London and New York, NY, March 29, 2024 – OKYO Pharma Limited (NASDAQ: OKYO), a clinical-stage biopharmaceutical company developing innovative ocular therapies for the treatment of inflammatory dry eye disease (DED), a multi-billion-dollar market, and for neuropathic corneal pain (NCP), an ocular condition associated with pain but without an FDA approved therapy, today announces its interim results for the six months ended 30 September 2023.

Clinical Updates:

OK-101

During the past six months the Group's primary focus has been centered on completing the Phase 2 trial of OK-101 to treat DED and on analyzing its results, as well as advancing OK-101 towards a corneal neuropathic pain indication.

During and post this period, the Group accomplished the following:

- Completed the Phase 2 trial of OK-101 in 240 dry eye disease patients according to projected timelines
- Reported positive top line data for the Phase 2 DED trial in January 2024
- Received IND clearance from the U.S. Food and Drug Administration (FDA) to test OK-101 in patients with neuropathic corneal pain.
- Reported positive new findings from its Phase 2 trial of OK-101 in dry eye disease patients including a statistically significant and durable reduction in ocular pain and a statistically significant improvement in Tear Film Break-Up Time (TFBUT) throughout the study in patients receiving the 0.05% dose of OK-101. Multiple symptomatic improvements were also observed by during patient clinic visits as well as collected from patient daily symptom diaries for patients receiving the 0.05% dose.

The OK-101 first-in-human Phase 2 trial established a clear clinical path for further clinical development in a Phase 3 study design using FDA recognized endpoints. OK-101 demonstrated statistically significant benefit in the sign endpoint of total conjunctival staining as measured by the Ora Calibra© Staining Scale as early as Day 29 ($p = 0.034$). OK-101 also improved at least two symptoms of DED including burning measured by the Ora Calibra© 4-symptom questionnaire as well as burning/stinging measured by a visual analogue scale as early as Day 15 ($p = 0.04$ and $p=0.03$, respectively). A statistically significant improvement in blurred vision was also achieved at Day 29 ($p = 0.01$).

Data analyses also showed statistically significant improvement in ocular pain measured by VAS that was durable throughout the trial with p values = 0.03, 0.04 and 0.01 at Days 29, 57 and 85, respectively. Furthermore, OK-101 improved TFBUT as early as Day 15 and the improvement lasted throughout the trial with p values = 0.01, 0.05, 0.02, and 0.03 at Days 15, 29, 57 and 85, respectively. Additionally, data obtained from daily symptom diaries maintained by patients during the trial, commonly referred to as patient-reported outcome data, confirmed several of the DED symptoms also measured in the clinic, exhibiting significant improvements as early as Day 1 through Day 15 for pain, burning/stinging, eye dryness and itching, with p values of 0.01, 0.06, 0.005 and 0.009, respectively.

Treatment emergent adverse events (TEAEs) were observed to be similar to the placebo-treated group. No severe drug related ocular TEAEs were seen. Possible drug-related TEAEs were observed in one patient in the OK-101 0.05% treatment group and 3 patients in the placebo-treated group, again highlighting the favourable safety profile of OK-101.

OKYO plans to engage with the FDA on next steps forward with an End-of-Phase 2 meeting with the Agency, and is planning to begin the Phase 3 trial of OK-101 in DED by the end of 2024.

In February 2024, the Company announced that it was the first company that had received Investigational New Drug Application (IND) clearance to study OK-101 in neuropathic corneal pain (NCP). The Company plans to initiate a Phase 2 trial in NCP in 2024.

The Phase 2 study is designed as a double-masked, randomized, 12-week placebo-controlled trial comparing OK-101 to placebo in NCP patients. A total of 54 patients are planned for the study, with NCP disease confirmed *via* confocal microscopy. The primary endpoint will be measured utilizing VAS pain relief scores. The OK-101 trial, designed as a single-center trial, will be led by Pedram Hamrah, MD, of Tufts Medical Center, as Principal Investigator. Dr. Hamrah is Professor and Vice Chair of Research and Academic Programs, Co-Director of the Cornea Service and Director of the Center for Translational Ocular Immunology at Tufts Medical Center.

Financial Highlights:

- Total assets of £1.9 million (31 March 2023: £4.2 million)
- Cash on hand of £1.3 million (31 March 2023: £3.3 million)
- During the financial period under review, the Company reported a total comprehensive loss of £7.0million (compared to total comprehensive loss of £4.6 million for the six months ending September 30 2022)

About OKYO

OKYO Pharma Limited (NASDAQ: OKYO) is a clinical stage biopharmaceutical company developing innovative therapies for the treatment of DED and NCP, with ordinary shares listed for trading on the NASDAQ Capital Market. OKYO is focused on the discovery and development of novel molecules to treat inflammatory DED and ocular pain. In addition to the recently completed Phase 2 DED trial, OKYO also has plans underway for the opening of a Phase 2 trial for OK-101 to treat NCP in patients with this debilitating condition. For further information, please visit www.okyopharma.com.

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OKYO Pharma Limited

Chairman's statement

Dear Shareholders,

I am pleased to report on the Group's financial results for the six months ended 30 September 2023. We have achieved many important milestones during this time and subsequently to this report, including completion of the Phase 2 trial of OK-101, which culminated in a positive data read-out in early January. We have also successfully obtained the first IND clearance of OK-101 for the treatment of neuropathic corneal pain, an important indication with significant unmet need.

Results to 30 September 2023

During the six months ended 30 September 2023, the Group reported a total comprehensive loss of £7.0million (30 September 2022: £4.6million).

The Group's shareholders' equity at 30 September 2023 stood at a deficit of £4.9million (31 March 2023**:** deficit of £1.7 million).

Cash was £1.3m at the end of the period (31 March 2023**:** £3.2 million).

On May 22, 2023, the Company delisted from the standard segment of the Main Market of the London Stock Exchange and had a sole listing on the NASDAQ capital market. In conjunction with the delisting, there was a share consolidation of 65 to 1.

On 31 October 2023, the Group announced a successful capital raise of USD $1.64 million of 1,092,600 ordinary shares at an offering price of $1.50 per ordinary share along with a simultaneous extinguishment of $4.20M of payables by issuing 2,766,667 ordinary shares, at the offering price of $1.50 per ordinary share, materially reducing the payables balance.

Operations in Review

OK-101 Project

During the 4th quarter of 2022 we finished the final stages of a concerted effort to complete all Investigational New Drug ("IND") enabling activities and filed with the U.S. Food and Drug Administration ("FDA") an IND on OK-101 to treat DED patients on November 18, 2022. On December 22, 2022 we announced that we had received clearance of the IND application from the FDA to enable us to initiate a Phase 2, first-in-human, clinical study of OK-101 for the treatment of DED.

On May 2, 2023, we announced that the first patient was successfully screened for our Phase 2, multi-center, randomized, double-blinded, placebo-controlled trial of OK-101. Because the drug is designed to be administered topically, we were able to skip the standard Phase 1 studies typically expected with orally delivered or injectable drug candidates in non-life-threatening conditions, enabling us to open this first human trial with OK-101 as a Phase 2 clinical study in DED patients. This trial was designed to be conducted in approximately 240 DED patients, and was designed in conjunction with Ora Inc., the clinical CRO for the study.

On June 6, 2023 we announced that patients in the ongoing Phase 2 trial were now being dosed in the randomized portion of the Phase 2, multi-center, double-masked, placebo-controlled trial of topical ocular OK-101 to treat DED, following a two-week placebo run-in period intended to minimize the placebo effect.

The Phase 2 trial was completed within 7 months from enrollment of the first patient and we reported positive top line data in January 2024.

The results from this OK-101 first-in-human Phase 2 trial has established a clear clinical path for further development of OK-101 in Phase 3 studies. The first planned Phase 3 study design will be using FDA recognized endpoints that have now been established from this Phase 2 trial. FDA approval of a drug to treat DED demands statistical significance be demonstrated in both a "sign" and a "symptom" primary endpoint in two well-controlled phase 3 registration trials. OK-101 demonstrated in the just-completed Phase 2 trial

statistically significant benefits in both the sign endpoint of total conjunctival staining, as measured by the Ora Calibra© Staining Scale as early as Day 29 after initiating dosing (p = 0.034), and also improved at least two symptom endpoints of DED: 1) burning measured by the Ora Calibra© 4-symptom questionnaire as well as burning/stinging measured by a visual analogue scale as early as Day 15 after initiating dosing (p = 0.04 and p=0.03, respectively), and 2) statistically significant improvement in blurred vision at Day 29 after initiating dosing (p = 0.01).

Data analyses also showed statistically significant improvement in ocular pain measured by VAS that was durable throughout the trial with p values = 0.03, 0.04 and 0.01 at Days 29, 57 and 85, respectively. Furthermore, OK-101 improved TFBUT as early as Day 15 and the improvement lasted throughout the trial with p values = 0.01, 0.05, 0.02, and 0.03 at Days 15, 29, 57 and 85, respectively. Additionally, data obtained from daily symptom diaries maintained by patients during the trial, commonly referred to as patient-reported outcome data, confirmed several of the DED symptoms also measured in the clinic, exhibiting significant improvements as early as Day 1 through Day 15 for pain, burning/stinging, eye dryness and itching, with p values of 0.01, 0.06, 0.005 and 0.009, respectively.

Treatment emergent adverse events (TEAEs) were observed to be similar to the placebo-treated group. No severe drug related ocular TEAEs were seen. Possible drug-related TEAEs were observed in one patient in the OK-101 0.05% treatment group and 3 patients in the placebo-treated group, again highlighting the favourable safety profile of OK-101.

We now plan to engage with the FDA on next steps forward *via* an End-of-Phase 2 meeting and are presently planning to begin a Phase 3 trial of OK-101 in DED before the end of the year.

In February 2024, we announced that we were the first company, to our knowledge, to ever receive clearance of an IND for a drug to treat neuropathic corneal pain (NCP), a major unmet ocular medical need. With clearance of the IND by the FDA, we are now planning to initiate a Phase 2 trial in NCP in 2024.

The Phase 2 study is designed as a double-masked, randomized, 12-week placebo-controlled trial comparing OK-101 to placebo in NCP patients. A total of 54 patients are planned for the study, with NCP disease confirmed via confocal microscopy. The primary endpoint will be measured utilizing VAS pain relief scores. The OK-101 trial, designed as a single-center trial, will be led by Pedram Hamrah, MD, of Tufts Medical Center, as Principal Investigator. Dr. Hamrah is Professor and Vice Chair of Research and Academic Programs, Co-Director of the Cornea Service and Director of the Center for Translational Ocular Immunology at Tufts Medical Center.

OK-201 Project

The company continues to postpone, for the time being, further drug development of OK-201 as it focuses its full resources on the development of its lead drug candidate OK-101 to treat DED patients.

Summary

The development of new drugs to treat DED has been particularly challenging due to the heterogeneous nature of the patient population suffering from DED, and due to the difficulties in demonstrating an improvement in both signs and symptoms of the disease in well-controlled clinical trials. The evidence from over 40 years of scientific literature, however, suggests inflammation as the most common underlying cause of DED. Consequently, development of new therapeutic agents that target inflammatory pathways is looking to be an attractive approach in improving symptoms in DED patients.

OKYO has now achieved a major step by completing its Phase 2 trial of OK-101 to treat DED patients with positive safety and efficacy results. This first-in-human trial of OK-101 established a clear and informed path for further development in Phase 3 registration trials and has validated the proof-of-concept of OK-101 in this very first human study.

With the achievement of statistical significance for both sign and symptom endpoints, we plan to advance OK-101 into Phase 3 clinical trials, with the goal of developing a highly differentiated dry eye product to help patients underserved by current treatments.

These results also further support the potential of OK-101 for the treatment for corneal neuropathic pain, which is our parallel development focus for OK-101 in 2024.

Important Events

On May 22, 2023, the Company delisted from the standard segment of the Main Market of the London Stock Exchange and had a sole listing on the NASDAQ capital market. In conjunction with the delisting, there was a share consolidation of 65 to 1.

In February 2024, the Group announced that it was the first company that had received Investigational New Drug Application (IND) clearance to study OK-101 in neuropathic corneal pain (NCP).

Related party transactions

Tiziana Life Sciences Ltd is a related party as the entity is controlled by a person that has significant influence over the Group. The Company shares premises and other resources with Tiziana Life Sciences Ltd and there is a shared services agreement in place between the Company and Tiziana Life Sciences Ltd for the six months ended September 30, 2023. The Company incurred £80,505 worth of costs in relation to this agreement and as at September 30, 2023, £229,648 was due to Tiziana Life Sciences Ltd.

In August 2022, the Group secured a short-term credit facility from Tiziana Life Sciences Ltd for $2m in order to support short term liquidity. The credit facility was available for a period of 6 months upon first draw-down and carries an interest rate of 16% per annum, with additional default interest of 4% if the credit facility is not repaid after the 6-month period. As at 30 September, 2023 the full amount had been drawn down against the loan and £232,998 of interest had been accrued. The total balance due at 30 September 2023 for this loan was £1,940,442. This debt was extinguished in October 2023 as Tiziana Life Sciences Ltd agreed to accept 2,100,000 ordinary shares in exchange for the extinguishment of the loan plus accrued and additional interest.

Going Concern

The cash burn rate from the beginning of April 2024 to the end of March 2025 is projected at £4.2m ($5.1m), and the company projects that without additional financing facilities it will run out of cash by the end of Q2 2024. Consequently, in the opinion of the directors there is a material uncertainty that may cause significant doubt about the Group's ability to continue as a going concern.

The Company has recently announced its positive data from the Phase 2 trial. Multiple sign and symptom endpoints of statistical significance have been identified and the Company is currently planning its next Phase 3 trial. The directors are confident that the multiple sign and symptom endpoints of statistical significance have derisked the next stage of the OK-101 clinical development program, and that enables the Company to explore various financing opportunities to fund the Phase 3 trial, which will have a relatively short term timeframe of less than 1 year, (which is unusual in the general context of the normal timeframes for Phase III clinical programs to deliver meaningful data points).

To meet the Company's short-term liquidity needs, the Company is currently implementing short term working-capital management and financing measures, which include cost saving measures, filing for R&D tax credits, together with negotiations with creditors and other financing strategies.

Until and unless the Group and Company secures sufficient investment to fund their clinical pipeline, there is a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as a going concern, and therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Despite this material uncertainty, the Directors conclude that it is appropriate to continue to adopt the going concern basis of accounting as the Directors are confident, based on the previous fund-raising history as well as additional measures already put in place and being planned, that sufficient funds will be forthcoming and accordingly they have prepared these interim consolidated financial statements on a going concern basis.

Statement of Directors' responsibilities

The Directors are responsible for preparing the half-yearly financial report in accordance with applicable laws and regulations.

The Directors confirm to the best of their knowledge:

a) The interim consolidated financial statements, prepared in accordance with International Accounting Standard 34 Interim Financial Reporting give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company and the undertakings included in the consolidation taken as a whole; and

b) The Chairman's statement includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Gabriele Cerrone

Non-Executive Chairman

28 March 2024

OKYO Pharma Limited

Consolidated statement of comprehensive income

for the six months ended 30 September 2023

	Notes	**Six months ended 30 September 2023 (unaudited) £**	Six months ended 30 September 2022 (unaudited) £	Year ended 31 March 2023 £
Operating expenses				
Research and development		**(3,783,856)**	(2,142,563)	(5,257,005)
Operating expenses		**(3,153,314)**	(2,412,914)	(5,681,537)
Total operating loss	*4*	**(6,937,170)**	(4,555,477)	(10,938,542)
Finance expense		**-**	-	(80,200)
Loss for the period before taxation		**(6,937,170)**	(4,555,477)	(11,018,742)
Taxation		**(65,785)**	-	10,121
Loss for the period		**(7,002,955)**	(4,555,477)	(11,008,621)
Other comprehensive (loss) / income:				
Items that may be reclassified to profit or loss				
Exchange differences on translating foreign operations		**(18,231)**	(51,419)	42,614
Total comprehensive loss for the period attributable to the owners of the parent		**(7,021,186)**	(4,606,896)	(10,966,007)
Basic and diluted loss per share	*10*	**(0.27)**	(0.21)	(0.49)

The notes on pages 12 to 24 form an integral part of this financial information.

OKYO Pharma Limited

Consolidated statement of financial position

As at 30 September 2023

	Notes	**At 30 September 2023 (unaudited) £**	At 30 September 2022 (unaudited) £	At 31 March 2023 £
Non-Current Assets				
Property, plant and equipment	*5*	**4,214**	5,034	5,844
Total non-current assets		**4,214**	5,034	5,844
Current Assets				
Cash and cash equivalents		**1,326,124**	633,625	3,276,355
Other receivables	*6*	**245,770**	507,577	479,619
Current taxation receivable		**372,881**	442,717	452,838
Total current assets		**1,944,775**	1,583,919	4,208,812
Total assets		**1,948,989**	1,588,953	4,214,656
Equity				
Share premium	*11*	**86,507,684**	78,667,402	83,162,742
Share options reserve	*8*	**3,264,211**	2,297,762	2,799,822
Warrants reserve	*8*	**196,175**	181,669	190,142
Foreign currency translation reserve		**23,562**	(52,240)	41,793
Retained deficit	*11*	**(94,860,371)**	(81,404,272)	(87,857,416)
Shareholders' equity		**(4,868,739)**	(309,679)	(1,662,917)
Current Liabilities				
Trade and other payables	*7*	**4,445,768**	1,786,193	3,452,487
Related party payable	*12*	**425,142**	112,439	631,064
Loan payable to related party		**1,946,817**	-	1,794,019
Total current liabilities		**6,817,727**	1,898,632	5,877,573
Total current and non-current liabilities		**6,817,727**	1,898,632	5,877,573
Total equity and liabilities		**1,948,989**	1,588,953	4,214,656

The notes on pages 12 to 24 form an integral part of this financial information.

OKYO Pharma Limited

Consolidated statement of changes in equity

for the six months ending 30 September 2023 and 30 September 2022

(unaudited)	Notes	Share premium £	Share options reserve £	Share warrants reserve £	Foreign currency translation reserves £	Retained deficit £	Total shareholders' equity £
Balance at 1 April 2023		**83,162,742**	**2,799,822**	**190,142**	**41,793**	**(87,857,416)**	**(1,662,917)**
Loss for the period		-	-	-	-	(7,002,955)	(7,002,955)
Exchange differences on translating foreign operations		-	-	-	(18,231)	-	(18,231)
Total comprehensive loss for the period		-	-	-	(18,231)	(7,002,955)	(7,021,186)
Contributions by and distributions to owners							
Options charge	*8*	-	464,389	-	-	-	464,389
Warrants charge	*8*	-	-	6,033	-	-	6,033
Shares issued in lieu of fees		138,820	-	-	-	-	138,820
Issue of shares (fundraise)	*11*	3,206,122	-	-	-	-	3,206,122
Balance at 30 September 2023		**86,507,684**	**3,264,211**	**196,175**	**23,562**	**(94,860,371)**	**(4,868,739)**
Balance at 1 April 2022		**77,183,263**	**1,743,391**	**166,216**	**(821)**	**(76,848,795)**	**2,243,254**
Loss for the period		-	-	-	-	(4,555,477)	(4,555,477)
Exchange differences on translating foreign operations		-	-	-	(51,419)	-	(51,419)
Total comprehensive loss for the period		-	-	-	(51,419)	(4,555,477)	(4,606,896)
Contributions by and distributions to owners							
Options charge	*8*	-	554,371	-	-	-	554,371
Warrants charge	*8*	-	-	15,453	-	-	15,453
Issue of shares (IPO fundraise)	*11*	2,001,037	-	-	-	-	2,001,037
IPO expenses	*11*	(516,898)	-	-	-	-	(516,898)
Balance at 30 September 2022		**78,667,402**	**2,297,762**	**181,669**	**(52,240)**	**(81,404,272)**	**(309,679)**

The notes on pages 12 to 24 form an integral part of this financial information

OKYO Pharma Limited

Consolidated statement of changes in equity

for the year ended 31 March 2023

	Notes	Share premium £	Share options reserve £	Share warrants reserve £	Foreign currency translation reserves £	Retained deficit £	Total shareholders' equity £
Balance at 1 April 2022		**77,183,263**	**1,743,391**	**166,216**	**(821)**	**(76,848,795)**	**2,243,254**
Total comprehensive loss for the period							
Loss for the period		-	-	-	-	(11,008,621)	(11,008,621)
Exchange differences on translating foreign operations		-	-	-	42,614	-	42,614
Total comprehensive loss for the period		-	-	-	**42,614**	**(11,008,621)**	**(10,966,007)**
Contributions by and distributions to owners							
Issuance of shares fundraising, net		5,908,711	-	-	-	-	5,908,711
Expenses settled in shares		70,768	-	-	-	-	70,768
Options charge	*8*	-	1,066,483	-	-	-	1,066,483
Options forfeiture	*8*	-	(10,052)	-	-	-	(10,052)
Warrant's charge	*8*	-	-	23,926	-	-	23,926
Balance at 31 March 2023		**83,162,742**	**2,799,822**	**190,142**	**41,793**	**(87,857,416)**	**(1,662,917)**

The notes on pages 12 to 24 form an integral part of this financial information

OKYO Pharma Limited

Consolidated statement of cash flows

for the six months ended 30 September 2023

	Notes	Six months ended 30 September 2023 (unaudited) £	Six months ended 30 September 2022 (unaudited) £	Year ended 31 March 2022 £
Cash flows from operating activities				
Loss for the period before taxation		**(6,937,170)**	(4,555,477)	(11,018,742)
Adjusted for non-cash and non-operating items:				
Share options charge	*8*	**464,389**	554,371	1,066,483
Forfeiture of options		**-**	-	(10,052)
Warrants charge	*8*	**6,033**	15,453	23,926
Depreciation of property, plant and equipment	*5*	**1,638**	1,370	3,075
Expenses settled in shares		138,820	-	70,768
(Gain)/ Loss on foreign exchange		**(18,231)**	(51,419)	42,463
Net (decrease)/increase in related party payables		**(53,126)**	76,636	595,263
Net decrease/ (increase) in other receivables	*6*	**233,848**	111,160	139,119
Net increase in trade and other payables	*7*	**927,497**	792,089	2,458,384
Cash used in operating activities		**(5,236,310)**	(3,055,817)	(6,629,313)
Cash inflow from taxation		**79,957**	152,222	152,222
Net cash used in Operating Activities		**(5,156,353)**	(2,903,595)	(6,477,091)
Cash flows from investing activities				
Acquisition of property, plant and equipment		-	(2,426)	(4,791)
Net cash used in investing activities		-	-	(4,791)
Cash flows from financing activities				
Proceeds from issuance of ordinary shares		**3,206,122**	2,001,037	6,646,701
Fundraising costs		-	(516,899)	(737,991)
Repayment of lease liabilities		**-**		-
Proceeds from exercise of warrants	*8*	**-**		1,794,019
Cash generated from financing activities		**3,206,122**	1,484,138	7,702,729
(Decrease) / Increase in cash and cash equivalents		**(1,950,231)**	(1,421,883)	1,220,847
Cash and cash equivalents at beginning of period		**3,276,355**	2,055,508	2,055,508
Cash and cash equivalents at end of period		**1,326,124**	633,625	3,276,355

The notes on pages 12 to 24 form an integral part of this financial information.

OKYO Pharma Limited

Notes to financial statements

for the six months ended 30 September 2023

1. Reporting Entity

OKYO Pharma Limited (the "Company" or "OKYO") is a company domiciled in Guernsey and listed on the main market on the NASDAQ Capital Market (NASDAQ: OKYO). The Company was previously also listed with a standard listing on the main market of the London Stock Exchange (LSE: OKYO) until May 22nd, 2023.

The Company is developing next-generation therapeutics to improve the lives of patients with inflammatory eye diseases and chronic pain. Our goal is to develop first in class drug candidates that prevent the disease instead of controlling it, and we achieve this through our collaboration with pioneer scientists in the field.

The ultimate parent of the group is Planwise Group Limited, incorporated in the British Virgin Islands.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently to all the periods presented unless otherwise stated.

Basis of preparation

These interim consolidated financial statements of the Group for the six months ended 30 September 2023 have been prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not include all of the information or disclosures that would otherwise be required in a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and should be read in conjunction with the consolidated financial statements and annual report for the year ended 31 March 2023. The comparative financial information for the six months ended 30 September 2022 included within these financial statements does not constitute the full statutory Annual Report and Financial Statements for that period.

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its Annual Report and Financial Statements for the year ended 31 March 2023, as set out in Note 2 of that report.

Basis of measurement

Functional and Presentation Currency

The interim consolidated financial statements of the Group are presented in Pound Sterling (£) which is the Parent Company's functional currency. All financial information presented in Pound Sterling has been rounded to the nearest pound unless stated otherwise.

Going Concern

The cash burn rate from the beginning of April 2024 to the end of March 2025 is projected at £4.2m ($5.1m), and the company projects that without additional financing facilities it will run out of cash by the end of Q2 2024. Consequently, in the opinion of the directors there is a material uncertainty that may cause significant doubt about the Group's ability to continue as a going concern.

The Company has recently announced its positive data from the Phase 2 trial. Multiple sign and symptom endpoints of statistical significance have been identified and the Company is currently planning its next Phase 3 trial. The directors are confident that the multiple sign and symptom endpoints of statistical significance have derisked the next stage of the OK-101 clinical development program, and that enables the Company to explore various financing opportunities to fund the Phase 3 trial, which will have a relatively short term timeframe of less than 1 year, (which is unusual in the general context of the normal timeframes for Phase III clinical programs to deliver meaningful data points).

To meet the Company's short-term liquidity needs, the Company is currently implementing short term working-capital management and financing measures, which include cost saving measures, filing for R&D tax credits, together with negotiations with creditors and other financing strategies.

Until and unless the Group and Company secures sufficient investment to fund their clinical pipeline, there is a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as a going concern, and therefore, that it may be unable to realize its assets and discharge its liabilities in the

normal course of business. Despite this material uncertainty, the Directors conclude that it is appropriate to continue to adopt the going concern basis of accounting as the Directors are confident, based on the previous fund-raising history as well as additional measures already put in place and being planned, that sufficient funds will be forthcoming and accordingly they have prepared these interim consolidated financial statements on a going concern basis.

New and Revised Standards

Standards in effect in 2023

There are no new IFRS standards, amendments to standards or interpretations that are mandatory for the six months beginning on April 1, 2023, that are relevant to the Group or that have had any material impact in the six months to September 30, 2023. New standards, amendments to standards and interpretations that are not yet effective, have been deemed by the Group as currently not relevant, and not likely to have a material impact on the Group, and hence are not listed here.

Basis of consolidation

Subsidiary undertakings are all entities over which the Group exercises control. The Group has control when it can demonstrate all of the following: (a) power over the investee; (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's return.

The existence and effect of both current voting rights and potential voting rights that are currently exercisable or convertible are considered when assessing whether control of an entity is exercised. Subsidiaries are consolidated from the date at which the Group obtains control and are de-consolidated from the date at which control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated upon consolidation. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board. The Board allocates resources to and assess the performance of the segments. The Board considers there to be only one operating segment being the research and development of biotechnological and pharmaceutical products.

Taxation

The tax credit for the year represents the total of current taxation and deferred taxation. The credit in respect of current taxation is based on the estimated taxable loss for the year. Taxable profit or loss for the year is based on the profit or loss as shown in the statement of comprehensive income, as adjusted for items of income or expenditure which are not deductible or chargeable for tax purposes. The current tax asset for the year is calculated using tax rates which have either been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and expected to apply when the related deferred tax is realised, or the deferred liability is settled. Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

Research and Development tax credits are provided for in the year that the credit is received. Due to increased scrutiny by the UK tax authorities, the value and timing of credit receipts are increasingly uncertain.

Foreign currency translation

Foreign currency transactions are translated using the rate of exchange applicable at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-translation at the period-end of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

On consolidation, the assets and liabilities of foreign subsidiaries are translated into Pound Sterling at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign subsidiary, the component of other comprehensive income relating to that particular foreign subsidiary is recognised in profit or loss.

License fees

Payments related to the acquisition of rights to a product or technology are capitalised as intangible assets if it is probable that future economic benefits from the asset will flow to the Group and the cost of the asset can be reliably measured.

Payments made which provide the right to perform research are carefully evaluated to determine whether such payments are to fund research or acquire an asset. Licence fees expenses are recognised as incurred.

Research and development

All on-going research and development expenditure is currently expensed in the period in which it is incurred. Due to the regulatory environment inherent in the development of the Group's products, the criteria for development costs to be recognised as an asset, as set out in IAS 38 'Intangible Assets', are not met until a product has been granted regulatory approval and it is probable that future economic benefit will flow to the Group. The Group currently has no qualifying expenditure.

Financial instruments

The Group classifies a financial instrument, or its component parts, as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

The Group evaluates the terms of the financial instrument to determine whether it contains an asset, a liability or an equity component. Such components shall be classified separately as financial assets, financial liabilities or equity instruments.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets, initial recognition and measurement and subsequent measurement

At initial recognition financial assets are measured at their fair value. Subsequent measurement depends on their classification. Financial assets such as receivables, cash and cash equivalents and deposits are subsequently measured at amortised cost using the effective interest method, less loss allowance.

The Group does not hold any financial assets at fair value through profit or loss or fair value through other comprehensive income.

(b) Financial liabilities, initial recognition and measurement and subsequent measurement

At initial recognition, financial liabilities are measured at their fair value minus, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.
The Group's financial liabilities include trade and other payables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks.

Impairment

Impairment of financial assets measured at amortised cost
At each reporting date the Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost.

In establishing the appropriate amount of loss allowance to be recognised, the Group applies either the general approach or the simplified approach, depending on the nature of the underlying group of financial assets.

General approach
The general approach is applied to the impairment assessment of refundable lease deposits and other refundable lease contributions, restricted cash and cash and cash equivalents.

Under the general approach the Group recognises a loss allowance for a financial asset at an amount equal to the 12-month expected credit losses, unless the credit risk on the financial asset has increased significantly since initial recognition, in which case a loss allowance is recognised at an amount equal to the lifetime expected credit losses.

Simplified approach
The simplified approach is applied to the impairment assessment of trade and other receivables.

Under the simplified approach the Group always recognises a loss allowance for a financial asset at an amount equal to the lifetime expected credit losses.

Impairment of non financial assets

i) Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

ii) Non-financial assets are impaired when its carrying amount exceed its recoverable amount. The recoverable amount is measured as the higher of fair value less cost of disposal and value in use. The value in use is calculated as being net projected cash flows based on financial forecasts discounted back to present value.

Share capital

Ordinary shares of the Company are classified as equity.

Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Costs include expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

(ii) Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment.

The estimated useful lives for the current period and the comparative period are as follows.

Fixtures and fittings **5 years**

IT and equipment **3 years**

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Depreciation is allocated to the operating expenses line of the statement of comprehensive income.

Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group has leases for its offices. Each lease that is not exempt as per the criteria above, is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group does not have any short-term leases or leases of low value assets. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 11).

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

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

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Group.

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

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. The finance cost is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Short term leases exempt from IFRS 16 are classified as operating leases. Payments made under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease.

Share based payments

The calculation of the fair value of equity-settled share based awards and the resulting charge to the statement of comprehensive income requires assumptions to be made regarding future events and market conditions. These assumptions include the future volatility of the Company's share price. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards.

Where employees, Directors or advisers are rewarded using share based payments, the fair value of the employees', Directors' or advisers' services are determined by reference to the fair value of the share options/warrants awarded. Their value is appraised at the date of grant and excludes the impact of any nonmarket vesting conditions (for example, profitability and sales growth targets).

In accordance with IFRS 2, a charge is made to the statement of comprehensive income for all share-based payments including share options based upon the fair value of the instrument used and warrants issued in return for services. A corresponding credit is made to a share based payment reserve – options, in the case of options awarded to employees, Directors, advisers and other consultants. A corresponding credit is made to a share based payment reserve – warrants, in the case of warrants issued in return for services.

Warrants

Warrants are issued by the Group in return for services and as part of a financing transaction.

Warrants issued as part of a financing transaction.
Warrants issued as part of a financing transaction fall outside the scope of IFRS 2. These are classified as equity instruments because a fixed amount of cash is exchanged for a fixed amount of equity. The relative fair value is recognised within equity and is not remeasured.

Classification of these instruments is governed by the so-called 'fixed' test for non-derivatives, and the 'fixed for fixed' test for derivatives. Under the fixed test, a non-derivative contract will qualify for equity classification only where there is no contractual obligation for the issuer to deliver a variable number of its own equity instruments. Under the fixed for fixed test, a derivative will qualify for equity classification only where it will be settled by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments. Any increase in the fixed amount related to the passage of time is deemed not to have an impact on the classification. Upon exercise of the instrument and the issue of share capital, the amount is reclassified from the warrant reserve to share capital and share premium.

Warrants issued by the Company as part of a financing transaction, are classified as equity instruments because a fixed amount of cash is exchanged for a fixed amount of equity of the Company. No other features exist that would result in financial liability classification.

Fair Value Measurement

Management have assessed the categorisation of the fair value measurements using the IFRS 13 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows;

- Level 1 - valued using quoted prices in active markets for identical assets;
- Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1;
- Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial information in accordance with generally accepted accounting practice, in the case of the Group being International Financial Reporting Standards as issued by the IASB, requires the directors to make estimates and judgements that affect the reported amount of assets, liabilities, income and expenditure and the disclosures made in the financial statements. Such estimates and judgements must be continually evaluated based on historical experience and other factors, including expectations of future events.

The following are considered to be key sources of estimation uncertainty:

Share-based payments

The Group accounts for share-based payment transactions for employees in accordance with IFRS 2 Share-based Payment, which requires the measurement of the cost of employee services received in exchange for the options on our ordinary shares, based on the fair value of the award on the grant date.

The Directors selected the Black-Scholes-Merton option pricing model as the most appropriate method for determining the estimated fair value of our share-based awards without market conditions. For performance-based options that include vesting conditions relating to the market performance of our ordinary shares, a Monte Carlo pricing model was used in order to reflect the valuation impact of price hurdles that have to be met as conditions to vesting.
The Group makes estimates as to the useful life of an option or warrant award, the expected price volatility of the underlying share, risk free interest rate for the term of the award and correlations and volatilities of the shares of peer group companies. The Group also makes estimates as to the vesting period for awards that have performance based criteria.

The resulting cost of an equity incentive award is recognised as expense over the requisite service period of the award, which is usually the vesting period. Compensation expense is recognised over the vesting period using the straight-line method.

The assumptions used for estimating fair value for share-based payment transactions are disclosed in note 8 to our consolidated interim financial statements.

4. OPERATING LOSS

Operating loss is stated after charging:

	Period ended 30 September 2023 (unaudited)	Period ended 30 September 2022 (unaudited)	Year ended 31 March 2023
Group	**£**	£	£
Director fees including bonus (excluding Chairmans bonus)	**295,081**	365,721	755,163
Chairman's bonus (see below)	**-**	119,348	244,348
Audit fees payable to Mazars LLP	**-**	82,444	-
Audit fees payable to PKF Littlejohn LLP	**50,000**	50,000	100,000
Audit-related assurance services payable to Mazars LLP	**25,437**	117,150	277,159
Legal and Professional fees	**619,325**	493,476	1,188,586
Depreciation	**1,638**	1,370	3,075
Foreign exchange loss/(gain)	**21,563**	(14,395)	82,890

On May 19, 2022, the Remuneration committee awarded the Non-Executive Chairman a bonus of $150,000. The committee noted that in order to support the NASDAQ offering on May 19, 2022, the Non-Executive Chairman made a

late subscription for ADSs totalling $150,000. It was noted that the offering may have failed without this subscription, so it was agreed to compensate Mr Cerrone for the successful dual listing of the Company and funds raised.

5. PROPERTY, PLANT AND EQUIPMENT

Details of the Groups property, plant and equipment are as follows:

Group (Unaudited)	**IT equipment**
	£
Cost	
At 1 April 2023	12,404
FX adjustments	70
At 30 September 2023	12,474
Depreciation	
At 1 April 2023	6,560
Charge in period	1,630
FX adjustments	70
At 30 September 2023	8,260
Net book value as at 30 September 2023	4,214

Cost	
At 1 April 2022	7,443
Additions	2,426
FX adjustments	236
At 30 September 2022	10,105
Depreciation	
At 1 April 2022	3,466
Charge in period	1,370
FX adjustments	235
At 30 September 2022	5,071
Net book value as at 30 September 2022	5,034

Group	**IT equipment**
	£
Cost	
At 1 April 2022	7,443
Additions	4,791
FX adjustments	170
At 31 March 2023	12,404
Depreciation	
At 1 April 2022	3,466
Charge in year	3,075
FX adjustments	19
At 31 March 2023	6,560
Net book value as at 31 March 2023	5,844

6. OTHER RECEIVABLES

Group	30 September 2023 £ (unaudited)	30 September 2022 £ (unaudited)	31 March 2023 £
Security deposit	3,689	4,044	-
Other receivables	-	-	276,053
VAT receivable	34,186	41,115	64,872
Prepayments	207,895	462,418	138,694
	245,770	**507,577**	**479,619**

There are no differences between the carrying amount and fair value of any of the other receivables above.

7. TRADE AND OTHER PAYABLES

Group	30 September 2023 £ (unaudited)	30 September 2022 £ (unaudited)	31 March 2023 £
Trade payables	3,888,129	1,364,050	1,933,862
Accruals	155,576	422,143	1,251,628
Bonus accrual	402,063	-	266,997
	4,445,768	**1,786,193**	**3,452,487**

8. SHARE OPTIONS AND WARRANTS

Options

The Parent Company operates share-based payment arrangements to remunerate directors and key employees in the form of a share option scheme. It also issues options in lieu of fees to key suppliers and collaborators. The exercise price of the option is normally equal to the market price of an ordinary share in the Parent Company at the date of grant.

In May 2023, the company delisted from the Main Market of the London Stock Exchange and carried out a share consolidation of 65 to 1. The effect of the share consolidation has been reflected below for all periods in the calculation of the number of options issued and the weighted average exercise price.

	30 September 2023 (unaudited)		30 September 2022 (unaudited)		31 March 2023	
	Options	Weighted Average exercise price (pence)	Options	Weighted Average exercise price (pence)	Options	Weighted Average exercise price (pence)
Outstanding at 1 April	1,696,451	314	1,113,841	370.3	1,113,841	370.3
Granted	260,000	125.4	68,000	338	612,610	211.1
Forfeited	-	-	-	-	(30,000)	325
Exercised	-	-	-	-	-	-
Outstanding at period end	1,956,451	289	1,181,846	370.5	1,696,451	314
Exercisable at period end	1,850,211	355.93	277,500	357.5	560,082	363.6

No options were exercised during the six months ended 30 September 2023 and 30 September 2022. No options were exercised during the year ended 31 March 2023.

The total outstanding fair value charge of the share option instruments is deemed to be approximately £968,830 (31 March 2023: £1,255,340). A share-based payment charge for the six-month period ended 30 September 2023 of £464,389 (30 September 2022: £554,371, 31 March 2023: £1,066,48) has been expensed in the statement of comprehensive income. **T**he share-based payment charge for the year ended 31 March 2023 excludes a forfeiture of £14,220. No forfeitures occurred in the six months to 30 September 2023 or to 30 September 2022.

The weighted average contractual life of options outstanding at 30 September 2023 is 4.45 years. (31 March 2023: 5.73 years).

Share options outstanding at 30 September 2023 have the following expiry dates and exercise prices:

Grant Date	Expiry Date	Exercise Price £	Share Options as at 31 March 2023 ('000)
6 July 2018	6 July 2025	2.93	30,769
20 August 2020	19 August 2028	10.08	11,538
6 January 2021	5 January 2031	3.25	615,384
12 January 2021	11 January 2031	5.14	23,076
15 April 2021	14 April 2031	5.12	76,923
31 August 2021	30 August 2031	3.19	221,538
31 January 2022	30 January 2032	5.20	134,613
1 August 2022	31 July 2027	3.25	10,000
20 September 2022	19 September 2027	3.25	28,000
22 November 2022	21 November 2027	4.06	76,923
14 March 2023	14 March 2033	1.63	467,687
27 July 2023	26 July 2033	1.25	260,000
Total			**1,956,451**

Fair value of options granted

The Directors have used the Black-Scholes option pricing model to estimate the fair value of most of the options applying the assumptions below.

Historical volatility relies in part on the historical volatility of a group of peer companies that management believes is generally comparable to the Company.

The Company has not paid any dividends on share capital since its inception and does not anticipate paying dividends on its share capital in the foreseeable future.
The Company has estimated a forfeiture rate of zero.

The model inputs for options granted during the six months ended 30 September 2023 valued under the Black Scholes Valuation model included:

	27 July 2023
Grant date share price	$1.53
Exercise share price	$1.53
Vesting periods	4 years
Risk free rate	3.91%
Expected volatility	68.82%
Expected option life	4 years

Warrants

As part of the acquisition of the OK-101 project, the underlying scientific founders of the OK-101 Project (inukshuk Holdings), who will continue to be involved in the development of the Project, received 35,000,000 warrants as consideration. The warrants are exercisable at a price of 4.5 pence each and are split into four distinct tranches and each tranche becomes exercisable upon satisfaction of a specific developmental milestone. The warrants are exercisable until 17 July 2023. In May 2023, the exercisable life of the warrants was extended to 12 July 2026.

In May 2020, warrants were granted over 909,090 shares at an exercise price of 2.75p per share in in lieu of professional fees. The warrants were exercisable until 21 May 2023 and have now lapsed.

In July 2020, warrants were granted over 750,000 shares at an exercise price of 14p per share in in lieu of broker fees. The warrants were exercisable until 20 July 2022 and have now lapsed.

	30 September 2023 (unaudited)		30 September 2022 (unaudited)		31 March 2023	
	Warrants	**Weighted Average exercise price (pence)**	**Warrants**	**Weighted Average exercise price (pence)**	**Warrants**	**Weighted Average exercise price (pence)**
Outstanding at 1 April	35,909,090	4.46	36,659,090	4.65	36,659,090	4.65
Granted	-	-	-	-	-	-
Forfeited	(909,090)	2.75	(750,000)	14.5	(750,000)	14.5
Exercised	-	-	-	-	-	-
Outstanding at period end	35,000,000	4.50	35,909,090	4.46	35,909,090	4.46
Exercisable at period end	5,000,000	4.50	909,090	2.75	909,090	2.75

The Directors have estimated the fair value of the warrants in services provided using the Black-Scholes valuation model based on the assumptions below.

No warrants were granted during the six months ended 30 September 2023. A warrants share based payment charge for the six-month period ended 30 September 2023 of £6,033 (30 September 2022: £15,453, 30 March 2022: £23,926) has been expensed in the statement of comprehensive income.

The remaining fair value of the warrant instruments is deemed to be approximately £3,033 (March 2023: £9,066).

9. LEASES

The Group is a lessee and does not have any leases as a lessor.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group has leases for its offices. Each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group does not have leases of low value assets. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

For leases over office buildings and factory premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

During the year to March 31, 2023, the Group entered into a new lease agreement on its existing office. The new lease has a term shorter than 12 months, so the Group has applied the exemption allowed by paragraph 5a in IFRS 16 in respect of short term leases and therefore has derecognised the previous lease agreement that was accounted for under IFRS 16.

Operating Leases

At September 30, 2023, the company had annual commitments under non-cancellable operating leases:

Operating leases which expire:	30 September 2023 (unaudited)	30 September 2022 (unaudited)	31 March 2023
	£	£	£
Within one year	5,115	13,701	5,115
	5,115	**13,701**	**5,115**

10. BASIC AND DILUTED LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year. In May 2023, the company delisted from the Main Market of the London Stock Exchange and carried out a share consolidation of 65 to 1. The effect of the share consolidation has been reflected below for all periods in the calculation of the weighted average number of shares in accordance with IAS 33.

	6 months to 30 September 2023 (unaudited)	6 months to 30 September 2022 (unaudited)	12 months to 31 March 2023
(Loss) attributable to equity holders of the Company (£)	**(7,002,955)**	**(4,555,477)**	**(11,008,621)**
Weighted average number of ordinary shares in issue	**25,714,151**	**21,643,487**	**22,257,058**
Basic loss per share	**(0.27)**	**(0.21)**	**(0.49)**

As the Group is reporting a loss from continuing operations for the period then, in accordance with IAS 33, the share options are not considered dilutive because the exercise of the share options would have an anti-dilutive effect. The basic and diluted earnings per share as presented on the face of the statement of comprehensive income are therefore identical. All earnings per share figures presented above arise from continuing and total operations and therefore no earnings per share for discontinued operations are presented.

11. CAPITAL AND RESERVES

Capital Management

For the purpose of the Company's capital management, capital includes called up share capital, share premium, share based payments for options, share based payments for warrants and all other equity reserves attributable to the equity holders of the parent as reflected in the statement of financial position.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maximise shareholder value through the optimisation of the debt and equity balance.

The Company manages its capital to maximise the return to the shareholders through the optimisation of equity. The capital structure of the Company as at 30 September 2023 consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and retained deficit as disclosed.

The Company manages its capital structure and makes adjustments to it, in light of economic conditions and the strategy approved by shareholders. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares and release the Company's share premium account. No changes were made in the objectives, policies or processes during the year ended 31 March 2023 and the six months ended 30 September 2023 and 30 September 2022.

Share capital and premium

The Company is authorized to issue an unlimited number of nil par value shares of a single class. The Company may issue fractional shares and a fractional share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares. Shares may be issued in one or more series of shares as the Directors may by resolution determine from time to time.

Each share in the Company confers upon the shareholder:
- the right to one vote at a meeting of the shareholders or on any resolution of shareholders;
- the right to an equal share in any dividend paid by the Company; and
- the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

The Company may by resolution of the Directors redeem, purchase or otherwise acquire all or any of the shares in the Company subject to regulations set out in the Company's Articles of Incorporation.

Authorised

The Company is authorised to issue an unlimited number of nil par value shares of a single class.

In May 2023, the company delisted from the Main Market of the London Stock Exchange and carried out a share consolidation of 65 to 1. The effect of the share consolidation has been reflected below for all periods.

	Shares Number	Share capital	Share premium
Issued ordinary shares of £0.00 each		£	£
At 31 March 2022	**21,144,853**	**-**	**77,183,263**
Issue of shares (IPO Fundraise)	625,000	-	2,001,037
Issue of share (IPO) – Cost of fundraising – May 2022	-	-	(595,356)
Expenses settled in shares	33,500		70,768
Issue of share (IPO) – March 2023	3,716,4212		4,645,665
Issue of share (IPO) – Cost of fundraising – May 2023	-	-	(142,635)
At 31 March 2023	**25,519,774**	**-**	**83,162,742**
Shares issued in lieu of fees	76,000		138,820
Issue of shares (Fundraise)	2,666,670	-	3,206,122
At 30 September 2023	**28,262,444**	**-**	**86,507,684**

Share options reserve
The share-based payment reserve for options represents the cost to issue share-based compensation, primarily share options, based on their grant date fair value.

Warrants reserve
The share-based payment reserve for warrants represent the cost to issue warrants based on their grant date fair value.

Retained Deficit reserve
Retained earnings represent the cumulative profits/(losses) of the entity which have not been distributed to shareholders.

Translation reserve
The translation reserve represents the unrealised gains or losses from the foreign currency translation of Companies within the Group.

Dividends
The Directors paid no dividend during the year to 31 March 2023 and 31 March 2022.

12. RELATED PARTY TRANSACTIONS

All related party transactions occurred in the normal course of operations.

Tiziana Life Sciences PLC

Tiziana Life Sciences Ltd is a related party as the entity is controlled by a person that has significant influence over the Group. The Company shares premises and other resources with Tiziana Life Sciences Ltd and there is a shared services agreement in place between Company and Tiziana Life Sciences Ltd. For the six months ended September 30, 2023, the Company had incurred £80,505 (September 30, 2022: £60,718, March 31, 2023: £129.180) worth of costs in relation to this agreement and as at September 30, 2023, £229,648 (September 30, 2022: £112,439, March 31, 2023: £149,123) was due to Tiziana Life Sciences Ltd.

Tiziana Life Sciences Ltd also paid other invoices on behalf of the Company. As at September 30, 2023, Tiziana had paid £114,190 worth of costs on behalf of the Group.

In August 2022, Tiziana Life Sciences Ltd issued a short-term credit facility to OKYO Pharma for £1,713,819 ($2m) to support short term liquidity. The loan is available for a period of 6 months upon first draw-down and carries an interest rate of 16% per annum, with additional default interest of 4% if the loan is not repaid after the 6-month period. As at 30 September, 2023 the full amount had been drawn down against the loan and £232,998 of interest had been accrued. The total balance due at 30 September 2023 for this loan was £1,940,442 (31 March 2023: £1,787,619).

In February 2023, Tiziana Life Sciences Ltd issued an additional short-term credit facility to OKYO Pharma for $0.5m to further support short term liquidity, under the same terms as the loan above. As at March 31, 2023 $488,009 had been drawn down against the loan and £6,400 of interest had been accrued. The total balance due at 30 September 2023 for this loan was £6,375 as the principal of the loan was repaid during March 2023.

13. COMMITMENTS AND CONTINGENCIES

The Group's main financial commitments relate to the contractual payments in respect of its licensing agreements. Due to the uncertain nature of scientific research and development and the length of time required to reach commercialisation of the products of this research and development, pre-clinical, clinical and commercial milestone obligations are not detailed until there is a reasonable certainty that the obligation will become payable. Contractual commitments are detailed where amounts are known and certain.

- OK-101 – We are obligated to pay to On Target Therapeutics the following additional amounts in respect of the first licensed product or service which achieves the stated development milestones:
  - (a) First Patient Enrolled in a Phase I Human Clinical trial $300,000
  - (b) First Patient Enrolled in a Phase II Human Clinical trial $600,000
  - (c) First Patient Enrolled in a Phase III Human Clinical trial $1,500,000

- OK-201 – The Group are committed to paying an annual license maintenance fee until the first commercial sale. The annual license maintenance fee is $15,000 until May 2021, and $10,000 thereafter.

14. POST BALANCE SHEET EVENTS

In October 2023, the Group raised $1.64m via the issuance of 1,092,600 ordinary shares at an offering price of $1.50 per ordinary share as well as a simultaneous extinguishment of $4.20M of payables by issuing 2,766,667 ordinary shares, at the offering price of $1.50 per ordinary share, materially reducing the payables balance. As part of this transaction, Tiziana Life Sciences, a related party, agreed to accept 2,100,000 Ordinary shares in lieu of the debt owed by OKYO Pharma Ltd as well as any accrued and additional interest.