

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2024

	Notes	Unaudited 6 months ended 30 June 2024 £	Unaudited 6 months ended 30 June 2023 £	Audited year ended 31 December 2023 £
Revenue		7,000,693	1,703,447	3,100,968
Cost of Goods		(2,180,023)	(794,386)	(1,326,743)
Gross profit		4,820,670	909,061	1,774,225
Research and development costs		(609,294)	(819,474)	(2,045,988)
Administrative costs		(3,391,674)	(2,048,659)	(6,692,007)
Operating profit/(loss)		819,70	(1,959,072)	(6,963,770)
Finance income		46,939	-	71,797
Profit/(loss) before tax		866,641	(1,959,072)	(6,891,973)
Taxation	10	135,000	200,000	379,074
Total comprehensive profit/(loss) for the period attributable to owners of the parent company		1,001,641	(1,759,072)	(6,512,899)
Basic profit/(loss) per share (pence)	5	0.33	(0.61)	(2.21)
Diluted profit/(loss) per share (pence)	5	0.32	(0.61)	(2.21)

Consolidated Statement of Financial Position

As at 30 June 2024

	Notes	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
Assets				
Non-current assets				
Plant and equipment		3,248,057	1,099,640	2,484,748
Total non-current assets		3,248,057	1,099,640	2,484,748
Current assets				
Inventories		140	809	339
Trade and other receivables	6	1,795,635	1,070,366	1,240,174
Current tax asset		501,910	197,836	376,910
Cash and cash equivalents	7	3,920,326	7,838,889	7,714,182
Total current assets		6,218,011	9,107,900	9,331,605
Liabilities				
Current liabilities				
Trade and other payables	8	(1,657,291)	(2,195,326)	(6,339,534)
Total liabilities		(1,657,291)	(2,195,326)	(6,339,534)
Total net assets		7,808,777	8,012,214	5,476,819
Capital and reserves attributable to owners of the Parent Company				
Share capital	11	603,727	598,143	602,812
Share premium		71,091,260	70,930,527	71,068,945
Merger reserve		1,152,165	1,152,165	1,152,165
Retained losses		(65,038,375)	(64,668,621)	(67,347,103)
Total equity		7,808,777	8,012,214	5,476,819

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Note	Share Capital £	Share Premium £	Merger Reserve £	Other Reserve £	Retained Losses £	Total Equity £
At 1 January 2023 - audited		576,093	66,545,796	1,152,165	165,868	(63,720,369)	4,719,553
Total comprehensive loss for the period		-	-	-	-	(1,759,072)	(1,759,072)
Share-based payment		-	-	-	-	644,952	644,952
Shares issued during the period		175	31,606	-	-	-	31,781
Convertible loan notes and warrants conversion and exercise	12	21,875	4,353,125	-	(165,868)	165,868	4,375,000
<i>Transactions with owners</i>		<i>22,050</i>	<i>4,384,731</i>	<i>-</i>	<i>(165,868)</i>	<i>810,820</i>	<i>5,051,733</i>
At 30 June 2023 - unaudited		598,143	70,930,527	1,152,165	-	(64,668,621)	8,012,214
Total comprehensive loss for the period		-	-	-	-	(4,753,827)	(4,753,827)
Share-based payment		-	-	-	-	2,075,345	2,075,345
Shares issued during the period		4,669	138,418	-	-	-	143,087
<i>Transactions with owners</i>		<i>4,669</i>	<i>138,418</i>	<i>-</i>	<i>-</i>	<i>2,075,345</i>	<i>2,218,432</i>
At 31 December 2023 - audited		602,812	71,068,945	1,152,165	-	(67,347,103)	5,476,819
Total comprehensive loss for the period		-	-	-	-	1,001,641	1,001,641
Share-based payment		-	-	-	-	1,307,087	1,307,087
Shares issued during the period		915	22,315	-	-	-	23,230
<i>Transactions with owners</i>		<i>915</i>	<i>22,315</i>	<i>-</i>	<i>-</i>	<i>1,307,087</i>	<i>1,330,317</i>
At 30 June 2024 - unaudited		603,727	71,091,260	1,152,165	-	(65,038,375)	7,808,777

Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	Unaudited 6 months ended 30 June 2024 £	Unaudited 6 months ended 30 June 2023 £	Audited year ended 31 December 2023 £
Cash flows from operating activities			
Profit/(loss) before tax	866,641	(1,959,072)	(6,891,973)
Adjustments for:			
Depreciation	59,411	65,282	130,272
Loss on disposal of fixed assets	513	-	48,865
Finance Income	(46,939)	-	(71,797)
Share-based payment charge	1,307,087	644,952	2,720,297
Cash flows generated by/(used in) operating activities before changes in working capital	2,186,713	(1,248,838)	(4,064,336)
Decrease / (increase) in inventories	200	(809)	(339)
Increase trade and other receivables	(555,461)	(804,682)	(974,490)
(Decrease) / increase in trade and other payables	(4,682,240)	442,217	4,586,424
Cash used in operations	(3,050,788)	(1,612,112)	(452,741)
Income tax received	-	1,024,994	1,022,994
Net cash generated by/(used in) operating activities	(3,050,788)	(587,118)	570,253
Cash flows from investing activities			
Purchase of plant and equipment	(823,233)	(6,886)	(1,505,849)
Interest received	46,939	-	71,797
Cash used in investing activities	(776,294)	(6,886)	(1,434,052)
Cash flows from financing activities			
Issue of ordinary shares	23,230	4,406,781	174,868
Exercise of warrants	-	-	4,375,000
Cash generated by financing activities	23,230	4,406,781	4,549,868
(Decrease)/ Increase in cash and cash equivalents	(3,803,852)	3,812,777	3,686,069
Cash and cash equivalents at beginning of period	7,714,182	4,026,112	4,026,112
Net foreign exchange differences	9,996	-	2,001
Cash and cash equivalents at end of period	3,920,326	7,838,889	7,714,182

Notes to the Consolidated Interim Financial Statements For the six months ended 30 June 2024

1. Corporate information

The interim condensed consolidated financial statements of Futura Medical plc and its subsidiaries (the “Group”) for the six months ended 30 June 2024 were authorised for issue in accordance with a resolution of the Directors on 9 September 2024. Futura Medical plc (the “Company”) is a public limited company incorporated and domiciled in the United Kingdom and whose shares are publicly traded on the AIM Market of the London Stock Exchange. The registered office is located at Surrey Technology Centre, 40 Occam Road, Guildford, Surrey, GU2 7YG.

The Group is principally engaged in the development and sale of pharmaceutical and healthcare products.

2. Accounting policies

The accounting policies applied in these interim financial statements are consistent with those of the annual financial statements for the year end 31 December 2023, as described in those financial statements except for the new accounting policies described below.

These condensed interim consolidated financial statements for the six months ended 30 June 2024 and for the six months ended 30 June 2023 do not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006 and are unaudited.

The Group’s financial information for the year ended 31 December 2023 has been extracted from the financial statements of the statutory accounts (“Annual Report”) of Futura Medical plc, which were prepared by the Directors in accordance with UK-adopted International accounting standards (“IFRS”) in conformity with the requirements of the Companies Act 2006 that were applicable for the year ended 31 December 2023 and does not constitute the full statutory accounts for that period. The Annual Report for 2023 has been filed with the Registrar of Companies. The Independent Auditor’s Report on those financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006; though it did include a reference to a matter to which the Independent Auditor drew attention by way of emphasis without qualifying their report in relation to going concern. It does not comply with IAS 34 Interim financial reporting, as is permissible under the rules of AIM.

3. Estimates and judgements

The preparation of the interim condensed consolidated financial statements in conformity with IFRS requires management to make certain estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities and the reported amounts of income and expenses in the period.

Critical accounting estimates, assumptions and judgements are continually evaluated by the Directors based on available information and experience. As the use of estimates is inherent in financial reporting actual results could differ from these estimates.

Going concern

The Group has reported a profit after tax for the six months ended 30 June 2024 of £1.00 million (six months ended 30 June 2023: loss of £1.76 million, year ended 31 December 2023: loss of £6.51 million). The Group holds cash balances of £3.92 million at 30 June 2024 (30 June 2023: £7.84 million, 31 December 2023: £7.71 million).

The Directors have considered the applicability of the going concern basis in the preparation of the financial statements. This includes the review of internal budget, financial results and cashflow forecasts for the 12 months' period following the date of signing the financial statements. These forecasts show that the Group has sufficient funds to allow the business to continue in operations for at least 12 months from the date of approval of these financial statements.

Based on the above factors the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Share-based payments

The Group operates an equity-settled share-based compensation plan for employee (and consultant) services to be received and the corresponding increases in equity are measured by reference to the fair value of the equity instruments as at the date of grant. The fair value determination is based on the principles of the Black-Scholes model, the inputs of which uses an input of volatility based on historical data. Historical volatility may not be indicative of future volatility, yet the Directors judge this to be the most appropriate method of calculation. Given the share option expense of £1.31 million for the six months ended 30 June 2024 (six months ended 30 June 2023: £0.64 million, year ended 31 December 2023: £2.72 million), the volatility method used is not expected to have a material impact on these financial statements. Details of the fair value calculation for options granted during the period, including other inputs into the Black-Scholes model, are disclosed in Note 13.

R&D tax credits

The current tax receivable represents an estimate of the anticipated R&D tax credit in respect of claims not yet submitted for the 2024 financial year. The final receivable is subject to the correct application of complex R&D rules and HMRC approval. Historically, claims have been successful, and the Group expects the current year to be successful too.

4. Segment reporting

The Group is focussed on the development and commercialisation of Eroxon® and therefore operates as one segment. The Group derives revenue from the transfer of goods and services over time and at a point in time in the following geographical split:

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
EU and UK	2,759,209	1,703,447	2,725,475
Rest of world	1,014,830	-	375,493
USA	3,226,654	-	-
	7,000,693	1,703,447	3,100,968

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
Revenue recognised at a point in time	7,000,693	1,703,447	3,044,075
Revenue recognised over time	-	-	56,893
	7,000,693	1,703,447	3,100,968

5. Profit/Loss per share (pence)

The Group reports basic and diluted earnings per common share. Basic earnings per share is calculated by dividing the profit attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period.

Diluted earnings per share is determined by adjusting the profit attributable to common shareholders by the weighted average number of common shares outstanding, taking into account the effects of all potential dilutive common shares, including share options and the issue of shares under the long-term incentive share option scheme to the extent that they are deemed to be issued for no consideration in accordance with IAS 33.

Where a loss is attributable to equity holders of the Company, the calculation of the fully diluted loss per share is identical to that used for calculating the basic loss per share. The exercise of share options, or the issue of shares under the long-term incentive share options scheme, would have the effect of reducing the loss per share and is therefore anti-dilutive under the terms of IAS 33 'Earnings per Share'.

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
Total comprehensive income attributable to the owners of the company	1,001,641	(1,759,072)	(6,512,899)
Weighted average number of shares	301,503,380	288,974,155	294,912,404
Basic profit/(loss) per share (pence)	0.33	(0.61)	(2.21)
Total comprehensive income attributable to the owners of the company	1,001,641	(1,759,072)	(6,512,899)
Weighted average number of shares	301,503,380	288,974,155	294,912,404
Dilutive effect of share options	15,933,376	-	-
Weighted average number of diluted shares	317,436,756	288,974,155	294,912,404
Diluted profit/(loss) per share (pence)	0.32	(0.61)	(2.21)

6. Trade and other receivables

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
Amounts receivable within one year:			
Trade receivables	1,338,899	994,742	1,147,709
Other receivables	247,225	10,440	-
Financial assets	1,586,124	1,005,182	1,147,709
Prepayments	209,511	65,184	92,465
	1,795,635	1,070,366	1,240,174

Trade and other receivables do not contain any impaired assets. The Group does not hold any collateral as security and the maximum exposure to credit risk at the Consolidated Statement of Financial Position date is the fair value of each class of receivable.

7. Cash and cash equivalents

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
Cash at bank and in hand	3,920,326	7,838,889	7,714,182
	3,920,326	7,838,889	7,714,182

8. Trade and other payables

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £	Audited 31 December 2023 £
Trade payables	404,067	675,229	1,006,054
Social security and other taxes	160,379	198,032	71,850
Contract liability	621,061	644,110	3,847,716
Accrued expenses	471,784	677,955	1,413,914
	1,657,291	2,195,326	6,339,534

9. Related party transactions

Related parties, as defined by IAS 24 'Related Party Disclosures', are the wholly owned subsidiary companies: Futura Medical Developments Limited and Futura Consumer Healthcare Limited and the Board. Transactions between the Company and the wholly owned subsidiary companies have been eliminated on consolidation and are not disclosed.

10. Taxation

The Group's tax credit in the six months ended 30 June 2024 was £0.14 million (six months ended 30 June 2023: £0.20 million, year ended 31 December 2023: £0.38 million). The tax credit balance of £0.14 million relates to anticipated R&D tax credits in respect of claims not yet submitted 2024 financial year.

11. Share capital

	30 June 2024	30 June 2023	31 December 2023	30 June 2024	30 June 2023	31 December 2023
Authorised	Number	Number	Number	£	£	£
Ordinary shares of 0.2 pence each	500,000,000	500,000,000	500,000,000	1,000,000	1,000,000	1,000,000

Allotted, called up and fully paid	30 June 2024	30 June 2023	31 December 2023	30 June 2024	30 June 2023	31 December 2023
	Number	Number	Number	£	£	£
Ordinary shares of 0.2 pence each	301,863,641	299,071,457	301,405,950	603,727	598,143	602,812

The number of issued ordinary shares as at 1 January 2024 was 301,405,950. During the period of six months ended 30 June 2024, the Company issued 457,691 ordinary shares of 0.2 pence with each ordinary share carrying the right to one vote as follows:

		£	Number
January 2024	Non-Executive Director share award at 51.50 pence per share	22,402	43,500
June 2024	Exercise of share options at 0.2 pence per share	828	414,191
		23,230	457,691

12. Exercise of warrants

The balance of the warrant reserve as at 1 January 2023 related to a warrant instrument issued in January 2020, as part of a wider share issue to raise funds under a subscription agreement. The Company issued 10,937,500 warrants. The warrants were issued at a price of 40 pence per ordinary share and were exercised in full in June 2023, resulting in funds received of £4,375,000. As a result of this exercise the warrant reserve was transferred to retained earnings.

13. Share based payments

The Black-Scholes formula is the option pricing model applied to the grants of all share options in the period made in respect of calculating the fair value of the share options.

Grant date	19 April 2024
Number of shares under option	2,176,000
Vesting period ends	April 2027
Share price as at date of grant	35.50p
Option exercise price	35.50p

Expected volatility	86.63%
Dividend yield	0%
Risk-free investment rate	4.61%
Exercisable from/to	April 2027 - March 2034
Expected life of options	4 years
Fair value per share at grant date	23.03p

14. Post -period balance sheet events

There were no post-period balance sheets events.