OVOCA BIO

Annual Report

For the Financial Year ended
31st December 2021

Ovoca Bio

Annual report content

1.

Chairman & Chief Executive Officer (CEO)'s Statement

Dear Shareholders and Colleagues,

As CEO and Interim Chairman of Ovoca Bio plc, ('Ovoca', 'Ovoca Bio', 'the Group', 'Company') , I would like to begin my review of the past year by once again acknowledging the tragic ongoing events in Ukraine and Russia, and reiterating the Board's hope for a peaceful resolution to the conflict as soon as possible.

As we made clear in our statement to the market in March, Ovoca has a truly international team and operations, with a presence in Ireland, UK, Australia, as well as Russia. Our subsidiaries in Russia accounted for only 10% of the Group's cashflow this past year, have no affiliation and receive no funding from the Russian state and are not currently subject to EU, US or other international sanctions or restrictions. No member of the Board, management or any of the Company's substantial shareholders are on the list of sanctioned individuals. However, the imposed on Russia by the global community wide-ranging economic sanctions and trade restrictions, as well as counter-measures imposed by Russia against the US, UK, EU and some other countries may introduce some additional risks on Ovoca and its ability to further operate in Russia. In the event of realization some economic and political risks, it cannot be excluded that Ovoca operations in Russia can be limited, suspended or terminated.

We will continue to closely monitor the situation and its impact on Ovoca and will provide a timely update should any additional risks to the business be identified.

Throughout the year, Ovoca has continued its focus on progressing the development of Orenetide (BP-101 / 'Desirix') novel treatment for hypoactive sexual desire disorder (HSDD), a condition characterised by a distressing lack or loss of sexual desire that is estimated to affect as many as one in ten premenopausal women.

With limited treatment options available, HSDD represents a significant unmet medical need for women around the world. In the US alone an estimated ~4 million premenopausal women are seeking medical treatment for the condition, with a similar prevalence in Europe.

In February 2022, we were pleased to announce that Orenetide was granted marketing authorisation approval by the Russian Ministry of Health ("Minzdrav") for the treatment of HSDD in premenopausal women. Minzdrav approved the medical prescription of Orenetide, administered through a nasal spray, to patients in the Russian Federation under the trade name 'Desirix'.

Marketing authorisation approval for Orenetide in Russia is a welcome development for HSDD patients and we welcome Minzdrav's decision. Moving forward, we intend to engage in distribution agreements for the commercialisation of the Desirix treatment in Russia, however, these commercial plans are exposed to volatile economic and political risks of Russian operations.

While we are delighted to have received our first regulatory approval, our principal focus has been the continuation of our development programme for Orenetide in wider international markets, which we believe have great potential to generate significant shareholder value. In January 2021 we enrolled the first patient in a Phase II dose ranging study in Australia and New Zealand.

This study is investigating Orenetide administered daily at a range of doses, evaluating the effect of the drug on lack or loss of sexual desire experienced in up to 476 participating patients across 13 sites. Recruitment into the study has been impacted by the COVID-19 pandemic and associated restrictions, but we are pleased to confirm that at the time of writing the study had reached over 85% enrolment, with completion of enrolment anticipated by mid-2022.

Over the past year we have also made a number of important changes to the Board and senior leadership team at Ovoca, preparing the Company for the next phase in its development.

Mr. Leonid Skoptsov and Dr. Romulo Colindres made a decision to step down as a Non-Executive Directors in November-December 2021. And Chris Wiltshire resigned from the Board and his role of Chief Business Officer in February 2022.

In November 2021 we welcomed Anastasia Levashova to the Board as a Non-Executive Director. Anastasia has deep asset management and investment banking experience and has long-standing relationships with financial institutions, private investors and other capital market participants. We look forward to working with Anastasia as we continue our development activities for Orenetide in major global markets.

In January we welcomed Dr. Kristina Zakurdaeva to our Board. Dr. Zakurdaeva brings extensive expertise in biotech and drug development in the USA and globally. Her appointment significantly adds to the complementary skill sets and breadth of perspectives on the Board of Ovoca Bio.

I am pleased to report that Ovoca retains a sustainable financial position, which supports the Company in pursuing its ongoing and planned R&D activities throughout 2022. As ever the Board will remain cautious in its deployment of financial resources in order to ensure the Company has the means to support the continuing clinical development of Orenetide.

Finally, I would once again like to thank our employees and partners for their invaluable contributions to the steady progress of the Group over the past year. With an approved product primed for commercialisation and promising Phase II trial nearing completion, I believe we are well positioned to achieve our vision of becoming a leader in the research and development of, and commercial partner of choice for, novel medicines in areas of high unmet need that affect women.

Best regards,
Kirill Golovanov, Interim Chairman & CEO

Company Information And Overview

Introduction

Ovoca Bio is a European-based biopharmaceutical company with a focus on women's health. The Company is currently developing a novel treatment for women with hypoactive sexual desire disorder (HSDD), a condition characterized by a distressing lack or loss of sexual desire affecting an estimated ~4 million premenopausal women in the US alone.

The Company's lead product, Orenetide, a novel synthetic peptide administered through a nasal spray, is clinically validated, with Phase II and Phase III studies conducted in Russia demonstrating statistically significant improvement in a number of key efficacy outcomes, including an increase in female sexual desire and reduction of symptoms of distress associated with HSDD.

Ovoca has been granted a Marketing Authorisation ("MA") approval for Orenetide (BP-101/ 'Desirix'), a novel synthetic peptide, by the Russian Ministry of Health, for the treatment of hypoactive sexual desire disorder in premenopausal women. Ovoca is seeking to develop the drug for major global markets and a Phase II dose ranging study is currently underway in Australia and New Zealand in anticipation of a broader clinical programme to be undertaken for approval and entry into lucrative western markets.

Performance Highlights

Throughout the reporting period Ovoca Bio focused on the continued clinical and regulatory development of Orenetide, achieving strong results in the following areas:

- Marketing Authorisation application for Orenetide approved by the Russian Ministry of Health.
- Continuing enrolment into the Phase II dose ranging study assessing Orenetide being conducted in Australia and New Zealand, with 85% of patients recruited and on track to completion in mid-2022.
- Investment in a new manufacturing process and source in Europe to support the planned Orenetide development globally.
- Strengthening the Board with the appointments of Anastasia Levashova and Kristina Zakurdaeva as Non-Executive Directors.
- Maintenance of a strong financial position.

Operational Highlights

During 2021 Ovoca management team focused on critical areas for the development of Orenetide.

Australia and New Zealand Clinical trial – while the COVID-19 pandemic has significantly impact clinical trial related activities globally and has affected our trial, especially in the second half of 2021, approximately 70% of participants were enrolled in 2021.

In January 2021, the Company announced the enrollment of the first patient in a Phase II dose ranging study assessing Orenetide (BP-101/ 'Desirix'), a novel treatment for premenopausal women with HSDD. This study is being conducted in Australia and New Zealand and will investigate BP-101 administered daily at a range of doses, evaluating the effect of the drug on lack or loss of sexual desire experienced by participating patients.

This double-blind placebo-controlled study is currently expected to enrol 476 patients across 13 sites over the course of 2021. The co-primary objectives of the study will be to evaluate the effect of three different doses of BP-101 and placebo, on (1) sexual desire, as measured by the Female Sexual Function Index (FSFI) desire domain; and, (2) the degree to which a participant is bothered by low sexual desire, as measured by the Female Sexual Distress Scale (FSDS). The change in those clinically relevant and validated endpoints will be assessed between a four-week baseline period and after four weeks of daily dosing, and then again after a further eight weeks of follow-up. All study participants will be female and have a diagnosis of acquired, generalised HSDD. The drug supplied for this study has been outsourced to well-established peptide manufacturers in Switzerland and the UK.

New manufacturing process development started with one of the leading European peptide manufacturers to produce Orenetide under an improved manufacturing process. This is Ovoca's strategic investment and collaboration. In the short term, this is intended to deliver sufficient material to support the upcoming long-term toxicological assessments, as required by the US Food and Drug Association and regulatory authorities in Europe and, longer term, our future clinical development and commercialization plans for Orenetide internationally. Also, management team started seeking for western drug product providers, able to support Ovoca's further clinical development and commercialization plans for Orenetide internationally.

Russian Marketing Authorisation - after second submission in December 2020 of an updated Marketing Authorisation application for Orenetide to the Minzdrav. Ovoca supported the submission during 2021 by addressing several requests from Minzdrav, While the approval was not granted by the end of 2021, as initially expected, by the end of February 2022 Ovoca has finally received the Russian Marketing Authorisation ("MA") approval for Orenetide under the trade name 'Desirix' for the treatment of HSDD, a condition characterized by a distressing lack or loss of sexual desire. Ovoca plans to finalize a licensing agreement for the Russian market and commercial launch of 'Desirix' (Orenetide) in the Q2 2022.

The Company continued to manage its resources carefully throughout 2021 and management has remained vigilant to the potential impact of COVID-19 and the ongoing conflict in Ukraine. Expenditure has increased during the year, principally due to costs associated with the ongoing Phase II study being conducted in Australia and New Zealand. Total comprehensive loss for the full year in 2021 was €'000 5,475) / US$'000 6,473 (2020: €'000 1,105) / Comprehensive income of US$'000 342), which resulted in a final position of cash and liquid investments at fair value of €'000 8,548 / US$'000 9,681 (2020: €'000 13,074 / US$'000 16,058) as at 31 December 2021.

A number of changes to the Company's senior management and board were effected throughout the course of the year. Anastasia Levashova and Kristina Zakurdaeva were appointed as Non-Executive Directors to the Board in November 2021 and February 2022 respectively. Dr. Romulo Colindres has informed the Board of his decision to step down as a Non-Executive Director in December 2021. Chris Wiltshire stepped down from his position as Chief Business Officer and non-Executive Director in February 2022 and Non-Executive Director Leonid Skoptsov announced his retirement in November 2021.

Strategic Developments Since Year End

There were no significant strategic developments since year-end.

Our Product - Orenetide (BP-101/ 'Desirix')

Ovoca Bio's first product, Orenetide (BP-101/ 'Desirix'), is an investigational drug comprising a novel synthetic peptide, that is being developed for the treatment of one of the major forms of female sexual dysfunction – hypoactive sexual desire disorder ("HSDD"), for which there is a high unmet medical need with a lack of safe and effective treatment options. HSDD is a distressing condition of lack or loss of sexual desire in women, which affects a significant number of adult females in the US and Europe.

Data from a Russian pivotal Phase III trial of Orenetide, which was announced in March 2019, showed that the drug demonstrated a strong efficacy profile in patients with HSDD. Patients reported a significant increase in the number of satisfying sexual events when compared to a placebo-controlled group, as well as a significant improvement in sexual desire and reduction of distress associated with low sexual desire. A Phase II dose ranging study currently being conducted in Australia and New Zealand study will provide data in a Western population fully compliant with the standards of the International Conference on Harmonisation that, if successful in validating the results of the Russian studies and with completion of concurrent preclinical studies, will ultimately support a clinical programme in the US and EU.

Female sexual dysfunction ("FSD") is estimated to affect a significant proportion of the female population in the US and the EU. Examples of FSD include hypoactive sexual desire disorder and female sexual arousal disorder ("FSAD"). In a research paper published by Shifren J.L. et al , nearly 10% of premenopausal women in a large US survey reported distressing low desire for sexual activity. According to the Women's International Study of Health and Sexuality (Nappi R.E. et al, 2010), the prevalence of HSDD ranged from 6–13%. in Europe, and the proportion of women with low desire associated with distress was significantly higher in younger women in comparison with older women.

Intellectual property

Obtained patents:

Russia:

- Patent No. 2507212, Priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. 2626002, priority year 2016, “New group of peptides for treatment of Female Sexual Dysfunction”;
- Patent No. 2655763, priority year 2016, “Pharmaceutical composition and method of treatment of Female Sexual Dysfunctions”;
- Patent No. 2404793, priority year 2009, “Stimulator of Genital, Sexual and Reproductive Function”.

USA:

- Patent No. US9409947B2, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. 10836794, priority year 2016, “New group of peptides for treatment of Female Sexual Dysfunction”;
- Patent No. 883741, priority year 2009 “Stimulator of Genital, Sexual and Reproductive Function”.

Israel:

- Patent No. 234753, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”.

Japan:

- Patent No. 6552960, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. 6858227, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. 5643816, priority year 2009, “Stimulator of Genital, Sexual and Reproductive Function”.

European Union:

- Patent No. 2876113, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. EP2465521B1, priority year 2009, “Stimulator of Genital, Sexual and Reproductive Function”;
- Patent No. 3530279, priority year 2016, “Pharmaceutical composition and method of treatment of Female Sexual Dysfunctions”.

South Korea:

- Patent No. 10-2093096, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”.

India:

- Patent No. 349465, priority year 2013, “Method for Producing a Recombinant Peptide and Resultant Peptide”.

China:

- Patent No. ZL201380028491.4, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. 102481335B, priority year 2009, “Stimulator of Genital, Sexual and Reproductive Function”.

Brazil:

- Patent No. BR1120140238880, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. BRPI1011071B1, priority year 2009, “Stimulator of Genital, Sexual and Reproductive Function”.

Canada:

- Patent No. 2868820, priority year 2012, “Method for Producing a Recombinant Peptide and Resultant Peptide”;
- Patent No. 2764351, priority year 2009, “Stimulator of Genital, Sexual and Reproductive Function”.

Applications of PCT titled New Group of Peptides for Treatment of Female Sexual Dysfunction, PCT/RU2017/050099 prosecuted in the following countries:

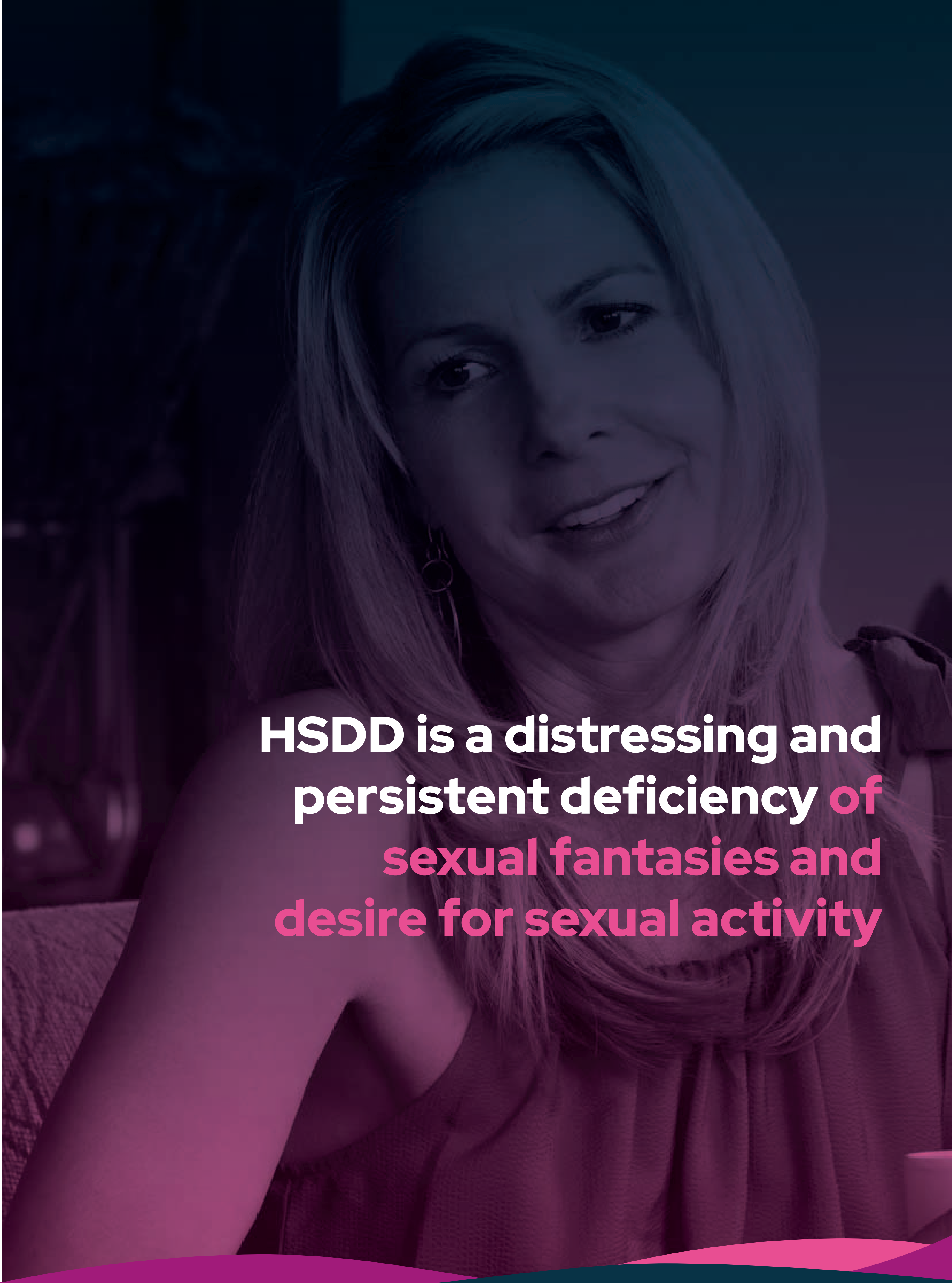
Country	Filed	Serial No.
China	10.02.2017	201780080059.8
EU	10.02.2017	17 866053.6
Japan	10.02.2017	2020-521738
India	10.02.2017	202017017293
Canada	10.02.2017	3041456
South Korea	10.02.2017	10-2020-7014910
Brazil	10.02.2017	BR112020008311
Israel	10.02.2017	266167

Applications of PCT titled Pharmaceutical Composition and Method of Treatment of Female Sexual Dysfunctions, PCT/RU2017/050112 prosecuted in the following countries:

Country	Filed	Serial No.
China	10.23.2013	201780079846.0
Japan	10.23.2013	2020-521675
India	10.23.2013	202017017497
Canada	10.23.2013	3,042,013
South Korea	10.23.2013	10-2020-7014917
Brazil	10.23.2013	BR112020083138
Israel	10.23.2013	266163
USA	10.23.2013	16/344,293

Future development for BP-101 asset

The Company's development strategy for Orenetide in HSDD will depend on the results obtained from its Phase II dose ranging study currently ongoing in Australia and New Zealand. If successful, and subject to adequate financial resources, the Company anticipates studying Orenetide in a longer dosing regimen of up to six months to meet Western regulatory requirements for approval in HSDD. To this end, non-clinical studies will first be performed on Orenetide to ensure its safety in advance of such longer-term administration.



HSDD is a distressing and persistent deficiency of sexual fantasies and desire for sexual activity

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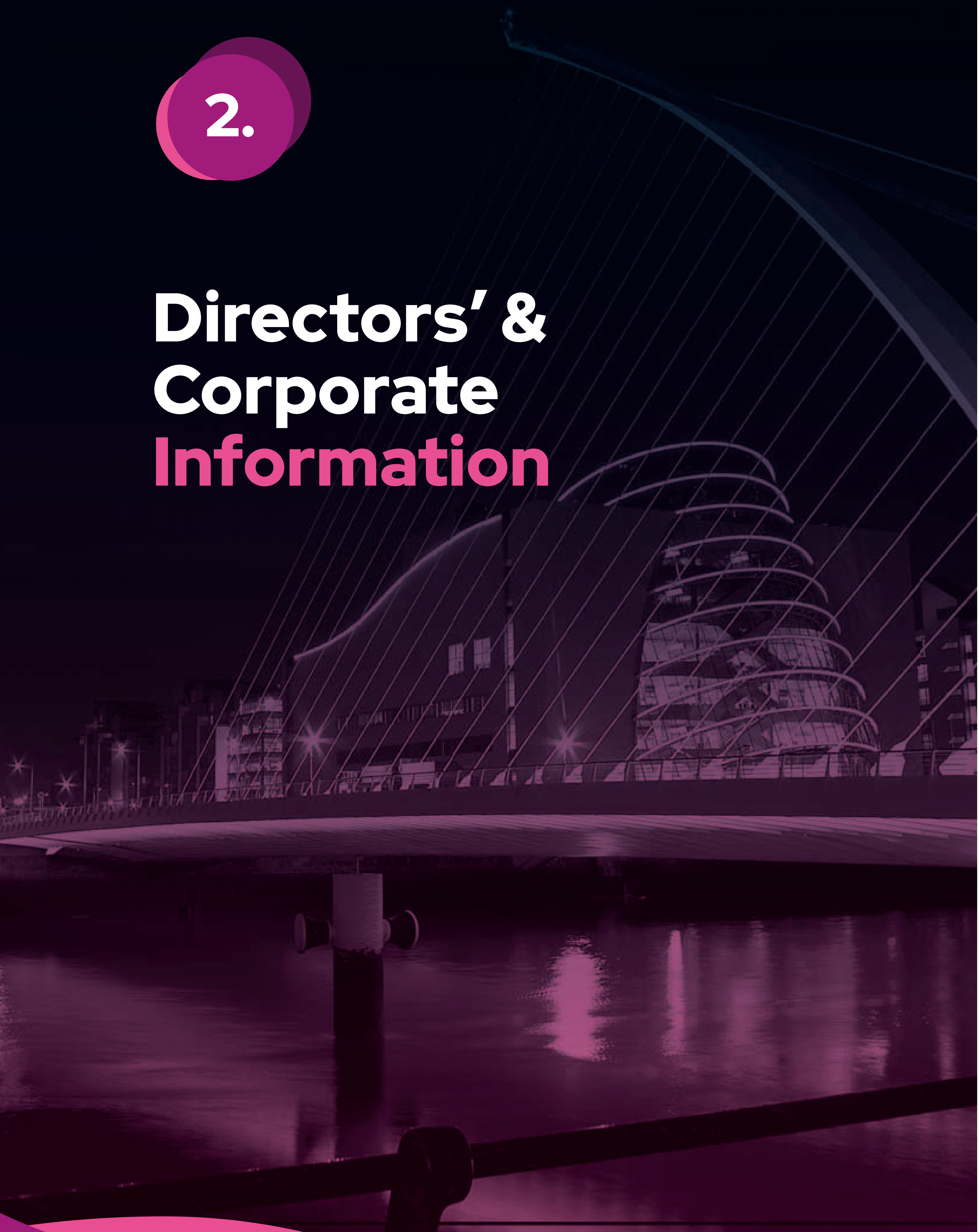
Directors' & Corporate Information



Directors

Kirill Golovanov
Interim chairman
CEO (Executive Director)

Timothy McCutcheon
Non-Executive Director

Anastasia Levashova
Non-Executive Director

Kristina Zakurdaeva
Non-Executive Director

Registered office

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Business address

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Dublin 2
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Other business information

Dmitriy Nikitashenko
Vice President - Finance

Reneta Nikolova
Corporate Secretary

Registration number:

105274

Incorporated:

15 January 1985

Website address:

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Principal bankers

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Auditors

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Chartered Accountants &
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Stockbrokers & nominated adviser

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Registrars

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3100 Lake Drive,
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Business Campus,
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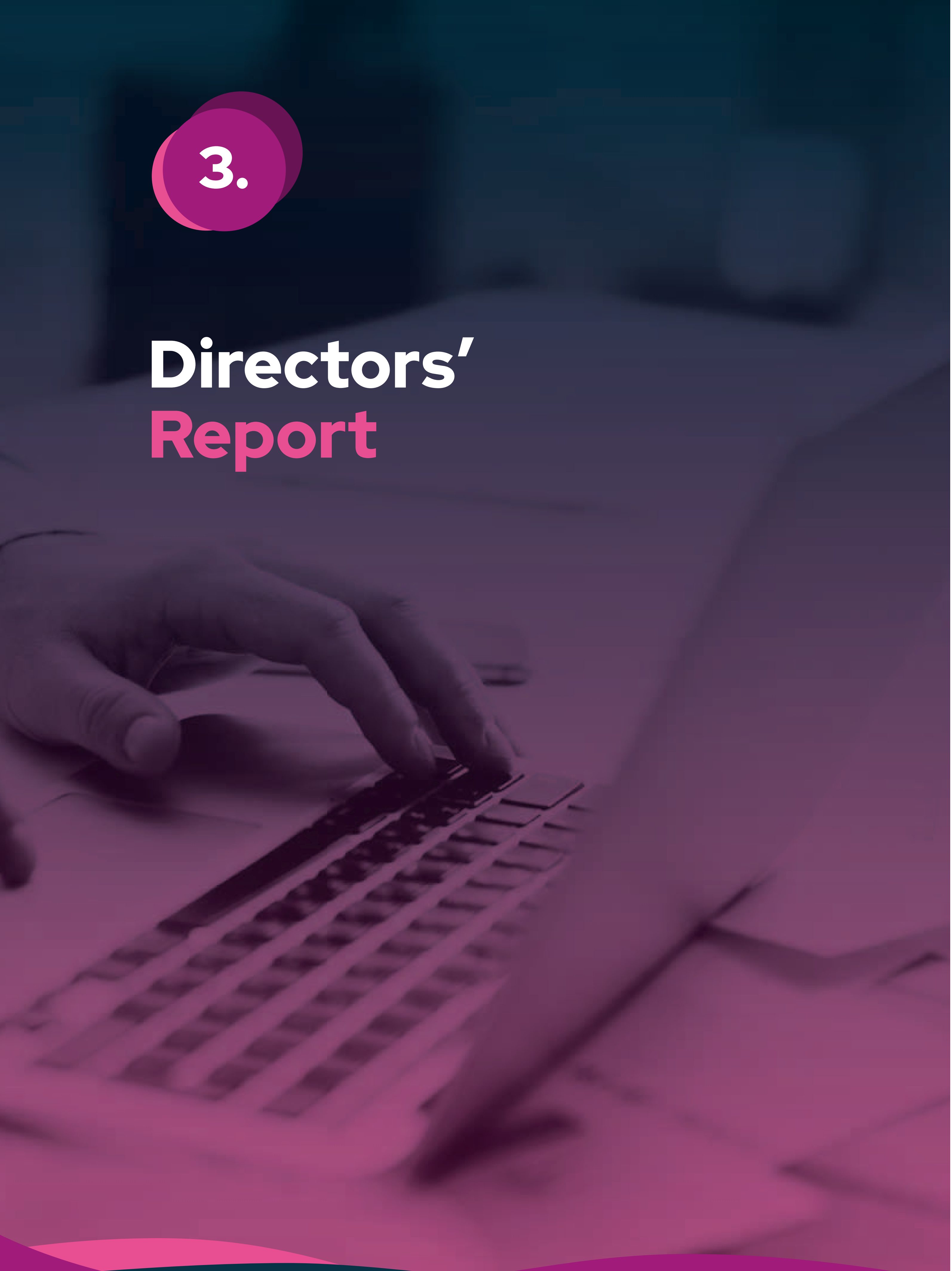
Ireland

3.

Directors' Report



Directors' report

The Directors present their annual report and audited financial statements for the financial year ended 31 December 2021 of Ovoca Bio plc ("the Company"), a company registered and domiciled in the Republic of Ireland, and its subsidiaries (collectively "the Group").

Principal activities, business review & future developments

The Group's activity is that of a biotechnology company while the Company's primary activity is that of a holding company. The Directors have reviewed the financial position of the Group and are satisfied that the Group will continue to operate for the foreseeable future. The directors are not expecting to make any significant changes in the nature of the business in the near future. At the time of approving the financial statements, the Group is exposed to the effects of the COVID-19 pandemic. While these have not yet had a materially negative impact on its research and development (R&D) activities since the year end, there can be no assurance that these effects may not result in a lower than expected level of R&D activity in the future. In planning its future activities, the directors will seek to develop the Group's activities whilst managing the effects caused by this pandemic.

A detailed business review is included in the Company information and overview.

Key performance indicators

At this stage of the Group's business activities the Directors think it is appropriate to limit the Key Performance Indicators (KPIs) used to monitor progress in the delivery of the Group's strategic objectives, to assess actual performance against targets and to aid management of the business.

The Board monitors relevant KPIs, which it considers appropriate for managing the activities inherent in exploration and appraisal operations. The KPIs for the Group are as follows:

Financial KPIs

- Shareholder return – the performance of the share price
- Research and development costs – Pharmaceutical related research and development costs.

Non-financial KPIs

- Regulatory approval of biopharmaceutical products
- Development and commercialisation partnerships formed with third parties

Results & dividends

The results of the Group are disclosed on page 32 of the financial statements. The directors did not recommend the payment of a dividend (2020: €NIL / US$ NIL).

Principal risks & uncertainties

The Group's operating activities are global, with primary operations in Ireland, Australia, and Russia. Accordingly, the principal risks and uncertainties are identified below. The Group seeks to minimise the effects of these risks through careful monitoring of the risks on an ongoing basis.

- **Political Risk:** As a consequence of activities in different parts of the world, the Group may be subject to political, economic and other uncertainties, including but not limited to terrorism, war or unrest, changes in national laws and energy policies and exposure to different legal systems. Risks related to Russia-Ukraine military conflict are outlined in a separate section below.

- **Legal Risk:** As a consequence of the Group business portfolio of pharmaceutical interests, the Group may have numerous legal risks, particularly in the areas of product liability, competition, and patent disputes.

- **Competition Risk:** The biotechnology and pharmaceutical industries are very competitive. The Group's competitors, include major multinational pharmaceutical companies, biotechnology companies and research institutions. Many of its competitors have substantially greater financial, technical and other resources, such as larger research and development staff. The Group's competitors may succeed in developing, acquiring and/or licensing drug product candidates that are earlier to market, more effective and/or less costly than any product candidate which the Group is currently developing or which it may develop and this may have a material adverse impact on the Group.

- **Pre-clinical studies and clinical trials:** Clinical trials are expensive, time consuming and difficult to design and implement and involve uncertain outcomes. Furthermore, results of earlier pre-clinical studies and clinical trials may not be predictive of results of future pre-clinical studies or clinical trials. The Group continuously monitors the outcomes and costs of ongoing clinical trials.

- **Economic risks:** The outbreak of COVID-19 spread throughout Asia, Europe, and worldwide. The Impact of this has been severe and has resulted in a significant worldwide slowdown in economic activity. In Ireland, Australia and Russia the economic impact of this pandemic has been characterized by temporary and permanent closure of many businesses as a result of government regulatory steps to limit the spread of the virus and consequent economic unviability of business reopening. While 1Q 2022 has seen a significant pick-up in economic activity and reopening of parts of economies, the long-term effects of COVID-19 still pose significant risks, which include, but are not limited to, the following:
  - a potential reduction in economic activity which may result in reduced consumer and business spending and demand for the Group's assets
  - a reduction in asset values
  - a prolonged period of government restrictions on the movement of people and supplies; and
  - a delay in conducting the Group's research and development activities

  Any emergence of COVID-19 new strains globally and in the countries of the Group's operations can present new economic risks to the Group.

- **Regulatory risks:** The regulatory approval processes of the regulatory agencies may be lengthy, time-consuming and the outcome is unpredictable.

- **Russia-Ukraine military conflict:** As of 22 June 2022, in response to the events in Ukraine, USA, UK, EU, individual EU member states, as well as some other countries have imposed wide-ranging economic sanctions and trade restrictions on Russia and on selected Russian nationals which include, but is not limited to, the freezing of Russia's Central Bank and other Russian financial institutions' assets, freezing of Russian nationals' assets, denying selected Russian banks the use of the SWIFT international payment system, and restricting the export of certain products to Russia. As a response to the imposed sanctions, the Russian Government has introduced counter-sanctions aimed at stabilizing domestic financial markets. These counter-sanctions, among other government actions, include new restrictions related to capital and foreign exchange movement, restrictions on lending to foreign (non-Russian) persons and certain financial operations for persons controlled from "unfriendly" jurisdictions, restrictions on foreign persons' transactions with Russian securities, and real estate, limitations on export and import of certain goods into and out of Russia. The above circumstances have negatively affected the commodity and financial markets, as well as increased volatility in the stock and currency markets.

  As of 22 June 2022, the Group, nor any of its representative offices or subsidiaries or officers or directors, are subject to any sanctions. Nevertheless, as the situation is constantly evolving, it is not possible to determine the exact quantitative financial effect of the above circumstances. Currently, the management of the Company is focused on ensuring the provision of uninterrupted R&D and operations across all subsidiary companies and supporting the financial sustainability of the Company in the current environment. Delivery of Phase II Australian study remains a key focus.

  Current risks in Russia include, but are not limited to, the sanctions imposed by various jurisdictions, as well as decisions of our service providers, partners, suppliers, and other counterparties, and the ensuing economic effects may have an adverse effect on our results and operations in Russia and the Group's financial performance as a whole, as well as the Group's liquidity position and ability to attract new financing or source relevant supplies from vendors. Currently, neither the Group nor any of its related companies are subject to any sanctions or limitations. The Group believes that targeted sanctions on the company remain highly unlikely, nevertheless, contingency planning has been initiated proactively to maintain business continuity. Currently, the Group's representative office and subsidiary company IVIX are continuing normal operations without disruptions.

- **Supply and partner risks:** As of 22 June 2022, none of the Group's Russian partners are subject to any sanctions and limitations. Moreover, due to proactive management action, Russian operations are fully supplied with necessary components and substances for full 2022. Where necessary the management is evaluating supplement sources and new supply chains as well as introducing flexible sourcing for necessary components for the periods' post end of 2022. Nevertheless, the Group cannot exclude possible further risks arising in supply chains.

- **Balance sheet & financial risks:** The management of the Group actively monitors the Group's liquidity position, financial and non-financial health, and equity levels on a regular and continuous basis both at the group and daughter companies' levels. The Group has sufficient liquidity to satisfy our obligations in the foreseeable future, at least over 2022.

- **Market risks & Polymetal shares fluctuation risk:** factors beyond the control of the Group may affect the marketability of its securities. Prices are subject to fluctuation and are affected by factors beyond the control of the Group. The effect of these factors on the Group's operations cannot be accurately predicted. Fluctuations in stock market prices affect the Group's equity securities at fair value through other comprehensive income (FVOCI) the Group seeks to minimise the risk by closely monitoring stock market movements on an ongoing basis. A detailed sensitivity analysis of the impact of changes in the market price of securities is available in Note 19. The Company's "securities held for sale" position in Polymetal shares remains liquid and free of sale limitations. Polymetal is not subject to any sanctions, and Polymetal management believes that targeted sanctions on the company remain unlikely, but are not impossible. Contingency planning has been initiated proactively to maintain business continuity. Nevertheless, current volatility in global stock markets poses significant risk to the valuation of the Polymetal stock position. The Group is monitoring share price levels and will trade shares when deems necessary.

- **Russian Interest rate risks:** Currently, the representative office of the Group in Russia, as well as IVIX, has no outstanding floating rate credit line in Russia, hence any fluctuations in the Russian key interest rate will not affect the Group's cost of financing.

- **Cross-border financial operations with Russian subsidiaries risks**: Due to the already introduced sanctions, possible sanctions and related restrictions, during the period of its validity, it may be difficult properly finance Russian operational and commercial activities, and to withdraw from Russia any income received by the Group's subsidiary, namely IVIX, from the Russian market in favour of the beneficiary company.

- **Political risks of operating in Russia for the Group's subsidiaries:** Ireland is stated as "unfriendly" jurisdiction by Russian government. This may result in a number of restrictions to financial and operational activity of subsidiaries of Irish-based (as well as other "unfriendly" jurisdictions-based) companies in Russia.

  Following all the risks outlined above, it cannot be excluded that in some circumstances further Group's operations in Russia can be limited, suspended or terminated.

  The Group is actively monitoring any new developments to ensure that we are in compliance and any potential impact on the Group's financial performance, operations, and governance. The management of the Company has evaluated the aforementioned conditions and events, considered in aggregate, and has concluded the Company's ability to continue as a going concern for at least twelve months after the date of the consolidated financial statements are issued. Therefore, the accompanying consolidated financial statements have been prepared on a going concern basis.

- **Foreign Exchange Risk:** Exchange rate fluctuations may affect the cost that the Group incurs with its operations. Any fluctuations of the US Dollar, Russian Rouble and Sterling Pounds against the Euro may have a significant impact on the Company's financial position and results in future. The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date are as follows:

	Financial Assets		Financial Liabilities	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	€'000	€'000
United States Dollar	2,325	4,681	-	-
Russian Rouble	26	27	110	77
Sterling Pounds	5,135	7,686	-	-
Australian Dollar	560	588	199	150

The following table details the Group's sensitivity to a 10% increase and decrease in the Euro against United States Dollar and Russian Rouble. 10% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates, it assumes that all other variables, in particular bank interest rates, remain constant and ignores the impact of forecast sales and purchases:

	United States Dollar Impact		Russian Rouble Impact	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	€'000	€'000
Profit or loss	211	426	(8)	(5)

- **Credit Risks:** This refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining significant collateral, where appropriate, as a means of mitigating the risk of financial loss from defaulters. The table below analyses the maximum exposure of the Group's financial assets which are subject to credit risk:

	Group	Group	Group	Group
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Other debtors (Note 21)	319	29	361	36
Cash and cash equivalents (Note 22)	6,594	10,746	7,468	13,199
Total	6,913	10,775	7,829	13,235

The Group continuously monitors defaults of customers and other counterparty, identified either individually or by the Group, and incorporates this information into its credit risk controls. In relation to the credit risk for cash and cash equivalents, the risk is considered to be negligible, since the counterparties are reputable banks with high quality external credit ratings. The Group's management considers that all of the above financial assets are of good credit quality, as the Group's policy is to deal only with creditworthy customers.

- **Liquidity Risk:** is the risk that the Group will not have the sufficient funds to meet its liabilities. The Group holds its cash in currencies in which it expects to incur expenditure, including Euros, US Dollar and Russian Roubles. The Group's reporting currency is the Euro. The most meaningful information relates to the Group's current liquidity – since it is not generating any income from its mineral projects.

In order to maintain a high liquidity position as well as a precaution for any possible delays in Australian Tax reimbursement the Company has approached several Australian financial institutions and has a pre-approved liquidity facility for AUD 1.3M available from September 2022.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the earliest date on which the Group can be required to pay. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 1 year equal to their carrying values, as the impact of the discounting is not significant.

Group				
Balances due within 1 year	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Trade and other payables and provisions (Note 26)	1,341	449	1,518	551

Company				
Balances due within 1 year	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Trade and other payables and provisions (Note 26)	9,281	8,371	10,511	10,282

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and equity securities designated at FVOCI. The Group's current cash resources (Note 22), trade and other receivables (Note 21) and equity securities at FVOCI (Note 19) significantly exceed the current cash outflow requirements.

Directors, Secretary and their interests

In accordance with Section 329 of the Companies Act 2014, the interests (all of which are beneficial) of the Directors and Secretary who held office at the date of approval of the annual report and at 31 December 2021 and their families in the share capital of the Company were:

	Ordinary shares of 12.5 cents each			Options over Ordinary shares		
Director	31/05/2021	31/12/2021	01/01/2021	31/05/2021	31/12/2021	01/01/2021
Kirill Golovanov	19,506,203	19,506,203	19,506,203	2,200,000	2,200,000	-
Timothy McCutcheon	-	-	-	200,000	200,000	-

Further details of the above share options issued to the directors are as follows:

Director	Date Granted	Number of options	Exercise Price	Vesting period
Kirill Golovanov	27 March 2020	2,200,000	£0.125	3 years
Timothy McCutcheon	27 March 2020	200,000	£0.125	3 years

Share price

The Company's shares are primarily traded on the Euronext Growth Dublin (XESM) of the Irish Stock Exchange, and the Alternative Investment Market (AIM) of the London Stock Exchange. The Company's shares are also traded on the Frankfurt, Berlin, Munich and Stuttgart exchanges.

The market price of the Company's shares on XESM (OVXA.IR) at 31 December 2021 was €0.17 (2020: €0. 0.0950). During the financial year ended 31 December 2021, the market price of the Company's shares ranged from €0.10 to €0.17 (2020: €0.07 to €0.18).

The market price of the Company's share on AIM (OVB.LSE) at 31 December 2021 was £0.145 (2020: £0.09). During the financial year ended 31 December 2021, the market price of the Company's shares ranged from £0.094 to £0.15 (2020: £0.07 to £0.17).

Significant Shareholders

So far as the Directors are aware, the names of the persons other than the Directors who, directly or indirectly, are interested in 3 percent or more of the issued share capital of the Company as at 13 June 2022 are as follows:

Shareholder	Ordinary shares of €1.25c each	% of issued share capital
Euroclear Nominees Limited	54,006,971	61.05
Pickco Trading Co Limited	7,928,531	8.96
Alexandr Mogutov	4,045,060	4.57

Group Undertakings

Details of the Company's subsidiary undertakings are set out in Note 18 to the financial statements.

Directors' Interest in Contracts

None of the Directors had a beneficial interest in any contract to which the Company or Group was a party during the financial year except as detailed in Note 27.

Political Donations

The Group made no political donations during the financial year (2020: €NIL / US$ NIL).

Research and Development Activites

The Group's research and development activities are discussed in the Company Information Overview section of the Annual Report. Research and development costs was recognised as administrative expenses in 2021 amounted to €'000 3,551/ US$'000 4,200 (2020: €'000 688 / US$'000 786) refer to Note 5. During the financial year, the Group's capitalised research and development costs amounting to €'000 750/ US$'000 851 (2020: €'000 577/ US$'000 710) refer to Note 16.

Going Concern

The Group has significant liquid resources in the form of cash reserves of €'000 6,594/ US$'000 7,468 (2020: €'000 10, 746/ US$'000 13, 199). The Group has also has equity investments valued at €'000 1,954/ US$'000 2,213 (2020: €'000 2,328/ US$'000 2,859) at the year-end, although this has declined in value subsequent to year-end, these can be readily liquidated when needed.

As at year-end, the Company has net current liabilities of €'000 8,308/ US$'000 9,409 (2020: €'000 5,888/ US$'000 7,232). The Directors note that majority of the Company's current liabilities at year end relates to a debt with group company which has been a feature for the Group where the debt structure is quite fluid and is driven by current business objectives of the Group. The Directors are regularly reviewing the group structure and involving advisors to optimise the group structure for future operational and business objectives. Furthermore, the Company's subsidiary undertaking, Silver Star Limited, have indicated that they will show forbearance, if required, in demanding repayment of the amounts due to them until such time that the Company has sufficient funds to repay them.

The Directors are satisfied that there are sufficient levels of funding within the Group to enable them to trade for the foreseeable future, and to explore further investment opportunities if appropriate projects exist despite the COVID-19 pandemic situation and the impact on the situation in Ukraine and Russia.

The Directors consider that in preparing the financial statements that they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Details of Executive Directors

Kirill Golovanov, Interim Chairman & CEO

Mr. Golovanov joined Ovoca as a corporate advisor in 2007 and moved to be the manager of the Company's Russia representative office in 2009. During his time at Ovoca he played a major role in the development and subsequent sale of the Goltsovoye silver deposit. He has extensive experience in mining and corporate law, as well as working experience at leading Russian enterprises, such as Gazprombank and Vneshekonombank. Additionally, he was a department manager in the Federal Service on Bankruptcy and Finance Restoration – a subdivision of the Russian Federation Ministry of Finance.

JD, Moscow State Law Academy, Moscow, Russia. MBA, Duke University's Fuqua School of Business, NC, USA. Fluent in Russian and English.

Details of Non-Executive Directors

Timothy McCutcheon, Non-Executive Director

Mr. McCutcheon joined the Board of Ovoca as a Non-Executive Director in January 2009 and moved into the CEO position in December 2009. Prior to Ovoca, Mr. McCutcheon was a partner at DBM Capital Partners, an investment manager and corporate finance boutique specialising in the mining sector of Russia and the former Soviet Union. He also worked at several investment banks such as Bear Stearns, Aton Capital and Pioneer Investments as an award-winning metals and mining sector analyst and as an investment banker. He was one of the first analysts in Russia to write about its gold mining sector and he has advised numerous international gold mining companies on M&A, business development, and Russian business practices.

BA, cum laude, Columbia College, New York, NY. MBA, Finance, Columbia Business School. Fluent in English and Russian.

Anastasia Levashova, Non-Executive Director

Ms. Levashova has 20+ years of experience of long-term investing in Europe, Middle East and Africa and Latin America and has served on a number of company boards of directors across the UK and Russia. Currently at Blackfriars Asset Management in London, Anastasia oversees several portfolios investing in global equities and high yield securities. Prior roles include leading BNP Paribas EMEA equity sales business, managing research sales and capital transactions at Citibank, and establishing Bank of America Merrill Lynch's equity sales/trading and research teams in Russia. Anastasia holds a PhD from Moscow Lomonosov State University and a Masters from Columbia University, NYC. She does regular interviews on investments for Bloomberg and is a member of EM Power – global charity supporting disadvantaged youth in emerging countries.

Kristina Zakurdaeva, Non-Executive Director

Ms. Zakurdaeva has 10+ years of experience in the international pharma industry and biotech projects development in US, Russia and globally. Kristina now serves as CEO of Incuron, a New York-based drug development company in the oncology sector. Before Incuron, she served as Chief Medical Officer at Gero (Singapore/Russia), a drug discovery company focused on aging and aging-related diseases, where she developed clinical strategy for the company's pipeline. Prior to that Kristina worked as a Scientific Advisor at Bristol-Myers Squibb and later headed oncology and immunology R&D projects in the Skolkovo Foundation (Moscow) where she successfully launched the Cancer Center of Excellence.

Ms. Zakurdaeva is a Founder and Chair of the Board of the Foundation for Cancer Research Support (RakFond, Russia) and has authored numerous, recent, peer-reviewed publications and co-authored a scientific discovery in genetics. He holds a MD degree in internal medicine and hematology, as well as a PhD in genetics of acute leukemia.

Corporate Governance Statement

The Board of Directors ("the Board") are committed to maintaining the highest standards of corporate governance commensurate with the size, stage of development and financial status of the Group.

Board

The Board currently has four directors, comprising one Executive Director and three Non-Executive Directors. The Board met formally on 10 occasions during 2021. An agenda and supporting documentation was circulated in advance of each meeting. All the Directors bring independent judgment to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experiences in the industry, Non-Executive Directors are not appointed for specific terms. Each Non-Executive Director comes up for re-election every three years and each new Director is subject to election at the next Annual General Meeting following the date of appointment.

The following committees deal with the specific aspects of the Group affairs:

Audit Committee: This Committee comprises two Non-Executive Directors. The external auditors have the opportunity to meet with members of the Audit Committee without executive management present at least once a year. The duties of the Committee include the review of the accounting principles, policies and practices adopted in preparing the financial statements, external compliance matters and the review of the Group's financial results.

Nominations Committee: Given the current size of the Group, a Nominations Committee is not considered necessary. The Board reserves to itself the process by which a new Director is appointed.

Remuneration Committee: This Committee comprises one Non-Executive Director and one Executive Director. This Committee determines the contract terms, remuneration and other benefits of the Executive Directors, Chairman and Non-Executive Directors. Further details of the Group's policies on remuneration, service contracts and compensation payments are given in the Remuneration Committee Report below.

Communications: The Group maintains regular contact with shareholders through publications such as the annual and half-year report and via press releases on the Group's website, www.ovocabio.com. The Directors are responsive to shareholder enquiries throughout the year. The Board regards the Annual General Meeting as a particularly important opportunity for shareholders, Directors and management to meet and exchange views.

The QCA Corporate Governance Code 2018

The QCA Code sets out 10 broad principles and requires the Company to consider how each should be applied. This Report is a summary of the position with the Company's Corporate Governance processes and practices or otherwise "signposts" where other disclosures are made in this document or on the Company's website www.ovocabio.com, particularly the Company's Corporate Governance Statement: https://ovocabio.com/investors/corporate-governance/.

The Broad address the ten principles underpinning the QCA case as follow:

1. Establish a strategy and business model which promote long-term value for shareholders;
2. Seek to understand and meet shareholder needs and expectations;
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success;
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation;
5. Maintain the board as a well- functioning, balanced team led by the chair;
6. Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities;
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement;
8. Promote a corporate culture that is based on ethical values and behaviors;
9. Maintain governance structures and processes that are fit for purpose and support good decision- making by the board;
10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

Internal Control

The Directors have overall responsibility for the Group's system of internal control and have delegated responsibility for the implementation of this system to executive management. This system includes financial controls that enable the Board to meet its responsibilities for the integrity and accuracy of the Group's accounting records. The Group's system of internal financial control provides reasonable, though not absolute assurance that assets are safeguarded, transactions authorised and recorded properly and that material errors or irregularities are either prevented or detected within a timely period. Having made appropriate enquiries, the Directors consider that the system of internal financial, operational and compliance controls and risk management operated effectively during the period covered by the financial statements and up to the date on which the financial statements were signed. The internal control system includes the following key features, which have been designed to provide internal financial control appropriate to the Group's businesses:

- budgets are prepared for approval by the Board;
- expenditure and income are compared to previously approved budgets;
- a detailed investment approval process which requires the Board's approval of all major capital projects and regular review of the physical performance and expenditure on these projects.

Remuneration Committee Report

The Group's policy on senior executive remuneration is designed to attract and retain people of the highest calibre who can bring their experienced and independent views to the policy, strategic decisions and governance of the Group. In setting remuneration levels, the Remuneration Committee takes into consideration the remuneration practices of other companies of similar size and scope. A key philosophy is that staff must be properly rewarded and motivated to perform in the best interests of the shareholders.

Accounting Records

The Directors believe that they have complied with the requirement of section 281 to 285 of the Companies Act, 2014, with regard to the keeping of accounting records by employing persons with appropriate expertise and by providing adequate resources to the financial function. The accounting records are held at the Group and Company's business address at 17 Pembroke Street Upper, Dublin 2, Ireland.

Compliance Statement

The directors of the Company acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in the Companies Act 2014 (the "2014 Act")) and, as required by section 225 of the 2014 Act, the directors confirm that:

- A compliance policy statement setting out the Company's policies with regard to complying with the relevant obligations under the 2014 Act has been prepared;
- Arrangements and structures have been put in place that they consider sufficient to secure material compliance with the Company's relevant obligations; and
- A review of the arrangements and structures has been conducted during the financial year.

Disclosure of Information to Auditors

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

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

Events after reporting period

Russian Marketing Authorisation

In February 2022 the company announced that it had received a Marketing Authorisation approval for Orenetide by the Russian Ministry of Health ("Minzdrav"), for the treatment of HSDD in premenopausal women.

Minzdrav approved the medical prescription of Orenetide, administered through a nasal spray, to patients in the Russian Federation under the trade name 'Desirix'. The Marketing Authorisation was approved based on data from two Phase 1 studies, a Phase 2a study and the pivotal Phase 3 study completed in 2019, conducted in Russia, which established the safety and efficacy of Orenetide.

The approved manufacturing sites for Orenetide are operated by two reputable pharmaceutical manufacturers - Nativa and OncoTarget, with commercial production of Orenetide expected to start in Spring 2022. Ovoca plans to finalize a licensing agreement for the Russian market and commercial launch of 'Desirix' (Orenetide) in the Q2 2022.

Australia and New Zealand Clinical trial

With the decrease in COVID-related lockdowns and easing of restrictive measures by Australia and New Zealand Authorities in 2022, the recruitment rate into the Orenetide clinical trial has restored. More than 85% of participants have already been recruited into the Trial by the end of April 2022. Company reiterated its intension to complete recruitment of participants in the mid-2022.

Taymura litigation

In 2014, the Company entered into a loan agreement with a third party. In return for a US$'000 6,300 loan, the Company (formerly Ovoca Gold plc) received an exclusive period to complete due diligence on JSC Evenkiya Fuel and Energy Company (ETEK) and LLC Taymura. The loan was secured by certain receivables of LLC Taymura, non-encumbrance of the assets for the exclusive period, and personal guarantees. In the event that acquisition terms could not be agreed the loan was to be returned with interest to the Company. The loan subsequently went in to default for non-repayment. After extensive legal proceeding, the Company recovered an amount of US$'000 1,000 during the financial year ended 31 December 2016 and the Company continues to try to recover the remaining amount through the courts. However, in May 2019 we became aware that an arbitration court in Russia issued a decision for the Company to repay the received US$'000 1,000.

In December 2019, Alliance LLC (a legal successor of Taymura), filed a petition to the court for changing the method of enforcing the decision under which the court granted to repay the received US$`000 1,000, should change the manner and the method of court order enforcement and provide for the seizure of the share held by the debtor, Ovoca Bio plc in the share capital of Comtrans LLC with the nominal value of 32 400 400 rubles.

A subsequent ruling made by the Court in April 2022, granted the claim of Alliance LLC and directing for the share capital of Comtrans LLC to be seized and the share representing 59,94% of the share capital of IVIX LLC (subsidiary of Silver Star Ltd.) to be seized in order to fully recover the amount recovered in 2016.

Ovoca Bio Plc rigorously contests this decision, and the case is scheduled for hearing on 21 July 2022. However, there is a high risk that the contentions will not succeed, partly due to the current volatile political situation.

Ovoca Bio Plc had cautiously considered the latest developments in the courts and obtained extensive legal advice on the matter. At this time, the Board believes, it is prudent to make a provision of in relation to the possible outflow of resources connected with the Alliance LLC claim.

Decrease in fair value of investment in equity securities

Related to the recent events in Ukraine and Russia, the Group's investment in Polymetal shares saw a significant decline in fair value in February 2022, and as at 22 June 2022, it was valued at €'000 450/US$'000 499.

Auditors

The auditors, Grant Thornton Chartered Accountants & Statutory Audit Firm, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board on 22 June 2022 and signed on its behalf.

Timothy McCutcheon - Director

Kirill Golovanov - Director

Directors' Responsibilities Statement

The Directors are responsible for preparing the annual report and financial statements, in accordance with applicable Irish law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. The Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU IFRS) and have elected to prepare the Company financial statements in accordance with EU IFRS, as applied in accordance with Irish law and regulations.

The Group and Company financial statements are required by law to present fairly their financial position and performance for each financial year.

In preparing each of the Group and Company 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 the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for ensuring that the Group and Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and Company, enable at any time the assets, liabilities, financial position and profit or loss of the Group to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group and Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements and other information included in Directors' report may differ from legislation in other jurisdictions.

Approved on behalf of the Board on 22 June 2022

Timothy McCutcheon - Director

Kirill Golovanov - Director

4.

Independent Auditor's Report to the Members of Ovoca Bio plc

Independent auditor's report to the members of Ovoca Bio plc

Opinion

We have audited the financial statements of Ovoca Bio plc (the "Company") and its subsidiaries ("the Group"), which comprise the Consolidated income statement, Consolidated statement of other comprehensive (loss)/income, Consolidated statement of changes in equity, Company statement of changes in equity, Consolidated statement of financial position, Company statement of financial position, Consolidated statement of cash flows and Company statement of cash flows for the financial year ended 31 December 2021, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, Ovoca Bio plc's financial statements:

- give a true and fair view in accordance with IFRS as adopted by European Union, of the assets, liabilities and financial position of the Group at 31 December 2021 and of the Group's financial performance and cash flows for the financial year then ended;
- gives a true and fair view, in accordance with IFRS as adopted by European Union, of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its cash flows for the financial year then ended; and
- have been properly prepared and in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standards for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the Group and Company. 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 going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group and Company's ability to continue as a going concern basis of accounting included.

Our evaluation of the directors assessment of the entity's ability to continue as a going concern basis of accounting included:

- Evaluating management's future cash flow forecasts, the process by which they were prepared, and assessed the calculations are mathematically accurate.
- Challenging the underlying key assumptions such as expected cash inflow from product sales and cash outflow from R&D expenses and other operating expense, discount rates, and long term growth rates.
- Challenged the external inputs and assumptions within the going concern model by comparing them to assumptions and estimates used elsewhere in the preparation of the financial statements and benchmarking them against market observable external data.
- Making inquiries with management and reviewing the board minutes and available written communication with commercial partners and the main production partner in order to understand the future plans and to identify potential contradictory information.
- Challenged the sensitivities and stress testing that management performed on the going concern forecast.
- For Company only, assessed the capacity and willingness of its subsidiary undertakings to provide the required financial support.
- Assessing the adequacy of the disclosures with respect to the going concern assertion.

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

Emphasis of Matter

We draw attention to the Chairman and Chief Executive's Statement, Directors' Report, Notes 3 and 32 to the financial statements, which describes the Group's current activities and engagement in Russia, sanctions imposed and impact thereof. Strict international sanctions are imposed on certain activities, entities and individuals connected with Russia; additionally sanctions have been introduced by the Russian Federal government. These expose the Group to legal, political and economic risks that may arise. The outcome, length, scale and extent of these are unknown and as such the impact on the Group cannot be predicted at the time of issuing the audit opinion. The Board is closely monitoring the situation and its impact on the Group and have to date indicated that there has not been a significant impact on the Group's activities. The Board will provide a timely update should any additional risks to the business be identified. In View of the significance of this matter, we consider that it should be drawn to your attention. The ultimate outcome of this matter cannot presently be determined and the financial statements do not include any potential adjustment(s) that may be required arising out of alternative outcomes. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and the directing of 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 therefore we do not provide a separate opinion on these matters.

Overall audit strategy

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made substantive judgements for example the valuation of goodwill. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias that could result in a risk of material misstatement due to fraud.

How we tailored the audit scope

The Group has three business segments: pharmaceutical, Bio-pharmaceutical activities are primarily operated in Australia, and minimal activity in the Russian Federation, whereas the investments activities are operated from Bermuda, investment activities operated from Bermuda, and administrative activities in the Republic of Ireland and the Russian Federation.

We tailored the scope of our audit taking into account the areas where the risk of misstatement was considered material to the Group. We performed an audit of the complete financial information of two components and specified audit procedures at a further three components that were determined by the Group audit team in response to specific risk factors. The components where we performed either audit or specified audit procedures accounted for 99% of the Group's total assets. Components' represent business units across the Group considered for audit scoping purposes. We performed an audit of the complete financial information of the Company.

In establishing the overall approach to our audit, we assessed the risk of material misstatement at a Group level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the control environment in place at Ovoca Bio plc.

Materiality and audit approach

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, such as our understanding of the Group and Company and their environment, the history of misstatements, the complexity of the Group and Company and the reliability of the control environment, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the Group as 0.5% of total assets for the financial year ended 31 December 2021. We determined materiality for the Company based on a weighted allocation which is 0.2% of the total assets of the Group, and is less than Group materiality. We have applied the total assets benchmark as the Company and the Group primarily held assets for the purposes of investment during the financial year.

We have set Performance materiality for the Group and Company at 60% of materiality, having considered our prior year experience of the risk of misstatements, business risks and fraud risks associated with the entity and it's the control environment. This is to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.

We agreed with the board of directors that we would report to them misstatements identified during our audit above 5% of materiality as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant matters identified

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are set out below as significant matters together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

Calculation and impairment review of goodwill and other intangible assets - Note 16

In 2018, the Group, through its subsidiary Silver Star Ltd., obtained control of IVIX LLC. The resulting transaction resulted in goodwill of €'000 3,994/ US$'000 4,575 (2020: €'000 3,683/ US$'000 4,575) being recognised on consolidation. As of yearend, the Group has other intangible assets attributable to the bio-pharmaceutical segment of the Group amounting to €'000 1,783/ US$'000 2,019 (2020: €'000 1,594/ US$'000 1,958). An impairment review was carried out in accordance with IAS 36.

Due to the complexity of the impairment assessment process and significant management judgment involved in making key assumptions, such as discount and long-term growth rates which are affected by expected future internal and external market conditions, as well as the significant carrying amount of the goodwill and other intangible assets, we consider this area to be a key audit matter.

Our response

- We obtained an understanding on management's processes and controls for the impairment assessment on goodwill and other intangible assets by conducting a walkthrough;
- We obtained an understanding of the work of the third party valuer engaged by the management ("specialist") and evaluated whether the specialist has the necessary competence, capabilities and objectivity for the auditor's purposes;
- We assessed the reasonableness of the discount rate used and evaluated the model in determining the value in use of the cash generating unit;
- We compared the assumptions made by the Group to externally derived data (where applicable) as well as forming our own assessment;
- We tested the integrity and mathematical accuracy of the impairment model;
- We performed sensitivity analysis to determine reasonableness of the input variables used in the impairment model;
- We considered the adequacy of the Group's disclosures relating to goodwill and the annual impairment review with the requirements included in the consolidated financial statements in accordance with IFRS as adopted by European Union.

We have no key audit matters to report with respect to our audit of the financial statements.

Other information

Other information comprises information included in the Annual Report, other than the financial statements and our auditor's report thereon, including the Chairman and Chief Executive Officer's Statement and Directors' Report. The directors are responsible for the other information. Our opinion on the 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.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations, which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion, the information given in the Directors' Report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors Report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as directors determine necessary to enable the preparation of financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group and 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 management either intends to liquidate the Group and Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Responsibilities of the auditor 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

We report on the audit of a group, and we obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial statements. We are responsible for the direction, supervision and performance of the audit, and we remain solely responsible for the auditor's opinion.

We also provide those charged with governance with a statement that they have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on their independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. These matters are described in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Cathal Kelly

For and on behalf of
Grant Thornton
Chartered Accountants & Statutory Audit Firm
13 - 18 City Quay
Dublin 2

Date: 27 June 2022

Consolidated income statement

		2021	2020	2021	2020
	Notes	€'000	€'000	US$'000	US$'000
Administration expenses	5	(6,096)	(2,205)	(7,209)	(2,518)
Other gains / (losses)	7	766	(328)	906	(374)
Operating loss		(5,330)	(2,533)	(6,303)	(2,892)
Finance income	8	104	231	123	264
Finance costs	8	(21)	(16)	(25)	(18)
Loss for the financial year before tax		(5,247)	(2,318)	(6,205)	(2,646)
Income tax	13	–	–	–	–
Loss for the financial year from continuing operations		(5,247)	(2,318)	(6,205)	(2,646)
Loss for the financial year from discontinued operations	31	(228)	(54)	(268)	(61)
Loss for the financial year		(5,475)	(2,372)	(6,473)	(2,707)
Loss for the financial year attributable to:					
Owners of the parent		(5,475)	(2,336)	(6,473)	(2,668)
Non-controlling interest		–	(36)	–	(39)
		(5,475)	(2,372)	(6,473)	(2,707)
Basic loss per share:					
From continuing operations (cents)	14	(€6.43)	(€2.80)	(US$7.61)	(US$3.20)
From continuing and discontinued operations (cents)	14	(€6.71)	(€2.86)	(US$7.94)	(US$3.27)
Fully diluted loss per share:					
From continuing operations (cents)	14	(€6.43)	(€2.80)	(US$7.61)	(US$3.20)
From continuing and discontinued operations (cents)	14	(€6.71)	(€2.86)	(US$7.94)	(US$3.27)

The accompanying notes on pages 42 to 80 form an integral part of these consolidated financial statements.

Consolidated statement of other comprehensive income/(loss)

		2021	2020	2021	2020
	Notes	€'000	€'000	US$'000	US$'000
Loss for the financial year		(5,475)	(2,372)	(6,473)	(2,707)
Other comprehensive income/(loss): Items that will not be reclassified subsequently to profit or loss					
Fair value movement on equity securities designated at fair value through other comprehensive income (FVOCI)	25	(625)	3,710	(739)	4,229
Exchange movement on equity securities designated at FVOCI	25	77	(664)	91	(737)
Net other comprehensive income /(loss) that will not be reclassified subsequently to profit or loss		(548)	3,046	(648)	3,492
Items that will be reclassified subsequently to profit or loss:					
Foreign exchange gain/(loss) arising from translating foreign operations		889	(1,779)	(471)	(443)
Net other comprehensive income/(loss) that will be reclassified subsequently to profit or loss		889	(1,779)	(471)	(443)
Other comprehensive income/ (loss) for the financial year		341	1,267	(1,119)	3,049
Total comprehensive income /(loss) for the financial year		(5,134)	(1,105)	(7,592)	342
Total comprehensive income/(loss) attributable to:					
Owners of the parent		(5,134)	(1,007)	(7,592)	449
Non-controlling interest		-	(98)	-	(107)
		(5,134)	(1,105)	(7,592)	342

The accompanying notes on pages 42 to 80 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

		Share capital	Treasury share reserve
	Notes	€'000	€'000
At 1 January 2021		11,057	(547)
Comprehensive loss: Loss for the financial year		–	–
Other comprehensive (loss)/income:			
Fair value movement on equity securities designated at FVOCI		–	–
Exchange movement on equity securities designated at FVOCI		–	–
Transfer to retained earnings as a result of sale of equity securities designated at FVOCI		–	–
Foreign exchange gain arising from translation of financial statements of a foreign operations		–	–
Total comprehensive income/(loss)		–	–
Transactions with owners of the Company			
Share based payments		–	–
Total transactions with owners of the Company		–	–
Changes in ownership interest Purchase of additional interest in a subsidiary with NCI		–	–
Total changes in ownership interests		–	–
Balance at 31 December 2021		11,057	(547)

At 1 January 2020		11,057	(547)
Comprehensive loss: Loss for the financial year		–	–
Other comprehensive (loss)/income:			
Fair value movement on equity securities designated at FVOCI		–	–
Exchange movement on equity securities designated at FVOCI		–	–
Transfer to retained earnings as a result of sale of equity securities designated at FVOCI			
Foreign exchange gain arising from translation of financial statements of a foreign operations		–	–
Total comprehensive (loss)/income		–	–
Transactions with owners of the Company			
Share based payments		–	–
Total transactions with owners of the Company		–	–
Changes in ownership interest Acquisition of subsidiary with NCI		–	–
Total changes in ownership interests		–	–
Balance at 31 December 2020		11,057	(547)

The accompanying notes on pages 42 to 80 form an integral part of these consolidated financial statements.

Foreign currency translation reserve	Share based payment reserve	Other reserves	Retained earnings	Total attributable to owners of parent	Non-controlling interest
€'000	€'000	€'000	€'000	€'000	€'000
2,951	30	2,026	3,035	18,552	–
–	–	–	(5,475)	(5,475)	–
–	–	(625)	–	(625)	–
–	–	77	–	77	–
–	–	–	–	–	–
889	–	–	–	889	–
889	–	(548)	(5,475)	(5,134)	–
–	12	–	–	12	–
–	12	–	–	12	–
–	–	–	–	–	–
–	–	–	–	–	–
3,840	42	1,478	(2,440)	13,430	–

4,730	21	681	6,402	22,344	1,492
–	–	–	(2,336)	(2,336)	(36)
–	–	3,710	–	3,710	–
–	–	(664)	–	(664)	–
–	–	(1,701)	1,701	–	–
(1,743)	–	–	–	(1,743)	(62)
(1,743)	–	1,345	(635)	(1,033)	(98)
–	9	–	–	9	–
–	9	–	–	9	–
(36)	–	–	(2,732)	(2,768)	(1,394)
(36)	–	–	(2,732)	(2,768)	(1,394)
2,951	30	2,026	3,035	18,552	–

Company statement of changes in equity

	Ordinary Share capital	Other reserves	Share based payments reserve	Retained earnings	Total (attributable to owners of the parent)
	€'000	€'000	€'000	€'000	€'000
At 1 January 2021	11,057	1,305	30	9,640	22,032
Comprehensive loss Loss for the financial year	–	–	–	(5,655)	(5,655)
Total comprehensive loss	–	–	–	(5,655)	(5,655)
Transactions with owners of the Company Share based payments (Note 29)	–	–	12	–	12
Total transactions with owners of the Company	–	–	12	–	12
At 31 December 2021	11,057	1,305	42	3,985	16,389
At 1 January 2020	11,057	1,305	21	7,652	20,035
Comprehensive income Profit for the financial year	–	–	–	1,988	1,988
Total comprehensive income	–	–	–	1,988	1,988
Transactions with owners of the Company Share based payments expired during the financial year (Note 29)	–	–	9	–	9
Total transactions with owners of the Company	–	–	9	–	9
At 31 December 2020	11,057	1,305	30	9,640	22,032

The accompanying notes on pages 42 to 80 form an integral part of these financial statements.

Consolidated statement of financial position

		2021	2020	2021	2020
	Notes	€'000	€'000	US$'000	US$'000
Assets					
Non-current assets					
Goodwill	15	3,994	3,683	4,575	4,575
Other intangible assets	16	1,783	1,594	2,019	1,958
Property, plant and equipment	17	18	7	20	9
Equity securities designated at FVOCI	19	1,954	2,328	2,213	2,859
Total non-current assets		7,749	7,612	8,827	9,401
Current assets					
Inventories	20	94	269	106	330
Trade and other receivables	21	334	43	378	53
Cash and cash equivalents	22	6,594	10,746	7,468	13,199
Total current assets		7,022	11,058	7,952	13,582
Assets included in the disposal group classified as held for sale	31	–	368	–	452
Total assets		14,771	19,038	16,779	23,435
Equity and liabilities					
Equity attributable to owners of the parent					
Ordinary shares	23	11,057	11,057	15,586	15,586
Treasury share reserve	23	(547)	(547)	(607)	(607)
Other reserves	25	1,478	2,026	1,828	2,476
Foreign currency translation reserve	25	3,840	2,951	(46)	425
Share based payment reserve	25	42	30	48	34
Retained earnings/(deficit)	24	(2,440)	3,035	(1,548)	4,925
Equity attributable to owners of the parent		13,430	18,552	15,261	22,839
Non-controlling interest	-	-	-	-	-
Total equity		13,430	18,552	15,261	22,839
Current liabilities					
Trade and other payables	26	562	449	636	551
Provisions	33	779	-	882	-
Total current liabilities		1,341	449	1,518	551
Liabilities included in the disposal group classified as held for sale	31	–	37	–	45
Total equity and liabilities		14,771	19,038	16,779	23,435

The accompanying notes on pages 42 to 80 form an integral part of these consolidated financial statements.

Approved on behalf of the Board of Directors on 22 June 2022

Timothy McCutcheon - Director

Kirill Golovanov - Director

Company statement of financial position

		2021	2020	2021	2020
	Notes	€'000	€'000	US$'000	US$'000
Assets					
Non-current assets					
Financial assets	18	24,697	27,920	27,972	34,292
Total non-current assets		24,697	27,920	27,972	34,292
Current assets		27,920	27,972	34,292	
Trade and other receivables	21	30	8	34	10
Cash and cash equivalents	22	943	2,475	1,068	3,040
Total current assets		973	2,483	1,102	3,050
Total assets		25,670	30,403	29,074	37,342
Equity and liabilities					
Equity					
Ordinary shares	23	11,057	11,057	15,586	15,586
Retained earnings	24	3,985	9,640	8,796	15,483
Other reserves	25	1,305	1,305	1,780	1,780
Share based payment reserve	25	42	30	50	34
Foreign currency translation reserve	25	-	-	(7,649)	(5,823)
Total equity		16,389	22,032	18,563	27,060
Current liabilities					
Trade and other payabless	26	8,502	8,371	9,629	10,282
Provisions	33	779	-	882	-
Total current liabilities		9,281	8,371	10,511	10,282
Total equity and liabilities		25,670	30,403	29,074	37,342

The Company has taken advantage of the exemption permitted by Section 304 (1)(b) of the Companies Act 2014 not to present an income statement for the financial year. The Company's loss for the financial year was €'000 5,654 (2020: profit €'000 1,988).

The accompanying notes on pages 42 to 80 form an integral part of these financial statements.

Approved on behalf of the Board of Directors on 22 June 2022

Timothy McCutcheon - Director

Kirill Golovanov - Director

Consolidated statement of cash flows

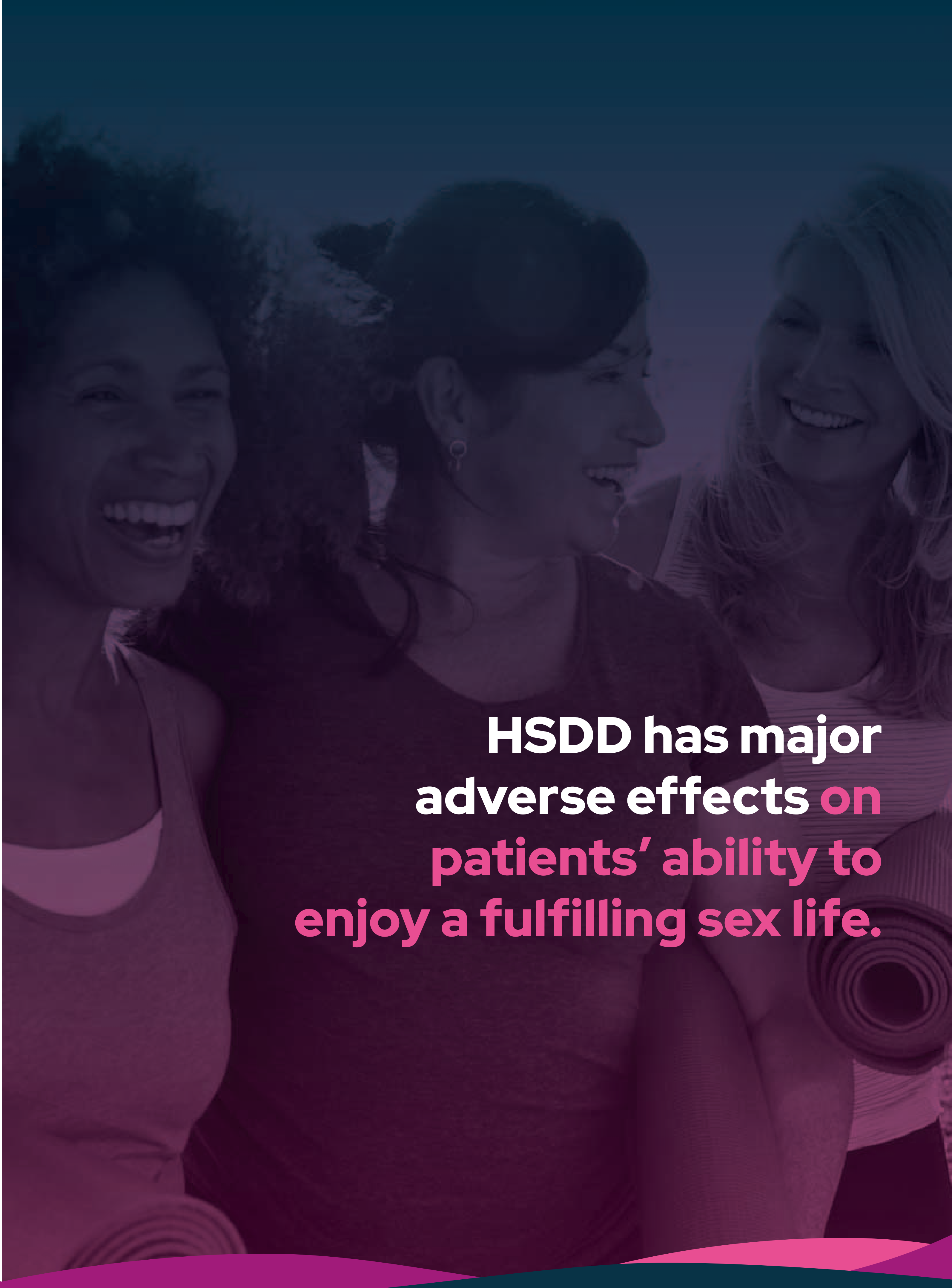
		2021	2020	2021	2020
	Notes	€'000	€'000	US$'000	US$'000
Cash flows from operating activities					
Continuing operations					
Loss for the financial year before tax		(5,475)	(2,372)	(6,473)	(2,707)
Adjustments for:					
(Reversal of) / impairment of tangible fixed assets	17 & 31	–	(10)	–	(11)
Share based payment	29	12	9	14	10
Depreciation and amortisation	16 & 17	84	71	99	81
Gain on sale of assets	7	–	4	–	5
Finance income	8	(104)	(231)	(123)	(264)
Changes in:					
Decrease/ (increase) in inventories		175	(66)	198	(81)
Decrease in trade and other receivables		77	423	87	519
Increase in trade and other payables and provision		855	59	965	81
Bank interest received from deposit		–	2	–	2
Net cash used in operating activities		(4,376)	(2,111)	(5,233)	(2,365)
Cash flows from financing activities					
Acquisition of subsidiary, net of cash acquired		–	(4,091)	–	(4,416)
Net cash used in financing activities		–	(4,091)	–	(4,416)
Cash flows from investing activities					
Dividends received from equity securities at FVOCI	8	104	229	123	262
Additions to property, plant and equipment		(14)	(10)	(17)	(11)
Additions of research and development costs internally developed	16	(122)	(179)	(138)	(205)
Additions of patents acquired	16	(35)	(236)	(40)	(269)
Proceeds from disposal of assets		–	36	–	44
Proceeds from disposal of equity securities at FVOCI	19	–	7,741	–	9,019
Net cash generated from /(used in) investing activities		(67)	7,581	(72)	8,840
Effects of foreign exchange		291	(646)	(427)	(67)
Net increase / (decrease) in cash and cash equivalents		(4,152)	733	(5,731)	1,992
Cash and cash equivalents at the beginning of financial year	22	10,746	10,075	13,199	11,283
Cash and cash equivalents at the end of financial year	22	6,594	10,808	7,468	13,275
Cash and cash equivalents included in the disposal group	31	–	62	–	76
Cash and cash equivalents for continuing operation	22	6,594	10,746	7,468	13,199

The accompanying notes on pages 42 to 80 form an integral part of these consolidated financial statements.

Company statement of cash flows

		2021	2020	2021	2020
	Notes	€'000	€'000	US$'000	US$'000
Cash flows from operating activities					
Profit for the financial year before tax	24	(5,654)	1,988	(6,687)	2,270
Adjustments for:					
Share based payment reserve movement		12	9	14	10
Additions/ (reversal) of impairment of investment in a subsidiary	18	3,223	(2,925)	354	(3,341)
Foreign currency exchange (gain) / loss		(476)	83	(536)	95
Changes in:					
(Increase) / decrease in trade and other receivables		(22)	8	(25)	10
Decrease in trade and other payables and provisions		910	3,329	1,031	4,089
Net cash from/(used in) operating activities		(2,007)	2,492	(2,418)	3,143
Effects of foreign exchange		475	(83)	446	(167)
Net decrease in cash and cash equivalents		(1,532)	2,409	(1,972)	2,966
Cash and cash equivalents at the beginning of year		2,475	66	3,040	74
Cash and cash equivalents at the end of year	22	943	2,475	1,068	3,040

The accompanying notes on pages 42 to 80 form an integral part of these financial statements.



HSDD has major adverse effects on patients' ability to enjoy a fulfilling sex life.

5.

Notes to the Financial Statements

1. General Information

Ovoca Bio plc ("the Company") is a public limited company incorporated in Ireland on 15 January 1985. The address of its registered office and principal place of business is 17 Pembroke Street Upper Dublin 2, Ireland.

These consolidated financial statements for the financial year ended 31 December 2021 consolidate the individual financial statements of the Company and its subsidiaries (together referred to as 'the Group'). Information on the Company's subsidiaries is provided in Note 18.

The Group's activity is that of a biotechnology company while the Company's primary activity is that of a holding company. The Directors have reviewed the financial position of the Group and are satisfied that the Group will continue to operate for the foreseeable future.

On 21 April 1987, the Company's shares were admitted to trading on the Irish Stock Exchange Euronext Growth Dublin (XESM) and on 30 June 2005 to the London Stock Exchange's Alternative Investment Market (AIM).

On 30 September 2018, the Group obtained control of IVIX LLC by acquiring 50.02% of their ordinary share capital and therefore has been consolidated into these financial statements in accordance with IFRS 3 Business Combinations, further information relating to the acquisition is found in Note 32 of these financial statements. On 28 June 2019 and 24 March 2020, the Group further acquired 9.92% and 40.06 interest in IVIX LLC, respectively (see Note 34).

Consequently, IVIX LLC became a wholly-owned subsidiary of the Group.

2. Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the Group and Company's financial statements.

Statement of compliance

The consolidated and Company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued and approved by the International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IFRS IC) as adopted by the European Union (EU) and those parts of the Companies Act 2014 applicable to companies reporting under IFRS.

The Company has availed of the exemption in Section 304(2) of the Companies Act, 2014 not to present its individual Income Statement and related notes that form part of the approved Company financial statements.

The Company has also availed of the exemption from filing its individual Income statement with the Registrar of Companies as permitted by Section 304(2)(c) of the Companies Act, 2014.

The IFRSs adopted by the EU as applied by the Company and the Group in the preparation of these financial statements are those that were effective for the financial year ended 31 December 2021.

Basis of preparation

The Group and Company financial statements are prepared on an accrual basis and under the historical cost convention except for certain financial assets measured at fair value and assets and liabilities held for sale measured at fair value less costs to sell. The accounting policies have been applied consistently by Group entities.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the financial year ended 31 December 2021.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Intra-group balances and any unrealised gains or losses or income or expenses arising from intra-group transactions are eliminated in preparing the Group financial statements.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations and goodwill

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair value, at the date of exchange, of the assets given, equity instruments issued and liabilities incurred or assumed. The acquiree's identifiable assets and liabilities that meet the conditions for recognition under IFRS 3 Business Combinations are recognised at their fair values at the acquisition date. Acquisition-related costs are recognised in the consolidated income statement as incurred.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the acquisition-date net fair value of the acquiree's identifiable assets and liabilities exceeds the cost of the business combination, the excess is recognised immediately in the consolidated income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

The non-controlling interest in the acquiree is initially measured at the Non-Controlling Interests (NCIs) fair value as determined by an independent valuation.

Functional and presentation currency

The Group and Company's financial statements are presented in Euro, which is also the Group and Company's functional currency, and rounded in Euro Thousand (€'000) unless otherwise stated. The US$ Thousand ($'000) equivalent is shown for information purposes only. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currencies

Monetary assets and liabilities denominated in a foreign currency are translated into Euro at the exchange rate ruling at the statement of financial position date. Revenues, costs and non-monetary assets are translated at the exchange rates ruling at the dates of the transactions. Exchange differences are dealt with through the consolidated income statement.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

On consolidation, the assets and liabilities of overseas subsidiary companies are translated into Euro at the rates of exchange prevailing at the statement of financial position date. The operating results of overseas subsidiary companies are translated into Euro at the average rates applicable during the financial year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to the income statement when the gain or loss on disposal is recognised.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Expenses

Operating expenses are recognised in income statement upon utilisation of the service or as incurred. Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

Taxation

Taxation on the profit or loss for the period comprises current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates and laws that have been enacted or substantially enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on the basis of the liability method on temporary differences at the statement of financial position date. Temporary differences are defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, or where, in respect of taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, the timing and reversal of the temporary differences is subject to control by the Group and it is probable that reversal will not occur in the foreseeable future. Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are anticipated to apply in the period in which the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. The carrying amounts of deferred tax assets are subject to review at each year end date and are reduced to the extent that future taxable profits are considered to be inadequate to allow all or part of any deferred tax asset to be utilised.

Leases

The Group applies the short-term lease recognition exemption to its short-term leases and recognised as expense on a straight-line basis over the lease term.

Operating lease rentals are charged to the income statement.

Intangibles

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in consolidated income statement in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the consolidated income statement in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement.

Research and development costs

Expenditure on the research phase of projects to develop new pharmaceutical products is recognised as an expense as incurred.

Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet the following recognition requirements:

- the development costs can be measured reliably
- the project is technically and commercially feasible
- the Company intends to and has sufficient resources to complete the project
- the Company has the ability to use or sell the software
- the software will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

Directly attributable costs include employee costs incurred on product development along with an appropriate portion of relevant overheads.

Following initial recognition of the development expenditure as an asset, the asset is 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.

Patents and licences

The Group have patents acquired through business combination and have been granted for a period reflected but not more than 20 years. Licences for the use of intellectual property are granted for periods ranging between nine and ten years depending on the specific licences.

A summary of policies applied to the Group's intangible assets is, as follows:

	Goodwill	Patents and licenses	Development costs
Useful lives	Indefinite	Finite (ranging from 9 to 17 years	Finite
Amortisation method used and rates	No amortisation but subject to impairment	Amortised on a straight-line basis over the period of the patent	No amortisation yet as not yet complete but subject to impairment testing
Internally generated or acquired	Acquired	Acquired	Internally generated

Property, plant and equipment and depreciation

Property, plant & equipment are stated at cost, less accumulated depreciation and accumulated impairment, if any. No depreciation is provided on land. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, which are reviewed each financial year, as follows:

Mining equipment	- 20% Straight line
Office furniture and equipment	- 10% Straight line
Fixtures and Fittings	- 20% Straight line
Buildings	- 2% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the carrying amount and are recognised in the consolidated income statement.

Investments in subsidiaries

Investments in subsidiaries in the Company statement of financial position are measured at cost less accumulated impairment. When necessary, the entire carrying amount of the investment is tested for impairment by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that is expected to generate cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the consolidated income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis. The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Inventories

Inventories are carried at the lower of cost or net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group and the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI) with recycling of cumulative gains and losses (debt instruments) or with no recycling of cumulative gains and losses upon derecognition (equity instruments).

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within administration expenses.

In the periods presented the corporation does not have any financial assets categorised as FVTPL.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The Group's cash and cash equivalents and other debtors under trade and other receivables fall into this category of financial instruments while the Company's cash and cash equivalents, other debtors under trade and other receivables and amounts owed by group undertakings fall into this category of financial instruments.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group elected to classify irrevocably its equity investments which are not held for trading as equity instruments designated at fair value through OCI in accordance with IFRS 9 Financial Instruments. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the consolidated income statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI.

Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its equity securities under this category.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments included loans measured at amortised cost, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Group and Company first identifying a credit loss event. Instead the Group and Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

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

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

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Group and Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group and Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group and Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

The Group's trade and other payables and provisions fall into this category of financial instruments while the Company's trade and other payables and provisions fall into this category of financial instruments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the company statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The Company reported its amounts owed to group undertakings net of the amounts owed by group undertakings as these balances relate to the same subsidiaries. The right to settle on net basis was approved by the Board of Directors of the Group. There are no financial assets and financial liabilities that were offset in the consolidated statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: valuation techniques for which the lowest level of inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: valuation techniques for which the lowest level of inputs that have a significant effect on the recorded fair value are not based on observable market data.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines when transfers are deemed to have occurred between levels in the hierarchy at the end of each reporting date.

Equity securities designated at FVOCI are measured at Level 1. There were no transfers between Levels in 2020 and 2019.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits, including bank deposits of less than three months maturity that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity and reserves

Ordinary shares represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium. Treasury shares are recognised at cost and deducted from equity.

Other reserves comprise of the fair value gains and losses including its foreign exchange movement relating to equity securities designated at FVOCI and expired share based payments.

Foreign currency translation reserve comprises translation differences arising from the translation of the financial statements of the Group's foreign entities into euro.

Retained earnings include all current and prior period retained profits and losses. All transactions with owners of the parent are recorded separately within equity.

Share-based payments

Employees (including Directors) of the Group may be entitled to remuneration in the form of share-based payment transactions, whereby employees render service in exchange for shares or rights over shares. Details of the Group's share option scheme are set out in Note 29 of the consolidated financial statements. For any share options granted, the fair value of the option is recognised as an expense in the income statement with a corresponding increase in equity. The fair value is measured at grant date excluding the impact of non-market conditions and spread over the period during which the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that are expected to vest where vesting conditions are non-market conditions. When the options are exercised, the proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the income or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the income or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to directors and employees.

Provisions and contingencies

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of legal or constructive commitment that has resulted from past events. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. All provisions are reviewed at each statement of financial position date and are adjusted to reflect the current best estimate. No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

Non-current assets and liabilities classified as held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment are not depreciated once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated income statement.

Additional disclosures are provided in Note 31. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Events after reporting period

The Group identifies events after the end of each reporting period as those events, both favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. The consolidated financial statements of the Group are adjusted to reflect those events that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events after the end of the reporting period are disclosed in the notes to the consolidated financial statements when material.

Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates, and the effect of any change in estimates will be adjusted in the financial statements when they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Control assessment in a business combination

As disclosed in Note 32, the Group owns 100% of IVIX LLC. Management has assessed its involvement in the company in accordance with IFRS 10's revised control definition and guidance and has concluded that it has control over that company.

Assets held for sale

On 4 July 2018, the Board of Directors announced its decision to dispose the exploration segment of the Group located in Russia consisting of Bulun LLC, Magsel, LLC and Comtrans, LLC, all are wholly-owned subsidiaries of the Company, that are classified as assets held for disposal during the financial year. On 7 February 2019, the shareholders approved the plan to sell. The Board considered the subsidiaries to meet the criteria to be classified as held for sale in 2018 for the following reasons:

- Bulun LLC, Magsel, LLC and Comtrans, LLC are available for immediate sale and can be sold to the buyer in its current condition
- The actions required to complete the sale were initiated and negotiations with potential buyers have been identified and monitored
- The Group remains committed to its plan to sell the disposal group

For more details on the discontinued operation, refer to Note 31.

Determining the Group's functional currency

The determination of Group's functional currency often requires significant judgement where the primary economic environment on which it operates may not be clear. Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency of the Group has been determined to be the Euro. The Euro is the currency of the primary economic environment in which the Group operates.

Determining classification of financial instruments

The Group classifies a financial instrument, or its component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement and the definitions of a financial asset, a financial liability or an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification in the financial statements.

Capitalisation of internally developed software

Distinguishing the research and development phases of the Group's project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Utilisation of tax losses

The Directors have not deemed it appropriate to recognise deferred tax assets resulting from significant losses being carried forward from previous years on the basis that it is not certain these losses will be utilised in future periods.

Estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimating provisions and contingencies
By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events (see note 33).

Estimating impairment of goodwill
Determining whether goodwill is impaired requires estimation of the value of cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. No impairment loss recognised in goodwill in 2021 (2020: €NIL / US$ NIL). Refer to Note 15 for the carrying value of goodwill.

Estimating impairment of non-financial assets
Determining whether non-financial assets are impaired requires an estimation of the value in use of the cash generating units to which the assets have been allocated. The value in use calculation requires the directors to estimate the future cash flows to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual cash flows are less than expected, a material impairment may arise. No impairment loss recognised in other intangible assets in 2021 (2020: €NIL / US$NIL). Reversal of impairment of €Nil/ US$Nil was recognised in 2021 (2020: reversal of impairment €'000 10/ US$'000 11) for property, plant and equipment classified as assets held for sale and discontinued operations. Refer to Note 16 and Note 17 for the carrying value of other intangible assets and property, plant and equipment.

Useful lives of depreciable assets
The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted. No change in useful lives of depreciable assets in both years. Refer to Note 16 and Note 17 for the carrying value of other intangible assets and property, plant and equipment.

Estimating allowance for impairment on inventories
Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices. Management believes that the net realisable values of the Group's inventories exceed their carrying values, accordingly, no loss on the decline in value was recognised in both years. Refer to Note 20 for the carrying value of inventories.

Estimating measurement of Expected Credit Losses (ECL) allowance for trade and other receivables
In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. Impairment loss was recognised, in respect of amounts due from subsidiary undertakings, in 2021 amounting to €'000 441 / US$'000 522 (2020: €'000 415 / US$'000 474) . Refer to Note 21 for the carrying value of trade and other receivables and 28 for details of credit risk.

Fair value measurement
Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. Refer to Note 28 for details.

New Standards adopted as at 1 January 2021
The Group applied for the first time certain standards, which are effective for annual periods beginning on or after 1 January 2021. The nature and the impact of each amendment is described below:

COVID-19-related rent concessions beyond 30 June 2021 (Amendments to IFRS 16)
The Group has adopted the amendment included in Amendments to IFRS 16 for the first time in the current year. The amendment added a practical expedient to the Standard which provides relief for lessees in assessing whether specific COVID-19 rent concessions are considered to be lease modifications. Instead, if this practical expedient is applied, these rent concessions are treated as if they are not lease modifications.

The IASB decided to extend this relief for one year to provide relief for recent concessions in relation to COVID-19 that reduce payments up until 30 June 2022.

This amendment does not have a significant impact on the disclosures, or on the amounts reported in the financial statements.

Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The Group has adopted the amendments for the first time in the current year. The amendments can be summarized as follows:

Changes to contractual cash flows

The IASB have added a practical expedient that will mean entities will not need to derecognise the carrying amount of financial assets or financial liabilities for changes required by the reform. Instead reporting entities are required to account for the modification by updating the effective interest rate to reflect the change to the alternative benchmark rate.

Hedge accounting requirements

If hedging still meets other hedge accounting requirements, entities will not need to discontinue hedge accounting purely because of changes as a result of the reform. Hedging documentation and relationships should be updated to reflect modifications to the hedge item, and entities can continue hedge accounting if the new hedging relationship meets all the criteria.

Disclosures

Reporting entities will be required to make additional disclosures about new risks arising from the IBOR reform and how they manage those risks. There are also disclosure requirements for transitioning from IBORs to alternative benchmark rates.

This amendment does not have a significant impact on the disclosures, or on the amounts reported in the financial statements.

At the date of authorisation of these financial statements, new standards and amendments to existing standards have been published by the IASB that are not yet effective and either not yet adopted by EU or already adopted by EU. These are listed below:

New or revised Standards or Interpretations that are not yet effective and not yet adopted by EU

Standard/interpretation	Effective date
Amendments to IFRS 17 and IFRS 9 Comparative Information	1 January 2023
Amendments to IAS 1 Classification of Liabilities as Current or Non-current	1 January 2023
Deferred Tax related to Assets and Liabilities from a Single Transaction	1 January 2023

New or revised Standards or Interpretations that are not yet effective and but adopted by EU

Standard/interpretation	Effective date
References to the Conceptual Framework	1 January 2022
Amendments to IAS 16 Property, Plant, and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to IFRS 1, IFRS 9, IFRS 16, and IAS 41 – Annual improvements to IFRS Standards 2018 – 2020 Cycle	1 January 2022
IFRS 17 - Insurance Contracts	1 January 2022

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

3. Going concern

The Group has significant liquid resources in the form of cash reserves of €'000 6,594/ US$'000 7,468 (2020: €'000 10, 746/ US$'000 13, 199). The Group has also has equity investments valued at €'000 1,954/ US$'000 2,213 (2020: €'000 2,328/ US$'000 2,859) at the year-end, although this has declined in value subsequent to year-end, these can be readily liquidated when needed.

As at year-end, the Company has net current liabilities of €'000 8,308/ US$'000 9,409 (2020: €'000 5,888/ US$'000 7,232). The Directors note that majority of the Company's current liabilities at year end relates to a debt with group company which has been a feature for the Group where the debt structure is quite fluid and is driven by current business objectives of the Group. The Directors are regularly reviewing the group structure and involving advisors to optimise the group structure for future operational and business objectives. Furthermore, the Company's subsidiary undertaking, Silver Star Ltd., have indicated that they will show forbearance, if required, in demanding repayment of the amounts due to them until such time that the Company has sufficient funds to repay them.

The Directors are satisfied that there are sufficient levels of funding within the Group to enable them to trade for the foreseeable future, and to explore further investment opportunities if appropriate projects exist despite the COVID-19 pandemic situation.

Considerations regarding Russia/Ukraine conflict

Over 90% of Ovoca's 2021 cashflow is international and originated outside of Russia. In 2021, 60% of the Group's operating cash flow fell under subsidiaries in Australia and Ireland - these entities are not exposed to Russia and are not materially affected by current events.

OVB (Ireland) Ltd, an Irish subsidiary of Ovoca, holds the rights to all international Intellectual Property outside of Russia.

The Ovoca Bio group of companies has two subsidiaries registered in Russia:

- IVIX LLC, a subsidiary of Silver Star Ltd., which holds Russian Marketing Authorization and patents for Orenetide (BP-101/ 'Desirix') in the Russian market. IVIX LLC was accountable for only 10% of the total Ovoca operating cash flow in 2021. The IVIX R&D office is operating as usual.
- Comtrans LLC, a dormant Ovoca subsidiary, with no operations or assets.

Neither of the Ovoca subsidiaries registered in Russia are state or government-funded and are not currently subject to EU/US/International sanctions or restrictions. The Company confirms that no member of the Board, management or its substantial shareholders are on the list of sanctioned individuals.

Ovoca's current strong cash position is held in UK, Irish and Australian banks, and supports the Company in pursuing its ongoing and planned R&D activities throughout 2022. Ovoca also has a holding of 125,000 shares in Polymetal International PLC ("Polymetal"), a Jersey registered company, headquartered in Cyprus and quoted on the London Stock Exchange.

The Board of Ovoca is concerned about the situation in Ukraine and Russia and the tragic consequences unfolding there and is hopeful for a peaceful resolution as soon as possible. The Board is closely monitoring the situation and its impact on Ovoca and will provide a timely update should any additional risks to the business be identified.

The Directors consider that in preparing the financial statements that they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

4. Segmental reporting

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker and used to allocate resources to the segments and to assess their performance.

(a) Primary reporting format - business segments

At 31 December 2021, the Group had three business segments. Bio-pharmaceutical activities are carried out by IVIX LLC and OVB (Australia) Pty, while investing activities are carried out by the subsidiary, Silver Star Ltd., a company located in Bermuda. Administrative activities represent group administration costs, primarily incurred in Ireland and the Russian Federation.

(b) Segment revenues and results

Segment results represent operating profit earned by each segment. This is the measure reported to the Group's Board of Directors ("Board of Directors") for the purposes of resource allocation and assessment of segment performance.

(c) Segment assets and liabilities

For the purposes of monitoring segment performance and allocating resources between segments, the Board of Directors monitors the total assets and liabilities attributable to each segment. Goodwill is allocated based on separately identifiable CGUs as further disclosed in Note 15.

The exploration segment is presented as being discontinued.

Continuing operations – 31 December 2021

	Bio-pharma	Invest-ment	Admin	Total	Bio-pharma	Invest-ment	Admin	Total
	€'000	€'000	€'000	€'000	US$'000	US$'000	US$'000	US$'000
Depreciation & amortisation	(61)	-	(23)	(84)	(72)	-	(27)	(99)
Other administration expenses	(3,850)	(220)	(1,942)	(6,012)	(4,553)	(260)	(2,297)	(7,110)
Other gains/(losses)	283	(129)	612	766	335	(153)	724	906
Operating loss	(3,628)	(349)	(1,353)	(5,330)	(4,290)	(413)	(1,600)	(6,303)
Finance costs	-	(1)	(20)	(21)	-	(2)	(24)	(26)
Finance income	-	104	-	104	-	123	-	123
Loss before tax	(3,628)	(246)	(1,373)	(5,247)	(4,290)	(292)	(1,623)	(6,205)
Income tax	-	-	-	-	-	-	-	-
Loss after tax	(3,628)	(246)	(1,373)	(5,247)	(4,290)	(292)	(1,623)	(6,205)
Segment assets	2,100	7,058	5,613	14,771	2,378	8,045	6,357	16,780
Segment liabilities	(434)	(4)	(903)	(1,341)	(492)	(5)	(1,023)	(1,520)
Net assets	1,666	7,054	4,710	13,430	1,886	8,040	5,334	15,260

Continuing operations – 31 December 2020

	Bio-pharma	Invest-ment	Admin	Total	Bio-pharma	Invest-ment	Admin	Total
	€'000	€'000	€'000	€'000	US$'000	US$'000	US$'000	US$'000
Depreciation & amortisation	(65)	-	(6)	(71)	(74)	-	(7)	(81)
Other administration expenses	(844)	(388)	(902)	(2,134)	(964)	(441)	(1,030)	(2,435)
Other gains/(losses)	106	(508)	74	(328)	121	(580)	85	(374)
Operating loss	(803)	(896)	(834)	(2,533)	(971)	(1,021)	(952)	(2,944)
Finance costs	-	(2)	(14)	(16)	-	(3)	(16)	(19)
Finance income	2	229	-	231	2	261	-	263
Loss before tax	(801)	(669)	(848)	(2,318)	(960)	(763)	(968)	(2,646)
Income tax	-	-	-	-	-	-	-	-
Loss after tax	(801)	(669)	(848)	(2,318)	(915)	(763)	(968)	(2,646)
Segment assets	2,544	9,740	6,386	18,670	3,125	11,965	7,893	22,983
Segment liabilities	(339)	-	(110)	(449)	(416)	-	(135)	(551)
Net assets	2,205	9,740	6,276	18,221	2,709	11,965	7,758	22,432

At 31 December 2021, intangible assets and property, plant and equipment amounting to €'000 1,318/ US$'000 1,493 (2020: €'000 1,594/ US$'000 1,958) and €'000 18 / US$'000 20 (2020: €'000 7 / US$'000 8), respectively, were held in Russia. At 31 December 2021, intangible assets amounting to €'000 465/ US$'000 526 (2020: €'000 140/ US$'000 174) were held in Ireland while the property, plant and equipment held in Ireland were fully depreciated in 2020.

5. Loss on ordinary activities before taxation

	Continuing	Discontinued	Continuing	Discontinued
	31/12/2021	31/12/2021	31/12/2021	31/12/2021
	€'000	€'000	US$'000	US$'000
Administration expenses				
Employee expense	(248)	-	(282)	-
Directors remuneration (Note 11)	(173)	-	(216)	-
Employment costs (Note 10)	(421)	-	(498)	-
Depreciation and amortisation (Notes 16 and 17)	(84)	-	(99)	-
Services provided by the Group's auditors (Note 6)	(198)	-	(234)	-
Operating lease rentals - property	(56)	-	(66)	-
Research & development (Note 16)	(3,551)	-	(4,200)	-
Other administration expenses	(1,786)	(45)	(2,112)	(52)
Total administration expenses	(6,096)	(45)	(7,209)	(52)

	Continuing	Discontinued	Continuing	Discontinued
	31/12/2020	31/12/2020	31/12/2020	31/12/2020
	€'000	€'000	US$'000	US$'000
Administration expenses				
Employee expense	(111)	(29)	(127)	(33)
Directors remuneration (Note 11)	(425)	-	(485)	-
Employment costs (Note 10)	(536)	(29)	(612)	(33)
Depreciation and amortisation (Notes 16 and 17)	(71)	-	(81)	-
Services provided by the Group's auditors (Note 6)	(84)	-	(95)	-
Operating lease rentals - property	(22)	-	(25)	-
Research & development (Note 16)	(688)	-	(786)	-
Other administration expenses	(804)	(35)	(918)	(39)
Total administration expenses	(2,205)	(64)	(2,517)	(72)

6. Services provided by the Group's auditor

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Audit services – group audit	76	73	90	83
Audit services - statutory entities	3	3	4	3
Tax advisory services	48	8	57	9
Other services	71	–	83	–
Total auditors remuneration	198	84	234	95

All services are from continuing operations.

7. Other gains/(losses)

	Continuing	Discontinued	Continuing	Discontinued
	31/12/2021	31/12/2021	31/12/2021	31/12/2021
	€'000	€'000	US$'000	US$'000
Loss on sale of assets	–	(183)	–	(216)
Foreign exchange gain	530	–	627	–
Other income	236		279	
Total other gains/ (losses)	766	(183)	906	(216)

	Continuing	Discontinued	Continuing	Discontinued
	31/12/2020	31/12/2020	31/12/2020	31/12/2020
	€'000	€'000	US$'000	US$'000
(Reversal of)/ impairment loss of assets held for sale (Notes 17 and 31)	–	10	–	11
Gain on sale of assets	4	–	5	–
Foreign exchange losses	(332)	–	(379)	–
Total other gains/ (losses)	(328)	10	(374)	11

8. Finance income and finance costs

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Finance income				
Dividends income from equity securities designated at FVOCI	104	229	123	262
Bank interest income	–	2	–	2
Total finance income	104	231	123	264
Finance costs				
Bank interest and charges*	(21)	(16)	(25)	(18)
Total finance costs	(21)	(16)	(25)	(18)
Net finance income	83	215	98	246

*Finance costs of €NIL / US$NIL have been excluded from the above as they related to the Group's discontinued operations (2020: €NIL / US$NIL), refer to Note 31.

9. Number of employees

The average monthly number of employees of the Group during the financial year was (excluding directors):

	31/12/2021	31/12/2020
	Number	Number
Administration and operational staff	10	5

10. Employment costs

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Staff costs (inclusive of directors) during the financial year were as follows:				
Wages and salaries	366	486	433	555
Social insurance costs	43	41	51	47
Share-based payments (Note 29)	12	9	14	10
Total employment costs	421	536	498	612

11. Directors' remuneration

	Short-term benefits			
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Kirill Golovanov	130	190	154	217
Mikhail Mogutov	-	79	-	90
Leonid Skoptsov	13	16	15	18
Yuri Radchenko	-	-	-	-
Timothy McCutcheon	15	16	18	18
Nikolay Myasodev	-	-	-	-
Christopher Wiltshire	-	99	-	114
Romulo Colindres	15	16	18	18
Directors remuneration	173	416	205	475

Share-based payments						
	2021	2020	2021	2020	2021	2020
	No. of options		€'000	€'000	US$'000	US$'000
Kirill Golovanov	2,200,000	2,200,000	9	4	5	5
Mikhail Mogutov	–	–	–	–	–	–
Leonid Skoptsov	–	200,000	–	1	1	1
Yuri Radchenko	–	–	–	–	–	–
Timothy McCutcheon	200,000	200,000	1	1	1	1
Nikolay Myasodev	200,000	200,000	1	1	1	1
Christopher Wiltshire	–	200,000	1	1	1	1
Romulo Colindres	–	200,000	–	1	1	1
	2,600,000	3,200,000	12	9	10	10

The share based benefits relate to the number of exercisable share options held by directors at the year end. There were no options exercised or expired during the financial year (2020: no options exercised or expired). Please refer to Note 29 for further details on share options granted and expired in the financial year and the expense recognised.

12. Retirement benefit costs

The Group does not operate a pension scheme (2020: €NIL / US$ Nil).

13. Income tax costs

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Analysis of income tax charge for the financial year	€'000	€'000	US$'000	US$'000
Income tax	–	–	–	–
Factors affecting tax charge for the financial year The tax for the financial year is higher than (2020 - higher than) the standard rate of corporation tax in Ireland of 12.5% (2020: 12.5%). The differences are explained below:				
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Loss on ordinary activities before tax	(5,475)	(2,372)	(6,473)	(2,707)
Loss on ordinary activities before tax multiplied by standard rate of corporation tax at in Ireland of 12.5% (2020: 12.5%)	(684)	(297)	(809)	(338)
Effects of				
Ineligible costs and losses carried forward to future periods	684	297	809	338
Total income tax	–	–	–	–

A deferred tax asset has not been recognised at the reporting date in respect of trading tax losses and items on other comprehensive income/ (loss) that will not be reclassified subsequently to profit or loss. Due to the history of past losses, the Group has not recognised any deferred tax asset in respect of tax losses to be carried forward and items on other comprehensive income/ (loss) that will not be reclassified subsequently to profit or loss which are approximately €'000 21,687 and €'000 548 at 31 December 2021, respectively (2020: €'000 14,657 and €'000 14,657).

14. Loss per share and dividends

Loss per share

Basic loss per share is calculated by dividing the loss after taxation for the financial year attributable to the equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted loss per share is calculated by dividing the loss after taxation for the financial year attributable to the equity holders of the parent by adjusting the weighted average number of share in issue to assume conversion of all potential ordinary shares. For the purpose of calculating diluted loss per share for both 2021 and 2020, the potentially exercisable instruments in issue would have the effect of being antidilutive and, as such, the diluted loss per share is the same as the basic loss per share for both years.

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Basic and diluted loss per share Loss for the financial year attributable to the equity holders of the parent:				
Continuing operations	(5,247)	(2,282)	(6,205)	(2,606)
Discontinued operations	(228)	(54)	(268)	(61)
Loss for the financial year attributable to the equity holders of the parent	(5,475)	(2,336)	(6,473)	(2,667)
Weighted average number of ordinary shares (thousands)	81,564	81,564	81,564	81,564
Basic and diluted loss per share from continuing operations (cents)	(€6.43)	(€2.80)	(US$7.61)	(US$3.20)
Basic and diluted loss per share from discontinued operations (cents)	(€0.28)	(€0.06)	(US$0.33)	(US$0.07)
Basic and diluted loss per share from continuing and discontinued operations (cents)	(€6.71)	(€2.86)	(US$7.94)	(US$3.27)

On 27 March 2019, the Company approved a number of share options incentive schemes for Directors and employees, the total number of share options granted was 7,100,000.

Dividends

The directors did not recommend the payment of a dividend (2020: € Nil / US$ Nil).

15. Goodwill

The movements in the net carrying amount of goodwill are as follows:

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Gross carrying amount				
Balance 1 January	3,683	4,039	4,575	4,575
Net exchange difference	311	(356)	-	-
Balance at 31 December	3,994	3,683	4,575	4,575
Accumulated impairment				
Balance at 1 January 31 December	-	-	-	-
Carrying amount at 31 December	3,994	3,683	4,575	4,575

Impairment testing

For the purpose of annual impairment testing, goodwill is allocated to the operating segments expected to benefit from the synergies of the business combinations in which the goodwill arises as set out below, and is compared to its recoverable value. The recoverable value is based on fair value of the Group's bio-pharmaceutical segment at year-end and were performed by an independent valuer not related to the Group.

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Recoverable amount of bio-pharmaceutical segment	5,226	9,441	5,919	11,541
Goodwill allocated to bio-pharmaceutical segment	3,994	3,683	4,575	4,575
Excess of recoverable amount over carrying amount of goodwill	1,232	5,758	1,344	6,966

In 2021, the market value of the goodwill was estimated based on the results of the income approach using the Relief from Royalty method. During the market value analysis. The cash flows backed by reasonable and acceptable assumptions that reflect the management's most accurate estimate of economic conditions prevailing throughout the product lifecycle and that can be verified by external information sources were factored. The market value analysis was carried out based on the information available as of the date of analysis. This means that the cash flows should reflect the "as-is" state of the project.

The forecast period was determined from April 2021 to 2048. It is divided into two periods: a period of market entry and increase in sales (patent validity period) and a stabilisation period, considering a futher decrease in cash flows (10-year cycle after patent expiration). The need to apply a stabilisation period is explained by the uncertainty inherent in the long-term, as well as the historically recorded decrease in sales volumes and margins of original drugs after the expiration of the patent protection period and the launch of generic analog drugs in the market.

The following assumptions were used in the cash flow projections:

Growth rates

The forecast period was determined from April 2021 to 2048. It is divided into two periods: a period of market entry and increase in sales (patent validity period) and a stabilisation period, considering a futher decrease in cash flows (10-year cycle after patent expiration). The need to apply a stabilisation period is explained by the uncertainty inherent in the long-term, as well as the historically recorded decrease in sales volumes and margins of original drugs after the expiration of the patent protection period and the launch of generic analog drugs in the market.

The Group assumed that the product will start selling globally in 2027. The growth rate used is 3% from 2027 to 2038, and a decrease in revenue by 10% for the periods 2039-2048 in all target countries due to the end of the patent protection and the appearance of generics in the market.

Discount rates

In 2021, the discount rate of 20% for operations in USA and 25% to 26% for cash flows for other countries reflect the cost and structure of capital, inflation and risks associated with investing in shares in the company being valued. Discount rate used for cash flows is the rate typical for companies at various stages of implementation. In 2020, the discount rate of 19.5% for operations in Russia and 26.7% for cash flows in the USA and other countries reflects the cost and structure of capital, inflation and risks associated with investing in shares in the company being valued. Discount rate used for cash flows in Russia is the rate typical for pharmaceutical companies at a late stage of research (drug registration), while, in the USA and other countries, the rate typical for companies at an intermediate stage of research.

Cash flow assumptions

Management's key assumptions include fast initial growth (refer growth rates above), followed by stable profit margins, based on market analysis. The Group's management believes that this is the best available input for forecasting this mature market. No expected efficiency improvements have been taken into account and prices and wages reflect publicly available forecasts of inflation for the industry.

Management is not currently aware of any other reasonably possible changes to key assumptions that would cause the carrying amount to exceed its recoverable amount.

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16. Other intangible assets

Other intangible assets of the Group are as follows:

	Patents & licenses	Capitalised development costs	Total	Patents and licenses	Capitalised development costs	Total
	€'000	€'000	€'000	US$'000	US$'000	US$'000
Cost						
At 1 January 2020	1,209	545	1,754	1,354	611	1,965
Additions	236	179	415	269	205	474
Disposal	(31)	-	(31)	(35)	-	(35)
Exchange difference	(373)	(147)	(520)	(274)	(106)	(380)
At 31 December 2020	1,041	577	1,618	1,314	710	2,024
At 1 January 2021	1,041	577	1,618	1,314	710	2,024
Additions	35	122	157	42	145	187
Disposal	-	-	-	-	-	-
Exchange difference	92	51	143	(2)	(4)	(6)
At 31 December 2021	1,168	750	1,918	1,354	851	2,205
Amortisation						
At 1 January 2020	(72)	-	(72)	(81)	-	(81)
Amortisation	(69)	-	(69)	(79)	-	(79)
Disposal	13	-	13	15	-	15
Exchange difference	104	-	104	79	-	79
At 31 December 2021	(24)	-	(24)	(66)	-	(66)
At 1 January 2021	(24)	-	(24)	(66)	-	(66)
Amortisation	(80)	-	(80)	(94)	-	(94)
Disposal	-	-	-	-	-	-
Exchange difference	(31)	-	(31)	(26)	-	(26)
At 31 December 2021	(135)	-	(135)	(186)	-	(186)
Net book value						
At 31 December 2021	1,033	750	1,783	1,168	851	2,019
At 31 December 2020	1,017	577	1,594	1,248	710	1,958

All intangible assets are attributable to the bio-pharmaceutical segment of the group.

Research and development costs of €'000 3,551 / US$'000 4,200 (2020: €'000 688 / US$'000 786) was recognised as administrative expenses, refer to Note 5.

Staff costs of €'000 122 / US$'000 145 (2020: €'000 153 / US$'000 175) were capitalised during the financial year.

Amortisation of intangible assets amounting to €'000 80/ US$'000 94 was included in the administration expenses during the financial year (2020: €'000 69/ US$'000 79).

In 2019, the Group entered into an agreement to acquire patent for stimulator of genital, sexual and reproductive function to support the development of the Group's development activities. Minimum contractual commitments resulting from this agreement as at 31 December 2021 are €NIL / US$NIL (2020: €NIL / US$NIL) payable during 2021. There are no other material contractual commitments at 31 December 2021 (2020: None).

The recoverable amount of the capitalised development costs is its value-in-use determined using key assumptions in Note 15.

17. Property, plant and equipment

Property, plant and equipment of the Group are as follows:

	Continuing	Discontinued		Continuing	Discontinued	
	Office furniture & equip.	Mining equip.	Land and buildings	Office furniture & equip.	Mining equip.	Land and buildings
	€'000	€'000	€'000	US$'000	US$'000	US$'000
Cost						
At 1 January 2020	83	-	1,076	93	-	1,205
Addition	10	-	-	11	-	-
Reversal of impairment	-	-	10	-	-	11
Effect of movements in exchange rates	-	-	(259)	11	-	(200)
At 31 December 2020	93	-	827	115	-	1,016
At 1 January 2021	93	-	827	115	-	1,016
Addition	14	-	-	17	-	-
Disposal	(22)	-	(881)	-	-	(1,042)
Effect of movements in exchange rates	(9)	-	54	(46)	-	26
At 31 December 2021	76	-	-	86	-	-
Depreciation						
At 1 January 2020	80	-	695	90	-	778
Charge for financial year	2	-	-	2	-	3
Effect of movements in exchange rates	4	-	(166)	14	-	(131)
At 31 December 2020	86	-	529	106	-	650
At 1 January 2020	86	-	529	106	-	650
Charge for financial year	4	-	-	5	-	-
Disposals	(22)	-	(493)	-	-	(583)
Effect of movements in exchange rates	(10)	-	(36)	(45)	-	(67)
At 31 December 2021	58	-	-	66	-	-
Net book values						
At 31 December 2021	18	-	-	20	-	-
At 31 December 2020	7	-	298	9	-	366

All mining equipment and land and buildings are included in the assets classified as held for sale and discontinued operations as disclosed in Note 31.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end. The useful lives have been reviewed and deemed to be appropriate.

The disposal group was stated at fair value less costs to sell at year end, as follows:

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Cost	827	1,076	1,016	1,205
Accumulated depreciation	(529)	(695)	(778)	(778)
Disposal, net of accumulated depreciation	(388)	–	(459)	–
Reversal of/ (impairment loss) (Note 7)	–	10	–	11
Effect of movements in exchange rates	90	(93)	221	(72)
Fair value at year-end	-	298	-	366

At 31 December 2021, the land and building were disposed, hence, the fair value of the land and building amounted to €Nil/ US$Nil.

In 2020, the land and building were valued based on post year-end sale proceeds received on 2 February 2021. The fair value of the land and building amounted to €'000 298/ US$'000 366. This valuation resulted in reversal of previous year impairment of €'000 10/ US$'000 11 and have been included in 'other gains/losses' (Note 7). The reversal of impairment losses have been applied to revalue the carrying amount of land and buildings within the assets held for sale and discontinued operations.

Property, plant and equipment of the Company are as follows:

Company	Office furniture and equipment	Office furniture and equipment
	€'000	US$'000
Cost		
At 1 January 2020 and 31 December 2020	50	56
Effect of movements in exchange rates	–	3
At 1 January 2020 and 31 December 2020	50	59
Accumulated depreciation		
At 1 January 2020	50	56
Depreciation	–	–
Effect of movements in exchange rates	–	3
At 31 December 2020 and 31 December 2021	50	59
Net book value		
At 31 December 2021	–	–
At 31 December 2020	–	–

18. Investments in subsidiaries – Company

	01/01/2021	Movement during the financial year	31/12/2021	01/01/2021	Movement during the financial year	31/12/2021
	€'000	€'000	€'000	US$'000	US$'000	US$'000
Silver Star Ltd.	27,920	(3,223)	24,697	34,292	(6,320)	27,972
Investment in subsidiaries at cost	27,920	(3,223)	24,697	34,292	(6,320)	27,972

	01/01/2020	Movement during the financial year	31/12/2020	01/01/2020	Movement during the financial year	31/12/2020
	€'000	€'000	€'000	US$'000	US$'000	US$'000
Silver Star Ltd.	24,995	2,925	27,920	27,991	6,301	34,292
Investment in subsidiaries at cost	24,995	2,925	27,920	27,991	6,301	34,292

At 31 December 2021 and 2020, the Company had the following direct and indirect subsidiary undertakings:

Name	Registered office & country of incorporation	Principal Activity	Proportion holding	
			2021	2020
Bulun LLC	13 A Koltcevaya street, Magadan 685000, Russian Federation	Mineral Exploration	-	100%
Magsel LLC	13 A Koltcevaya street, Magadan 685000, Russian Federation	Mineral Exploration	-	100%
Comtrans LLC	13 A Koltcevaya street, Magadan 685000, Russian Federation	Support Company	100%	100%
Ovoca Mining Ltd.	36 Vyronos Avenue, Nicosia Tower Center, 8th Floor, Flat 801 1506 Nicosia, Cyprus	Dormant	100%	100%
Silver Star Ltd.	27 Reid Street, 1st Floor, Hamilton HM11, Bermuda	Investment	100%	100%
OVB (Ireland) Limited	17 Pembroke Street Upper, Dublin 2, Ireland	Support company	100%	100%
OVB (Australia) Pty	Sydney, New South Wales, 2000	Biopharmaceutical	100%	100%
IVIX LLC	Stoloviy Lane 6, office 102, Moscow, 121069, Russian Federation	Biopharmaceutical	100%	100%

All shares are directly held in subsidiaries, with the exception of Bulun LLC, Magsel LLC and IVIX LLC, which are held through Silver Star Ltd., and comprise of ordinary shares held in the Company.

Movement during the financial year

During the financial year, the Company impaired its shareholding in Silver Star Ltd. due to decrease in the enterprise value of the investment in IVIX LLC which are held by Silver Star Ltd.

In 2020, the Company reversed impairment in its shareholding in Silver Star Ltd. due to increase in the enterprise value of the investment in IVIX LLC which are held by Silver Star Ltd.

Change in shareholdings

On 24 March 2020, the group acquired the remaining shareholding interest in IVIX LLC resulting to IVIX LLC to be a wholly-owned subsidiary of the Group, further information relating to the acquisition is disclosed in Note 34.

Disposal of Bulun LLC

Information relating to subsidiaries that have non-controlling interests that are material to the Group are provided in Notes 26 and 32.

On 5 March 2021, the Group disposed of its 100% equity interest in its subsidiary Bulun LLC. The subsidiary was part of the group of mining companies classified as held for sale in the prior year. The disposal was in line with the company's strategy to refocus its activities into the bio-pharmaceutical sector.

Disposal of Magsel LLC

On 27 September 2021, the Group disposed of its 100% equity interest in its subsidiary Magsel LLC. The subsidiary was part of the group of mining companies classified as held for sale in the prior year. The disposal was in line with the company's strategy to refocus its activities into the bio-pharmaceutical sector.

19. Equity securities designated at FVOCI

Investments in equity securities at FVOCI are as follows:

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Quoted securities				
Polymetal International plc	1,954	2,328	2,213	2,859

At 1 January 2018, the Group designated the investments shown above as equity securities at FVOCI because these equity securities represent investments that the Group intends to hold for long-term strategic purposes. Polymetal International plc (Polymetal) is listed on the London stock exchange. The asset managed fund represents investments in quoted investments in US listed entities.

As at 31 December 2021, the investment in Polymetal represents the holding of 125,000 shares (2020: 125,000 shares). In 2021, there were no shares sold (2020: 410,000 shares) in Polymetal, all of the asset managed fund and other equity securities for €NIL / US$NIL (2020: €'000 7,741 / US$'000 9,019) as a result of managing its strategic investments and cash flows which approximates its fair value. The Group realised a gain of €NIL / US$NIL (2020: €'000 1,701 / US$'000 1,939) which had already been included in OCI. This gain has been transferred to retained earnings (see Note 24).

In 2021, the Group received dividends in the amount of €'000 104 / US$'000 123 (2020: €'000 229 / US$'000 262) from these equity securities (see Note 8).

The above quoted securities are denominated in in Sterling.

A reasonably possible change of 5% in market value at the reporting date would have increased (decreased) equity by the amounts shown below, as movement in the fair value are measured through OCI, there is no increase or decrease within profit or loss. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Equity		Equity	
	€'000 5% increase	€'000 5% increase	US$'000 5% increase	US$'000 5% increase
31 December 2021				
Polymetal International plc	98	(98)	111	(111)
31 December 2020				
Polymetal International plc	116	(116)	143	(143)

20. Inventories

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Finished goods	94	269	106	330
	94	269	106	330

The Group has not recognised an inventory write down during the financial year (2020: €Nil / US$Nil).

In the opinion of the directors the replacement cost of the stock did not differ significantly from the figure shown (2020: €Nil / US$Nil). No inventory was recognised as an expense during the financial year (2020: €Nil / US$Nil).

21. Trade and other receivables

	Group				Company			
	2021	2020	2021	2020	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000	€'000	€'000	US$'000	US$'000
Tax refundable	15	14	17	17	15	8	17	10
Other debtors	319	29	361	36	15	-	17	-
	334	43	378	53	30	8	34	10
Trade and other receivables as held for resale (Note 31)	-	8	-	10	-	-	-	-
	334	51	378	63	30	8	34	10

All amounts are short term. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value. The carrying value of amounts owed by group undertakings is shown net of allowance for expected credit losses of €NIL /US$NIL (2020: €NIL /US$NIL) as disclosed in Notes 27 and 28.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

22. Cash and cash equivalents

	Group				Company			
	2021	2020	2021	2020	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000	€'000	€'000	US$'000	US$'000
Cash at bank	6,484	10,534	7,343	12,939	943	2,475	1,068	3,040
Short term deposits	110	212	125	260	-	-	-	-
	6,594	10,746	7,468	13,199	943	2,475	1,068	3,040
Cash classified as held for resale (Note 31)		62		76	-	-	-	-
	6,594	10,808	7,468	13,275	943	2,475	1,068	3,040

Cash and cash equivalents are held by the Group on a short-term basis with all having an original maturity of three months or less.

The carrying amount approximates their fair value. Short-term deposits are obtained at prevailing market rate conditions.

23. Share capital

Group & Company	2021	2020	2021	2020
	€	€	US$	US$
Authorised equity				
120,000,000 Ordinary shares of 12.5 cent each	15,000,000	15,000,000	21,000,000	21,000,000
	15,000,000	15,000,000	21,000,000	21,000,000

Group & Company Issued, called up and fully paid	Number of ordinary shares		Share capital	Share capital
			€'000	€'000
At 1 January 2020 and 31 December 2020	88,458,806		11,057	15,586
At 1 January 2021 and 31 December 2021	88,458,806		11,057	15,586

Ordinary shares

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Treasury shares

The reserve for the Company's treasury shares comprises the cost of the Company's shares held by the Group.

On 28 April 2015, Ovoca Bio plc purchased 5,800,000 ordinary shares of nominal value €0.125 each of the issued share capital of the Company at a price of GBP 6.8p. Ovoca Bio plc intends to hold these shares as treasury stock.

As at 31 December 2021 and 2020, the Company has a total of 81,563,806 (2020: 81,563,806) Ordinary Shares in issue excluding treasury shares of 6,895,000 which have a cumulative cost of €'000 547 / US$'000 607. The purchase was made pursuant to the authority granted by shareholders at an Extraordinary General Meeting of the Company held on 17 October 2014. To date, Ovoca has acquired 7.8% (2020: 7.8%) of its own share capital under this approved share buyback programme.

24. Retained earnings

	Group				Company			
	2021	2020	2021	2020	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000	€'000	€'000	US$'000	US$'000
Surplus at 1 January	3,035	6,402	4,925	8,244	9,640	7,652	15,483	13,213
Transfers to retained earnings	-	(1,031)	-	(652)	-	-	-	-
Share of (loss)/profit for the financial year	(5,475)	(2,336)	(6,473)	(2,667)	(5,655)	1,988	(6,687)	2,270
Surplus at 31 December	(2,440)	3,035	(1,548)	4,925	3,985	9,640	8,796	15,483

Retained earnings is made up of accumulated profits and losses, transfers from other comprehensive income and non-controlling interest.

In accordance with the provisions of the Companies Act 2014, Section 304(2), the Company has not presented an income statement. A loss for the financial year of €'000 5,655 / US$'000 6,687 (2020: profit of €'000 1,988 / US$'000 2,270) has been recognised in the income statement of the Company.

25. Other reserves

Details and movements in other reserves of the Group are as follows:

	Other reserves	Foreign currency trans-lation reserve	Share based payment reserve	Total	Other reserves	Foreign currency trans-lation reserve	Share based payment reserve	Total
	€'000	€'000	€'000	€'000	US$'000	US$'000	US$'000	US$'000
At 1 January 2021	2,026	2,951	30	5,007	2,476	425	34	2,935
Other comprehensive income/(loss):								
Fair value movement on equity securities designated at FVOCI	(625)	-	-	(625)	(739)	-	-	(739)
Exchange movement on equity securities designated at FVOCI	77	-	-	77	91	-	-	91
Foreign exchange gain/(loss) arising from translation of financial statements of a foreign operations	-	889	-	889	-	(471)	-	(471)
Transfer to retained earnings as a result of sale of equity securities designated at FVOCI	-	-	-	-	-	-	-	-
Transactions with owners of the Company								
Share based payments	-	-	12	12	-	-	14	14
Balance at 31 December 2021	1,478	3,840	42	5,360	1,828	(46)	48	1,830
At 1 January 2020	681	4,730	21	5,432	923	868	24	1,815
Other comprehensive income/(loss):								
Fair value movement on equity securities designated at FVOCI	3,710	-	-	3,710	4,229	-	-	4,229
Exchange movement on equity securities designated at FVOCI	(664)	-	-	(664)	(737)	-	-	(737)
Foreign exchange gain/(loss) arising from translation of financial statements of a foreign operations	-	(1,779)	-	(1,779)	-	(443)	-	(443)
Transfer to retained earnings as a result of sale of equity securities designated at FVOCI	(1,701)	-	-	(1,701)	(1,939)	-	-	(1,939)
Transactions with owners of the Company								
Share based payments expired	-	-	9	9	-	-	10	10
Balance at 31 December 2020	2,026	2,951	30	5,007	2,476	425	34	2,935

Details and movements of other reserves of the Company are as follows:

	Other reserves	Share based payment reserve	Total	Other reserves	Foreign currency translation reserve	Share based payment reserve	Total
	€'000	€'000	€'000	US$'000	US$'000	US$'000	US$'000
At 1 January 2021	1,305	30	1,335	1,780	(5,823)	34	(4,009)
Other comprehensive income:							
Exchange movement on translation from functional currency	-	-	-	-	(1,826)	-	(1,826)
Transactions with owners of the Company							
Share based payments expired during the financial year	-	12	12	-	-	14	14
Balance at 31 December 2021	1,305	42	1,347	1,780	(7,649)	48	(5,821)
At 1 January 2020	1,305	21	1,326	1,780	(8,166)	24	(6,362)
Other comprehensive income:							
Exchange movement on translation from functional currency	-	-	-	-	2,343	-	2,343
Transactions with owners of the Company							
Share based payments expired during the financial year	-	9	9	-	-	10	10
Balance at 31 December 2020	1,305	30	1,335	1,780	(5,823)	34	(4,009)

26. Trade and other payables

	Group				Company			
	2021	2020	2021	2020	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000	€'000	€'000	US$'000	US$'000
Trade payables	373	358	422	439	22	14	25	17
Amounts owed to group undertakings (Note 27)	-	-	-	-	8,416	8,266	9,532	10,153
Provisions (Note 33)	787	-	891		779		882	
Accruals	181	91	205	112	64	91	72	112
	1,341	449	1,518	551	9,281	8,371	10,511	10,282
Liabilities classified as held for resale (Note 31)	-	37	-	45	-	-	-	-
	1,341	486	1,518	596	9,281	8,371	10,511	10,282

All amounts are short term and non-interest bearing. The net carrying value of trade payables is considered a reasonable approximation of fair value.

27. Related party transactions

Details of subsidiary undertakings are shown in Note 18.

In accordance with International Accounting Standard 24 - Related Party Disclosures, transactions between group entities that have been eliminated on consolidation are not disclosed.

Key management personnel are the Board of Directors of the Group and the Chief executive officer of IVIX LLC.

Details of the remuneration of Directors are disclosed in Note 11.

Group

Transaction and balances with the key management personnel in IVIX LLC:

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Salaries and wages, including capitalised cost	66	69	78	79
Unpaid salaries and wages	1	1	1	1

Transaction and balances with the key management personnel in Magsel LLC:

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Salaries and wages, including capitalised cost	–	15	–	17
Unpaid salaries and wages	–	–	–	–

Transaction and balances with Perm' Chemical Company, a company controlled by key management personnel of the Group:

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Development costs	–	18	–	21
Inventories purchased	–	–	–	–

Transaction and balances with Hemastasyx Limited, a company controlled by key management personnel of the Group:

	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Consultancy fees	156	65	184	74

Refer to additional acquired shareholding interest in IVIX LLC (subsidiary) to Note 26.

Company

Included in amounts owed by/ (to) group undertaking are shown below::

	Company			
	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Silver Star Limited	(8,416)	(8,266)	(9,532)	(10,153)
Amounts owed to group undertakings	(8,416)	(8,266)	(9,532)	(10,153)

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

At 31 December 2021, the Company had receivable of €NIL / US$NIL €NIL / US$NIL) from its subsidiaries. Total provision in respect of amounts due from subsidiary undertakings in 2021 amounted to €'000 441 / US$'000 522 (2020: €'000 415 / US$'000 474). Reversal of provision in respect of amounts due from subsidiary undertakings in 2021 amounted to €NIL / US$NIL (2020: €NIL /US$NIL).

Refer to Note 28 for further details under credit risk section.

28. Financial instruments

The Group and Company monitors relevant aspects of financial instrument risk on an ongoing basis. Financial instrument risks primarily relate to market risk such as foreign exchange risk and price risk, credit risk and liquidity risk. The following table shows the carrying amount of financial assets and financial liabilities in each category as follows:

	Group				Company			
	2021	2020	2021	2020	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000	€'000	€'000	US$'000	US$'000
Financial assets not measured at fair value								
Investments (Note 18)	-	-	-	-	24,697	27,920	27,972	34,292
Cash and cash equivalents (Note 22)	6,594	10,746	7,468	13,199	943	2,475	1,068	3,040
Other debtors (Note 21)	319	30	361	37	15	-	17	-
	6,913	10,776	7,829	13,236	25,655	30,395	29,057	37,332
Financial assets measured at fair value								
Equity securities designated at FVOCI (Note 19)	1,954	2,328	2,213	2,859	-	-	-	-
	1,954	2,328	2,213	2,859	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables (Note 26)	1,341	449	1,518	551	9,281	8,371	10,511	10,282
	1,341	449	1,518	551	9,281	8,371	10,511	10,282

Foreign Exchange Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has no established policy in managing foreign exchange rate risk. Any favourable or unfavourable movements of foreign currency exchange rates are absorbed by the Group. Exchange rate fluctuations may affect the cost that the Group incurs with its operations. Any fluctuations of the US Dollar, Russian Rouble and Sterling Pounds against the Euro may have a significant impact on the Group's financial position and results in future. The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date are as follows:

	Financial Assets		Financial Liabilities	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
United States Dollar	2,325	4,681	-	-
Russian Rouble	26	27	110	77
Sterling Pounds	5,135	7,686	-	-
Australian Dollar	560	588	199	150

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date are as follows:

	Financial Assets		Financial Liabilities	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
United States Dollar	527	2,414	-	-
Sterling Pounds	2	2	-	-

The following table details the Group and Company's sensitivity to a 10% increase and decrease in the Euro against United States Dollar, Russian Roubles and Sterling Pounds. 10% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates, it assumes that all other variables, in particular bank interest rates, remain constant and ignores the impact of forecast sales and purchases:

	United States Dollar Impact		Russian Roubles Impact	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	€'000	€'000
Group profit or loss	211	426	(8)	(5)
Company profit or loss	48	219	-	-

	Sterling Pounds Impact		Australian Dollar	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	€'000	€'000
Group profit or loss	467	487	33	40
Company profit or loss	-	-	-	-

Credit Risk

This refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining significant collateral, where appropriate, as a means of mitigating the risk of financial loss from defaulters. The table below analyses the maximum exposure of the Group's financial assets which are subject to credit risk::

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Other debtors (Note 21)	319	29	361	36
Cash and cash equivalents (Note 22)	6,594	10,746	7,468	13,199
Total	6,913	10,775	7,829	13,235

The Group continuously monitors other counterparty, identified either individually or by the Group, and incorporates this information into its credit risk controls. In relation to the credit risk for cash and cash equivalents, the risk is considered to be negligible, since the counterparties are reputable banks with high quality external credit ratings. The Group's management considers that all of the above financial assets are of good credit quality, as the Group's policy is to deal only with creditworthy customers.

Company

In determining the impairment loss, amounts owed by group undertakings were classified as either amounts repayable on demand, low credit risk receivables or amounts for which there has been a substantial increase in credit risk since initial recognition. In determining the expected credit loss (including probability of default and loss given default), regard was given to the historic performance of the relevant loan as well as forward looking information for the relevant subsidiary including detailed discounted cash flow forecasts. For repayable on demand loans where the loan could not be repaid at the reporting date, expected credit losses were calculated by considering the likely recovery strategies of the Company, including consideration of 'repay over time' strategies. For loans with a substantial increase in credit risk, consideration was given to the future activities and cash flows of the subsidiary and life-time expected credit losses were recognised accordingly where appropriate. The Company's financial assets which are subject to credit risk pertain to amounts owed by group undertakings as follows:

	Company			
	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Comtrans LLC	-	-	-	-
Amounts owed by group undertakings	-	-	-	-

The closing balance of the amounts owed by group undertakings at amortised costs loss allowance:

	Company			
	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
At 1 January	-	-	-	-
Provisions during the financial year	-	-	-	-
Recovery during the financial year	-	-	-	-
Derecognised during the financial year	-	-	-	-
At 31 December	-	-	-	-

Liquidity Risk

This refers to the risk that the Group will not have the sufficient funds to meet its liabilities. The Group holds its cash in currencies in which it expects to incur expenditure, including Euros, US Dollar and Russian Roubles. The Group's reporting currency is the Euro. The most meaningful information relates to the Group's current liquidity since it is not generating any income from its mineral projects. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the earliest date on which the Group can be required to pay. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 1 year equal to their carrying values, as the impact of the discounting is not significant.

Group				
Balances due within 1 year	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Trade and other payables and provisions (Note 26)	1,341	449	1,518	551

Company				
Balances due within 1 year	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Trade and other payables and provisions (Note 26)	9,281	8,371	10,511	10,282

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and equity securities at FVOCI. The Group's current cash resources (Note 22), trade and other receivables (Note 21) and equity securities at FVOCI (Note 19) significantly exceed the current cash outflow requirements.

Market Risk – price risk

Factors beyond the control of the Group may affect the marketability of its securities. Prices are subject to fluctuation and are affected by factors beyond the control of the Group. The effect of these factors on the Group's operations cannot be accurately predicted. Fluctuations in stock market prices affect the Group's Equity securities at FVOCI. The Group seek to minimise this risk by closely monitoring stock market movements on an ongoing basis. A detailed sensitivity analysis of the impact of changes in the market price of securities is available at Note 19.

Fair value hierarchy and measurement

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring and non-recurring basis:

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Equity securities at FVOCI at Level 1 (Note 19)	1,954	2,328	2,213	2,859
Property, plant and equipment included in the disposal group classified as held for sale at Level 2 (Note 31)	-	298	-	366

The fair value of the property, plant and equipment included in the disposal group classified as held for sale is estimated based on appraisals performed by independent, professionally qualified property valuers. The significant inputs and assumptions are developed in close consultation with management. The valuation processes and fair value changes are reviewed by the board of directors at each reporting date.

In 2020, the fair value was determined using the sales price quotation further discussed in Note 31.

At 31 December 2021, the land and building were disposed, hence, the fair value of the land and building amounted to €Nil/ US$Nil.

There were no transfers between Levels in 2021 and 2020.

Capital management

The Group considers total equity as capital. Its primary objective in capital management is to maintain a strong credit rating in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions.

To maintain or adjust the capital structure, the Company may issue new shares or other financial instruments in relation to ensure the liquidity and the necessary level of the working capital. The amounts managed as capital by the Group for the reporting periods are as summarised as follows:

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Total Equity – Group	13,340	18,552	15,261	22,839
Total Equity – Company	16,389	22,032	18,563	27,060

29. Share-based payments - Group and Company

Under the share option scheme employees of the Group can receive conditional awards of share options depending on their performance, seniority and length of service. All options issued to date vest once granted. IFRS 2 requires that a recognised valuation methodology be employed to determine the fair value of share options granted. The valuation model used by the Company in years where options are granted or vesting is the Bi-nominal model. Fair value is determined under the equity settled share based remuneration schemes operated by the group.

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices over the last three years. The market vesting condition was factored into the valuation of the phantom options by applying an appropriate discount to the fair value of equivalent share appreciation rights without the specified vesting conditions. The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous period.

In 2021, the expense recognised for employee services received during the financial year arising from equity settled share based payment transactions amounting to €'000 12/ US$'000 14 (2020: €'000 9/ US$'000 10) is included in employee expenses, see Note 5. In 2021, 400,000 (2020: 2,200,000) options granted were forfeited due to resignation of grantees.

	2021		2020	
	Number of options	Weighted average exercise price (€cent per share)	Number of options	Weighted average exercise price (€cent per share)
Outstanding at 1 January	3,700,000	12.5	5,900,000	12.5
Forfeited	(400,000)	-	(2,200,000)	-
Expired during the financial year	-	-	-	-
Outstanding at 31 December	3,300,000	12.5	3,700,000	12.5
Of which:				
Exercisable at 31 December	-	-	-	-

30. Acquisition of subsidiary

On 25 September 2018, the Group acquired 50.02% of the equity instruments of IVIX LLC ("IVIX"), a Russian based business, thereby obtaining control. The acquisition was made to diversify the Group's position. The details of the business combination as follows:

Fair value of consideration transferred	€'000	US$'000
Amount settled in cash	3,604	4,120

Recognised amounts of identifiable net assets	€'000	US$'000
Non-current assets		
Property, Plant and Equipment	1	1
Intangible assets	992	1,153
Total non-current assets	993	1,154
Current assets		
Inventories	31	37
Trade and other receivables	37	45
Cash and cash equivalents	1,129	1,312
Total current assets	1,197	1,394
Non-current liabilities		
Other non-current payables	(15)	(17)
Total non-current liabilities	(15)	(17)
Current liabilities		
Trade and Other Payables	(52)	(64)
Provisions	(5)	(6)
Total current liabilities	(57)	(70)
Identifiable net assets	2,118	2,461

Cash outflow on acquisition	€'000	US$'000
Consideration transferred settled in cash	(3,604)	(4,120)
Cash and cash equivalents acquired	1,129	1,312
Net cash outflow on acquisition	(2,475)	(2,808)
Acquisition costs charged to expenses	(357)	(422)

Acquisition-related costs amounting to €'000 357 / US$'000 422 were not included as part of consideration transferred and have been recognised as an expense in the consolidated income statement, as part of administrative expenses in Note 5.

Goodwill arising from the acquisition has been recognised as follows:	Parent	NCI	Total	Parent	NCI	Total
	€'000	€'000	€'000	US$'000	US$'000	US$'000
Amount settled in cash (refer above)	3,604	–	3,604	4,120	–	4,120
Fair value of NCI at acquisition date (refer below)	–	2,505	2,505	–	2,861	2,861
Identifiable net assets (refer above)	(1,058)	(1,057)	(2,115)	(1,230)	(1,228)	(2,458)
Goodwill recognised on acquisition (Note 15)	2,546	1,448	3,994	2,890	1,633	4,523

The goodwill is attributable mainly to the skills and technical talent of IVIX's work force creating proprietary technology that is used by the Group internationally.. None of the goodwill recognised is expected to be deductible for tax purposes.

The fair value of the NCI at the acquisition date was independently valued at € 2.5 million / US$ 2.9 million by International Business Center, an independent firm specialising in consulting, investments and company valuations.

At the date of acquisition, the Group also had the right to acquire a further participation interest (shareholding) to be issued by IVIX LLC for €'000 1,808/ US$'000 2,040 which would increase its overall participation interest in the charter capital of IVIX LLC by 9.9%. The fair value to this right was valued at €Nil / US$Nil, this option was exercised in full on 28 June 2019.

On 24 March 2020, the Company's subsidiary, Silver Star Ltd., acquired the remaining shareholding comprising of 40.06% interest in IVIX LLC for a total cash consideration of €'000 4,091 / US$'000 4,416 was paid to the non-controlling shareholders. The carrying value of the net assets of IVIX LLC was €'000 1,395/ US$'000 1,600. The difference was recognised in retained earnings amounted to €'000 2,732 / US$'000 2,855.

Consequently, IVIX LLC became a wholly-owned subsidiary of the Group.

31. Disposal group classified as held for sale and discontinued operations

Management of the Group has a detailed plan and currently looking for interested parties with respect to the sale of its remaining subsidiary, Comtrans LLC, which is involved in the exploration of mining in the Russian Federation. The disposal is consistent with the Group's long-term policy to refocus its activities as a bio-pharmaceutical company since 2018. On 7 February 2020, the shareholders approved the plan to sell.

Consequently, assets and liabilities allocated the exploration segment of the Group were classified as a disposal group. Revenues and expenses, gains and losses relating to the discontinuation of this segment have been eliminated from profit or loss from the Group's continuing activities and are shown as a single line item on the face of the consolidated income statement. The combined results of the discontinued operations included in the loss for the financial period are set out below.

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Administration expenses (Note 5)	(45)	(64)	(52)	(72)
Other gains/(losses) (Note 7)	(183)	10	(216)	11
Operating loss	(228)	(54)	(268)	(61)
Finance costs	–	–	–	–
Finance income	–	–	–	–
Loss before tax	(228)	(54)	(268)	(61)
Income tax	–	–	–	–
Loss after tax for the financial year from discontinued operations	(228)	(54)	(268)	(61)

	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	€'000	€'000	US$'000	US$'000
Cash inflow/outflow from discontinued operations				
Operating activities	–	25	–	55
Investing activity	–	–	–	–
Net cash flows generated from discontinued operations	–	25	–	55

The carrying amount of assets and liabilities in this disposal group are summarised as follows:

	Group			
	2021	2020	2021	2020
	€'000	€'000	US$'000	US$'000
Assets classified as held for resale:	€			€
Non-current assets:				
Property, plant and equipment (Note 17)	–	298	–	366
Current assets:				
Inventories (Note 20)	–	–	–	–
Trade and other receivables (Note 21)	–	8	–	10
Cash and cash equivalents (Note 22)	–	62	–	76
Assets classified as held for resale	–	368	–	452
Liabilities classified as held for resale:				
Current liabilities:	–	37	–	45
Liabilities classified as held for resale	–	37	–	45

Disposal of Magsel LLC

On 02 February 2021, Magsel LLC disposed of the land and buildings. The land and buildings were included in Assets held for sale and discontinued operations. Subsequently on 27 September 2021, the Group disposed of its 100% equity interest in its subsidiary Magsel LLC. The subsidiary was part of the group of mining companies classified as held for sale in the prior year. The disposal was in line with the company's strategy to refocus its activities into the bio-pharmaceutical sector. The disposal resulted in a loss amounting to €'000 183 (US$'000 216).

Disposal of Bulun LLC

On 5 March 2021, the Group disposed of its 100% equity interest in its subsidiary Bulun LLC. The subsidiary was part of the group of mining companies classified as held for sale in the prior year. The disposal was in line with the company's strategy to refocus its activities into the bio-pharmaceutical sector. The disposal resulted in a no gain, no loss transaction as the proceeds received from the purchaser were equal to the costs associated with the disposal, payable by Bulun LLC.

32. Subsequent events

Russian Marketing Authorisation

In February 2022 the company announced that it had received a Marketing Authorisation approval for Orenetide by the Russian Ministry of Health ("Minzdrav"), for the treatment of HSDD in premenopausal women.

Minzdrav approved the medical prescription of Orenetide, administered through a nasal spray, to patients in the Russian Federation under the trade name 'Desirix'. The Marketing Authorisation was approved based on data from two Phase 1 studies, a Phase 2a study and the pivotal Phase 3 study completed in 2019, conducted in Russia, which established the safety and efficacy of Orenetide.

The approved manufacturing sites for Orenetide are operated by two reputable pharmaceutical manufacturers - Nativa and OncoTarget, with commercial production of Orenetide expected to start in Q3 2022. Ovoca plans to finalize a licensing agreement for the Russian market and commercial launch of 'Desirix' (Orenetide) in the Q4 2022.

Australia and New Zealand Clinical trial

With the decrease in COVID-related lockdowns and easing of restrictive measures by Australia and New Zealand Authorities in 2022, the recruitment rate into the Orenetide clinical trial has restored. More than 85% of participants have already been recruited into the Trial by the end of April 2022. Company reiterated its intension to complete recruitment of participants in the mid-2022.

Taymura litigation

Please refer to Note 33 for the updates subsequent to year-end regarding the Company's ongoing court proceedings.

Decrease in fair value of investment in equity securities

Related to the recent events in Ukraine and Russia, the Group's investment in Polymetal shares saw a significant decline in fair value in February 2022, and as at 31 May 2022, it was valued at €'000 450/US$'000 499.

33. Provision for legal costs

In 2014, the Company entered into a loan agreement with a third party. In return for a US$'000 6,300 loan, the Company (formerly Ovoca Gold plc) received an exclusive period to complete due diligence on JSC Evenkiya Fuel and Energy Company (ETEK) and LLC Taymura. The loan was secured by certain receivables of LLC Taymura, non-encumbrance of the assets for the exclusive period, and personal guarantees. In the event that acquisition terms could not be agreed the loan was to be returned with interest to the Company. The loan subsequently went in to default for non-repayment. After extensive legal proceeding, the Company recovered an amount of US$'000 1,000 during the financial year ended 31 December 2016 and the Company continues to try to recover the remaining amount through the courts. However, in May 2019 we became aware that an arbitration court in Russia issued a decision for the Company to repay the received US$'000 1,000.

In December 2019, Alliance LLC (a legal successor of Taymura), filed a petition to the court for changing the method of enforcing the decision under which the court granted to repay the received US$`000 1,000, should change the manner and the method of court order enforcement and provide for the seizure of the share held by the debtor, Ovoca Bio plc in the share capital of Comtrans LLC with the nominal value of 32 400 400 rubles.

A subsequent ruling made by the Court in April 2022, granted the claim of Alliance LLC and directing for the share capital of Comtrans LLC to be seized and the share representing 59,94% of the share capital of IVIX LLC (subsidiary of Silver Star Ltd.) to be seized in order to fully recover the amount recovered in 2016.

Ovoca Bio Plc rigorously contests this decision, and the case is scheduled for hearing on 21 July 2022. However, there is a high risk that the contentions will not succeed, partly due to the current volatile political situation.

Ovoca Bio Plc had cautiously considered the latest developments in the courts and obtained extensive legal advice on the matter. At this time, the Board believes, it is prudent to make a provision of in relation to the possible outflow of resources connected with the Alliance LLC claim. See Note 26.

34. Non-controlling interest

On 28 June 2019, the Group, through its wholly-owned subsidiary, Silver Star Ltd., acquired additional interest equivalent to 9.92% from IVIX LLC for a cash consideration paid amounting to €'000 1,809/ US$'000 2,040.

On 24 March 2020, the Company's subsidiary, Silver Star Ltd., acquired the remaining shareholding interest in IVIX LLC for a total cash consideration of €'000 4,091/ US$'000 4,416. Consequently, IVIX LLC became a wholly-owned subsidiary of the Group.

35. Approval of the financial statements

These financial statements were approved by the Board of Directors 22 June 2022.

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