	**-**	-
Interest paid - leases	**12**	-	**-**	-
Operating cash flows before movements in working capital	**(1,887)**	(501)	**(956)**	(316)
(Increase) / decrease in inventories	**(1,216)**	23	**-**	-
Decrease / (increase) in receivables	**140**	(1,257)	**(34)**	(95)
Increase / (decrease) in payables	**198**	(188)	**12**	13
Net cash outflow from continuing operating activities	**(2,753)**	(1,923)	**(978)**	(398)

22. Share based payments

An expense is recognised for share based payments based on the fair value of the awards at the date of grant, the estimated number of shares that will vest and the vesting period of each award.

During the year to 31 December 2024, US employees of the Group received share options under the Equity Incentive Plan adopted by the Parent Company in 2019 (and with an exercise price of 100% - 110% of the 3-day weighted average of the market price as at the date of grant) ("2019 US Employee Options"). On 28 June 2022, the Itaconix LTIP ("LTIP Management Options") expired such that no further options could be issued. Accordingly, the fair value of the LTIP Management Options was estimated as at the date of grant using a Black Scholes model. The model took into account the terms and conditions upon which the options were granted using the following assumptions:

	Number of options granted	Exercise price	Expected volatility	Risk free rate	Expected dividend yield	Expected option life
2019 US Employee Options						
2024	155,000	£1.66	86.27%	4.36%	0%	3 years
2023	30,000	£2.58	90.50%	3.54%	0%	3 years
2022	311,777	£2.51-£2.76	132.34%	1.69%	0%	3 years
2021	42,000	£3.77-£4.05	134.05%	0.97%	0%	3-4 years
2020	98,000	£1.36	132.62%	0.83%	0%	3 years
LTIP Management Options						
2022	21,215	£2.51-£2.76	132.34%	1.69%	0%	3 years

The valuation methodology used in valuing share-based payments includes the key assumptions shown above. Management have revisited and amended the assumptions in respect of expected volatility and risk free rate in the year to 31 December 2024. The charge for share based payments for the period to 31 December 2024 is accordingly $72k (31 December 2023 $229k).

Summary of all options – vested and unvested

During the year the Parent Company operated an employee share option plan for the benefit employees of the Group.

All options granted in the year are subject to the employee completing a specified period of service. All options lapse when the employee ceases to be employed by the Group.

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, vested and unvested share options outstanding plans during the year:

	2024 Number of shares	**WAEP**	2023 Number of shares	WAEP
Balance at beginning of year	**449,992**	**£2.53**	21,749,765	£0.04
Awarded during year	**155,000**	**£2.20**	1,500,000	£0.05
Lapsed during the year	**(63,000)**	**£3.08**	(801,327)	£0.06
Share option reduction on consolidation	**-**	**-**	(21,998,446)	£0.04
Unvested options at end of year	**541,992**	**£2.20**	449,992	£2.53

23. Related party transactions

Transactions with key management personnel

Remuneration of key management personnel

The remuneration of the Directors and the Group's senior executives, who are considered to be the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'.

	2024	2023
	$'000	$'000
Salaries and other short-term employee benefits	**870**	867
Post-employment benefits	**23**	27
Equity settled share based payment expense	**65**	143
	958	1,037

24. Contingent assets

There were no contingent assets in 2024 (2023 - nil).

25. Contingent liabilities

There were no contingent liabilities in 2024 (2023 - nil).

26. Post Balance Sheet Event

There were no material post balance sheet events.

Corporate Information

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