



4basebio PLC
("4basebio", the "Company" or the "Group")

Half-year Report
for the six months ended 30 June 2024

4basebio PLC (AIM: 4BB), Cambridge, UK, 27 September 2024 – 4basebio PLC, an innovation driven biotechnology company enabling and accelerating development of advanced therapy medicinal products (ATMPs) through its high performant synthetic DNA products and non-viral, thermostable nucleic acid delivery platform, announces its unaudited half-year results for the six months ended 30 June 2024.

Operational Highlights (including post period end)

- Revenues of more than £300k for the half year
- Order book above £600k at 30 June 2024
- Strong growth in higher value HQ and GMP opportunities
- Supply Agreement signed for provision of DNA for tier 1 pharma
- Supply of DNA for manufacture of mRNA used in first in human clinical trial
- Five additional patent filings during 2024

Financial Highlights

- £40m cash investment announced 29 July 2024
- Cash balances of £2.7 million at period end
- Loss for the period of £5.7 million (H1 2023 loss: £3.6 million)
- Net cash outflow from operating activities of £5.1 million (H1 2023: £3.0 million)

Commenting on the interim results, Dr Heikki Lanckriet, CEO and CSO, said *"We are pleased with our progress to date with the achievement of notable milestones in our commercial development, including the agreement to supply HQ and GMP synthetic DNA to a tier one pharma as well as the supply of DNA for the production of mRNA for use in a first in human vaccine program. We continue to see strong and growing interest in synthetic DNA and expect 2024 revenues to represent a significant step change to 2023.*

We believe there is continued significant value creation potential through ongoing investment in our synthetic DNA platform, with the opportunity to develop additional novel nucleic acid products to further reinforce 4basebio's unique market position and highlighting the flexibility of the technology platform. Our Hermes™ delivery platform is also progressing well with considerable promise both in the delivery of DNA and mRNA payloads.

We are delighted to have reached agreement with Elevage Medical Technologies, a Patient Square Capital platform and Prudential Assurance Company Limited acting by its investment manager M&G Investment Management Limited for an investment of £40 million, subject to regulatory approval. The funding will underpin the commercial growth of the Company and the continued investment in the platforms. We see this step as further validation of our stated ambition to become the leading player in the supply of DNA for cell & gene therapies and vaccines."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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| | |
|--|---------------------|
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Notes to Editors

4basebio (AIM: 4BB) is an innovation driven life biotechnology company focussed on accelerating the development of advanced therapy medicinal products (ATMPs) through its high performant synthetic DNA products and non-viral, cell targeting nucleic acid delivery platform. The Company's objective is to become a market leader in the manufacture and supply of high quality synthetic DNA products for research, therapeutic and pharmacological use as well as development of target specific non-viral vectors for the efficient delivery of payloads in patients.

Chairman's Statement

Introduction

The Board is pleased to report on the Group's continued progress during the first half of the year and the exciting developments over these past several months. It is pleasing to note 4basebio's accelerating commercial traction, highlighted through a combination of half year revenue and confirmed order book, which together represents in excess of £900k. As indicated previously, 4basebio expects to make significant revenue progress this financial year.

At the same time, the Group continues to invest in its commercial and operational capabilities, underscored by headcount increasing to 101 at 30 June 2024, an increase of 23 against 30 June 2023. As a result and as expected, the Group incurred a net loss for the first half of 2024. 4basebio continues to implement its strategy requiring ongoing investment in technology and product commercialisation, which it expects will generate significant revenues and profitability over time.

Alongside this core focus, 4basebio is delighted to report the agreements entered into with Elevage Medical Technologies ("Elevage"), a Patient Square Capital platform and Prudential Assurance Company Limited acting by its investment manager M&G Investment Management Limited ("M&G") to facilitate an investment of £40 million to further accelerate the Group's commercial ambitions. As noted in the announcements of 29 July 2024 and 9 September 2024, the completion of this investment is subject to regulatory clearance.

The investment represents strong validation of the Group's technology platform and commercial aims and we are looking forward to welcoming Elevage and M&G to our shareholder register. It is also anticipated that our new shareholders will make valuable contributions to the future strategic direction of the Group.

This investment coincides with the formation of a Strategic Advisory Board, as noted in the announcement of 8 August 2024 as well as the appointment of Dr Amy Walker to the Company's Chief Operating Officer and we welcome her to the Board.

Operational Review

Over the first half of the year, the Group has continued its focus on commercial activities, increasing its client base as well as continued product platform development underpinned by multiple patent filings. On these two points, the ambitions of the Group remain consistent with previous periods; accelerating commercial traction and continued innovation.

As the Group's commercial and GMP activities mature, 4basebio is increasingly focussed on attracting customers at the late pre-clinical stage, with a particular emphasis on DNA production for IND-enabling clinical studies. Depending on each customer's application area, this variously requires high quality ("HQ") and GMP batches of DNA. Of particular highlight in this area is the commitment from a tier one pharma company, announced on 10 April 2024, to both high quality and GMP batches to be used in its manufacture of mRNA vaccines.

In addition, the use of 4basebio's synthetic DNA for the manufacture of mRNA for a first in human clinical trial announced on 21 March 2024 is yet another substantial milestone for the Company. These developments corroborate and validate management's view that synthetic DNA is poised to take a significant market share of the wider DNA market due to the many benefits it offers over plasmid DNA.

The Group continues to consider how it can further accelerate its commercial success and with the investment highlighted above, further significant expansion in this area is planned in the near term. While the Group's customer base is primarily comprised of US clients, there has been increasing interest in GMP opportunities across both Europe and APAC, demonstrating the accelerating momentum around 4basebio's activities.

While the Group's core focus remains its synthetic DNA offering, 4basebio continues to make good progress in validating its Hermes™ platform in several collaborative studies which offer promising evidence of commercial

potential for the platform, particularly in nucleic acid vaccine applications, supported by the Bill and Melinda Gates Foundation grant, announced on 1 August 2023.

Throughout the half year, the Group has continued to innovate across both technology platforms; the unique flexibility of its synthetic DNA platform facilitating the generation of novel DNA products with multi-application uses.

The board is pleased with the continued progress which has been made during the first half of 2024 and remains very positive about the future prospects for the Group. The Group continues to validate its commercial proposition and synthetic DNA more generally through customer revenues, while at the same time continuing to strengthen its market position through additional patent filings around its products and technologies.

Business outlook

Over the second half of the financial year, the Group expects to continue to secure new clients and increase revenues from the sale of DNA and Hermes™. As previously indicated, the Group will also continue investing in its technologies and capabilities, so that ongoing expenditure will continue to significantly exceed revenues, with the Group reporting a loss for the full year. The equity investment as noted above will strengthen the Group's financial position and ensures 4basebio remains well-resourced to deliver on its ambitions and commercial targets.

Financial Review

The results for the period ended 30 June 2024 and the consolidated balance sheet at that date reflect the consolidated performance and position of 4basebio PLC and all its subsidiary companies.

Revenue

The timing of revenue recognition is dependent on the mutually agreed scheduling of customer projects. Revenue in the first six months of 2024 ("H1 2024") was £0.33 million (H1 2023: £0.24 million), while the order book for DNA and Hermes™ projects exceeded £0.6 million.

Cost of sales

Cost of sales in H1 2024 was £92k (H1 2023: £77k), relating to the direct cost of products sold in the period.

Selling and administration expenses

Selling, general and administrative expenses were a combined £2.6 million in H1 2024 (H1 2023: £1.9 million), representing an increase of £0.7 million. Expenditure includes non-cash items relating to amortisation and depreciation of £383k (H1 2023: £190k) and share options charges of £348k (H1 2023: £87k). Other expenditure excluding these non-cash items rose by £311k, relating primarily to increases in Sales and marketing expenditure.

Operations expense

Operations expense was £1.4 million (H1 2023: £0.6 million) This reflects the scaling of the manufacturing and quality assurance teams between the periods.

Research and development

Overall research and development expenditure for H1 2024 was £2.5 million (H1 2023: £1.8 million), of which £0.2 million was capitalised in the period (H1 2023: £0.3 million). Overall expenditure increased as the UK team and capabilities continued to expand.

Tax

Tax represents R&D tax credits expected to be recovered in due course in relation to expenditure during the first half of the year.

Balance sheet

Non-current assets increased to £7.0 million at 30 June 2024 from £6.9 million at 31 December 2023; this related to additions of tangible fixed assets in the UK, capitalised R&D expenditure in Spain and capitalised patent spend as shown in notes 6 and 7 to the half year results. Current assets fell to £4.9 million at 30 June 2024 from £5.0 million at 31 December 2023, due to cash outflows during the first half of 2024. As a result, closing cash balances at 30 June 2024 stood at £2.7 million (31 December 2023: £3.1 million).

Current liabilities reduced to £1.8 million at 30 June 2024 (31 December 2023: £2.3 million) with a modest decline in short term financial liabilities and seasonal timing differences in the build-up of certain accruals. The increase in long term financial liabilities reflects the drawdown on the 2Invest AG loan facility, with overall long term liabilities at £15.3 million as at 30 June 2024 (31 December 2023: £10.1 million). Other long term liabilities represent deferred grant income in Spain.

Share Capital increased following the exercise of share options (as reported on 2 and 6 February 2024), giving rise to an increase in share capital of £415k to £11.5 million and share premium of £327k to £1.0 million, as shown in the Consolidated statement of changes in equity.

Cash flow

Net cash outflows from operations were £5.1 million for the period ended 30 June 2024 (period ended 30 June 2023: outflows of £3.0 million). This reflects an increase in operating cashflows directly arising from the growth in operations between the periods as presented in the Consolidated statement of profit and loss.

Cash outflows from investing activities were static with a decline in the investment in tangible fixed assets of £0.2 million for the period ended 30 June 2024 (period ended 30 June 2023: £0.4 million) relating to both operations and R&D equipment. In addition, intangible assets investment included capitalised development expenditure in 4basebio S.L.U. representing a cash outflow of £0.2 million (H1 2023: £0.3 million), with additions of £0.3 million relating to capitalised patent expenditure (H1 2023: 0.1 million).

Cashflows from financing for the period ended 30 June 2024 reflect the drawdowns from 2Invest AG under the loan facility of £5.1 million, partially offset by repayments of Spanish softloans.

Exchange differences for the period represent changes in the British pound value of cash balances held in foreign currency.

Tim McCarthy

Chairman

26 September 2024

Consolidated statement of profit or loss and other comprehensive income

for the six months ended 30 June 2024

| in £'000 | Note | Six months ended 30 June 2024 (unaudited) | Six months ended 30 June 2023 (unaudited) | Year ended 31 December 2023 (audited) |
|---|------|--|--|--|
| Revenues | | 328 | 238 | 506 |
| Cost of goods sold | | (92) | (77) | (166) |
| Gross profit | | 236 | 161 | 340 |
| Sales and marketing expenses | | (418) | (248) | (586) |
| Administration expenses | | (2,198) | (1,603) | (3,250) |
| Operations expense | | (1,390) | (596) | (1,417) |
| Research and non-capitalised development expenses | | (2,269) | (1,596) | (3,560) |
| Other operating expenses | | (6) | (18) | (85) |
| Other operating income | | 246 | 136 | 506 |
| Loss from operations | | (5,799) | (3,764) | (8,052) |
| Finance expense | | (343) | (98) | (302) |
| Loss before tax | | (6,142) | (3,862) | (8,354) |
| Income tax credit / expense | 4 | 414 | 307 | 689 |
| Loss for the period | | (5,728) | (3,555) | (7,665) |
| Loss per share | | | | |
| - Basic and diluted (in £/share) | 5 | (0.45) | (0.29) | (0.62) |
| Items that may be reclassified to the income statement in subsequent periods | | | | |
| Exchange rate adjustments | | (88) | (243) | (172) |
| Total comprehensive income | | (5,816) | (3,798) | (7,837) |

All of the loss for each period is from continuing operations.

Consolidated statement of financial position

30 June 2024

| in £'000 | | 30 June 2024 (unaudited) | 31 December 2023 (audited) |
|--------------------------------|------|--------------------------------|----------------------------------|
| | Note | | |
| Assets | | | |
| Intangible assets | 6 | 2,972 | 2,669 |
| Property, plant and equipment | 7 | 4,001 | 4,197 |
| Other non-current assets | | 33 | 34 |
| Non-current assets | | 7,006 | 6,900 |
| Inventories | | 362 | 332 |
| Trade receivables | | 52 | 107 |
| Other current assets | | 1,790 | 1,514 |
| Cash and cash equivalents | 8 | 2,718 | 3,069 |
| Current assets | | 4,922 | 5,022 |
| Total assets | | 11,928 | 11,922 |
| Liabilities | | | |
| Financial liabilities | | (220) | (392) |
| Trade payables | | (795) | (694) |
| Other current liabilities | | (790) | (1,191) |
| Current liabilities | | (1,805) | (2,277) |
| Financial liabilities | | (15,274) | (10,065) |
| Other liabilities | | (67) | (72) |
| Non-current liabilities | | (15,341) | (10,137) |
| Total liabilities | | (17,146) | (12,414) |
| Net liabilities | | (5,218) | (492) |
| Share capital | | 11,547 | 11,132 |
| Share premium | | 1,033 | 706 |
| Merger reserve | | 688 | 688 |
| Capital reserve | | 13,878 | 13,530 |
| Foreign exchange reserve | | (246) | (158) |
| Profit and loss reserve | | (32,118) | (26,390) |
| Total Equity | 9 | (5,218) | (492) |

Consolidated statement of changes in equity

for the six months ended 30 June 2024

| in £'000 | Share capital | Share premium | Merger reserve | Capital reserve | Foreign exchange | Profit and loss reserve | Total equity |
|---|---------------|---------------|----------------|-----------------|------------------|-------------------------|----------------|
| Balance at 1 January 2023 (audited) | 11,130 | 706 | 688 | 13,307 | 14 | (18,725) | 7,120 |
| Loss for the year | - | - | - | - | - | (7,665) | (7,665) |
| Foreign Exchange difference arising on translation of 4basebio S.L.U. | - | - | - | - | (172) | - | (172) |
| Share based payments | - | - | - | 223 | - | - | 223 |
| Shares issued in period | 2 | - | - | - | - | - | 2 |
| Balance at 31 December 2023 (audited) | 11,132 | 706 | 688 | 13,530 | (158) | (26,390) | (492) |
| | | | | | | | |
| [in £'000] | Share capital | Share premium | Merger reserve | Capital reserve | Foreign exchange | Profit and loss reserve | Total equity |
| Balance at 1 January 2024 (audited) | 11,132 | 706 | 688 | 13,530 | (158) | (26,390) | (492) |
| Loss for the year | - | - | - | - | - | (5,728) | (5,728) |
| Foreign Exchange difference arising on translation of 4basebio S.L.U. | - | - | - | - | (88) | - | (88) |
| Share option charge | - | - | - | 348 | - | - | 348 |
| Shares issued in period | 415 | 327 | - | - | - | - | 742 |
| Balance at 30 June 2024 (unaudited) | 11,547 | 1,033 | 688 | 13,878 | (246) | (32,118) | (5,218) |

Consolidated statement of cash flows

for the six months ended 30 June 2023

| in £'000 | 30 June 2024 (unaudited) | 30 June 2023 (unaudited) | 31 December 2023 (audited) |
|--|--------------------------------|--------------------------------|----------------------------------|
| Net loss for the period | (5,728) | (3,555) | (7,665) |
| <i>Adjustments to reconcile net loss for the period to net cashflows</i> | | | |
| Income taxes | (414) | (307) | (689) |
| Interest charge | 343 | 98 | 302 |
| Depreciation of property, plant and equipment | 376 | 315 | 676 |
| Amortisation and impairment of intangible assets | 137 | 16 | 33 |
| Other non-cash items | 296 | 87 | 220 |
| Tax receipt | 118 | 561 | 561 |
| Working capital changes: | | | |
| (Increase)/decrease in trade receivables and other current assets | (55) | (104) | (109) |
| Increase/(decrease) in trade payables and other current liabilities | (180) | (28) | 695 |
| (Increase)/decrease in inventories | (34) | (70) | (202) |
| Net Cash flows from operating activities | (5,141) | (2,987) | (6,178) |
| Investments in property, plant and equipment and intangible assets | (188) | (406) | (871) |
| Investments in capitalised development and intangible assets | (507) | (330) | (619) |
| Cash flows from investing activities | (695) | (736) | (1,490) |
| Net receipt/(payment) of loans | 4,845 | 3,187 | 6,584 |
| Interest paid | (53) | (26) | (67) |
| Capital lease payments | (37) | (49) | (94) |
| Proceeds of shares issue | 742 | 2 | 2 |
| Cash flows from financing activities | 5,497 | 3,114 | 6,425 |
| Net change in cash and cash equivalents | (339) | (609) | (1,243) |
| Exchange differences | (12) | (184) | (39) |
| Cash and cash equivalents at the beginning of the period | 3,069 | 4,351 | 4,351 |
| Cash and cash equivalents at the end of the period | 2,718 | 3,558 | 3,069 |

Notes to the financial statements

For the six months ended 30 June 2024

1. General information

4basebio PLC (the “Company” or “4basebio”) is registered in England and Wales with company number 13519889.

The Company is domiciled in England and the registered office of the Company is 25 Norman Way, Over, Cambridge CB24 5QE. 4basebio PLC is the parent of a group of companies (together, “the Group”). The Group focusses on life sciences and in particular the development of synthetic DNA and nanoparticles suitable for inclusion in, or delivery of, therapeutic payloads for cell & gene therapies and vaccines.

The Company’s shares are traded on London Stock Exchange’s AIM market. The international securities number (ISIN) number for its AIM traded shares is GB00BLD8ZL39; its ticker symbol is 4bb.l.

The interim report was approved by the board of directors on 26 September 2024.

2. Significant accounting policies

Basis of preparation

This half year report, which is not audited, has been prepared in accordance with the measurement and recognition criteria of UK adopted International Accounting Standards. It does not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company and the Group for the year ended 31 December 2023.

The accounting policies applied in this half year report are consistent with those in the financial statements for the year ended 31 December 2023, as described in those financial statements.

Significant judgments

In the application of the Group’s accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The significant judgments made in relation to the financial statements are further set out below.

Going concern

The directors have at the time of approving the half year report a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Internally-generated intangible assets – research and development expenditure

Development expenditure is capitalised when the conditions referred to in Note 4 of the Company's 2023 annual report are met. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Foreign currencies

The functional currency of the Group is British Pounds.

The principal currency rate of the Group other than the British Pounds is the euro which has developed as follows in relation to the equivalent of one pound (GBP/£):

in GBP

Closing exchange rate

Average exchange rate

| | 30 June 2024 | 31 December 2023 | Six months ended 30 June 2024 | Six months ended 30 June 2023 | Year ended 31 December 2023 |
|------|--------------|------------------|-------------------------------|-------------------------------|-----------------------------|
| Euro | 0.8464 | 0.8691 | 0.8547 | 0.8764 | 0.8698 |

4. Income taxes

The Group anticipates claiming R&D tax credits in both the UK and Spain in relation to the year ended 31 December 2023. The quantum of such claims for the first half of 2024 is estimated at £0.4 million (period ending 30 June 2023: £0.3 million).

5. Loss per share

| | Six months ended 30 June 2024 | Six months ended 30 June 2023 | Year ended 31 December 2023 |
|--|-------------------------------|-------------------------------|-----------------------------|
| Numerator in £'000 | | | |
| Loss for the period | (5,728) | (3,555) | (7,665) |
| Denominator number of shares | | | |
| Weighted average number of registered shares in circulation (ordinary shares) for calculating the undiluted earnings per share | 12,709,129 | 12,318,987 | 12,319,270 |
| Diluted and Undiluted earnings per share (£/share) | (0.45) | (0.29) | (0.62) |

6. Intangible assets

| in £'000 | Development costs | Patents and licences | Total |
|---|-------------------|----------------------|--------------|
| Cost or acquisition value | | | |
| 01 January 2023 | 3,040 | 504 | 3,544 |
| Additions | 446 | 173 | 619 |
| Exchange differences | (62) | (8) | (70) |
| 31 December 2023 | 3,424 | 669 | 4,093 |
| 01 January 2024 | 3,424 | 669 | 4,093 |
| Additions | 246 | 261 | 507 |
| Exchange differences | (91) | (14) | (105) |
| 30 June 2024 | 3,579 | 916 | 4,495 |
| Cumulative amortisation and impairment | | | |
| 01 January 2023 | 1,367 | 53 | 1,420 |
| Amortisation | 4 | 29 | 33 |
| Exchange differences | (28) | (1) | (29) |

| | | | |
|-------------------------|--------------|------------|--------------|
| 31 December 2023 | 1,343 | 81 | 1,424 |
| 01 January 2024 | 1,343 | 81 | 1,424 |
| Amortisation | 116 | 21 | 137 |
| Exchange differences | (36) | (2) | (38) |
| 30 June 2024 | 1,423 | 100 | 1,523 |
| Net book value | | | |
| 31 December 2023 | 2,081 | 588 | 2,669 |
| 30 June 2024 | 2,156 | 816 | 2,972 |

7. Property, plant and equipment

| [in £'000] | Operating equipment | Land and buildings | Right of use assets | Total |
|---|---------------------|--------------------|---------------------|--------------|
| Cost or acquisition value | | | | |
| 01 January 2023 | 2,803 | 1,040 | 643 | 4,486 |
| Additions | 895 | - | 372 | 1,267 |
| Disposals | (24) | - | - | (24) |
| Exchange differences | (8) | - | (3) | (11) |
| 31 December 2023 | 3,666 | 1,040 | 1,012 | 5,718 |
| 01 January 2024 | 3,666 | 1,040 | 1,012 | 5,718 |
| Additions | 190 | - | - | 190 |
| Exchange differences | (14) | (3) | (3) | (20) |
| 30 June 2024 | 3,842 | 1,037 | 1,009 | 5,888 |
| Cumulative amortisation and impairment | | | | |
| 01 January 2023 | 670 | 140 | 43 | 853 |
| Depreciation | 493 | 47 | 137 | 677 |
| Disposals | (4) | - | - | (4) |
| Exchange differences | (5) | - | - | (5) |
| 31 December 2023 | 1,154 | 187 | 180 | 1,521 |
| 01 January 2024 | 1,154 | 187 | 180 | 1,521 |
| Depreciation | 285 | 25 | 66 | 376 |
| Exchange differences | (7) | (1) | (2) | (10) |
| 30 June 2024 | 1,432 | 211 | 244 | 1,887 |
| Net book value | | | | |

| | | | | |
|-------------------------|--------------|------------|------------|--------------|
| 31 December 2023 | 2,512 | 853 | 832 | 4,197 |
| 30 June 2024 | 2,410 | 826 | 765 | 4,001 |

8. Cash and cash equivalents

| [in £'000] | 30 June 2024 | 31 December 2023 |
|----------------------------------|--------------|------------------|
| Bank balances and cash in hand | 2,718 | 3,069 |
| Cash and cash equivalents | 2,718 | 3,069 |

9. Equity

On 6 February 2024, 485,735 shares were issued pursuant to exercises of employee share options on 1 and 6 February 2024. As a result, the share capital of 4basebio PLC as of 30 June 2024 amounts to a total of €12,805,208 divided into 12,805,208 shares of €1 (31 December 2023: €12,319,473 shares of €1). These are all registered ordinary shares. There are no shares with special rights or other restrictions on voting rights. Subsequent to the half year, on 13 August 2024, a further 5,520 shares were issued in relation to an employee share incentive plan.

Share-based payments

During H1 2024, 78,996 share options to subscribe for shares in the Company were granted to employees with an average weighted exercise price of £0.85 per share. As reported on 2 February 2024, these unapproved options were awarded to compensate staff for the loss of EMI qualification over pre-existing share options. These options vest in line with those pre-existing options.

In addition, 20,000 and 4,000 options were awarded at a market price of £6.70 and £7.25 respectively. These share options vest one quarter on the anniversary of the grant, over four years. Consistent with previous awards as explained in note 24 to the 2023 financial statements, the awards were valued using a Black Scholes valuation model.

An overall share-based payments charge of £348k (H1 2023: £87k) has been expensed in the period with a corresponding amount recognised in equity based on fair values calculated per option, as at the dates of grant. The charge for the half year is high due to the unique pricing and vesting conditions associated with the compensation options, with the full year charge expected to be proportionately lower.

10. Legal matters

As disclosed in note 26 of the 2023 financial statements, 4basebio S.L.U., the Company's Spanish subsidiary, is engaged in legal proceedings in Spanish Courts with Tyriss Tx. The matter remains ongoing.

11. Approval of the half year report

The half year report was approved by the board of directors and authorised for publication on 26 September 2024.

12. Events after the reporting period

On 29 July 2024, the Company announced a binding term sheet with Elevage Medical Technologies ("Elevage"), a Patient Square Capital platform and Prudential Assurance Company Limited acting by its investment manager M&G Investment Management Limited ("M&G") for a combined equity investment of £40 million at a price of £15.00 per ordinary share, conditional on regulatory approval of the transaction. In addition, Elevage and M&G have between them agreed to purchase ordinary shares from entities belonging to the Deutsche Balaton Group and certain management and directors of the Company, at a purchase price equal to the Issue Price for an aggregate purchase price of £29.4 million.

The Company then announced on 9 September 2024 that final documents had been entered into in relation to the transaction. The announcement further specified the number of shares to be sold by 2Invest AG and certain directors and confirmed that on 7 September 2024, the Company entered into a new relationship agreement with Elevage, M&G, 2Invest AG (on behalf of

the Deutsche Balaton Group) and Cairn Financial Advisers LLP as well as a deed of termination in respect of its existing relationship agreement, which was entered into at the time of its admission to AIM, both with effect from admission of the Issuance Shares to trading on AIM.

On 13 August 2024, the company issued 5,520 shares in relation to an employee share incentive plan.

Forward-looking statements

This announcement may contain certain statements about the future outlook for the 4basebio. Although the directors believe their expectations are based on reasonable assumptions, any statements about future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.