

29 June 2023

Intuitive Investments Group plc

Interim report for the six months to 31 March 2023

Intuitive Investments Group plc (AIM: IIG) ("**IIG**" or the "**Company**"), a closed-end investment company focussed on the life sciences sector, announces its interim results for the six months to 31 March 2023.

Financial highlights

	31 March 2023	30 September 2022	31 March 2022	30 September 2021
Net Assets	£9.42 million	£12.93 million	£12.33 million	£8.14 million
Investments	£7.86 million	£11.16 million	£10.40 million	£5.74 million
Cash	£1.23 million	£1.55 million	£1.91 million	£2.57 million
NAV per share	13.07p	18.00p	18.73p	20.14p
% Increase/(decrease) from previous period end	(27.38)%	(3.90)%	(6.96)%	2.99%

Highlights

- Follow-on investment in Yourgene Health plc of £150,407 to acquire 50 million shares at a price of 0.3 pence per share. IIG holds 51,584,920 ordinary shares, or 1.62%, of the issued share capital of Yourgene.
- Reorganisation of investment in Sanondaf, reduction in deferred consideration and adjustment to fair value.
- Post period end follow-on investment in Light Science Technologies Holdings plc of £150,000 to acquire 15 million shares at a price of 1 penny per share. IIG holds 28,280,000 ordinary shares, or 8.49%, of the issued share capital of Light Science Technologies in total.

Intuitive Investments Group plc

Julian Baines, Non-Executive Chairman
Robert Naylor, CEO

www.iigplc.com

Via SP Angel

SP Angel Corporate Finance LLP - Nominated Adviser

Jeff Keating / David Hignell / Kasia Brzozowska

+44 (0) 20 3470 0470

Turner Pope Investments (TPI) Ltd - Broker

Andrew Thacker / James Pope

+44 (0) 20 3657 0050

About Intuitive Investments Group plc

The Company is an investment company seeking to provide investors with exposure to a portfolio concentrating on fast growing and/or high potential Life Sciences businesses operating predominantly

in the UK, continental Europe and the US, utilising the Board's experience and in particular that of the chairman of the Investment Committee, David Evans, to seek to generate capital growth over the long term for shareholders.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

Chairman and Chief Executive’s Report

We are pleased to present the interim report for Intuitive Investments Group plc, which covers the six months ended 31 March 2023.

Publicly traded investments

Publicly quoted small-cap healthcare companies continue to underperform. We perceive there is a value in the Company’s portfolio and the opportunity for high returns if these companies are allowed to successfully develop and commercialise their innovative products or services that meet unmet medical needs. However, without the ability to raise capital, a number are destined to struggle regardless of the quality of their products or services.

We made follow-on investments in Yourgene Health plc (“**Yourgene**”) and, post period end, into Light Science Technology Holdings (“**Light Science**”) of approximately £150,000 each. The discounts on these follow-on investments to the share prices where we initially invested were brutal. We originally purchased shares in Yourgene at a price of 15.5 pence and our follow-on investment was at 0.3 pence, a discount of 98%. Similarly Light Science floated at a price of 10 pence per share and our follow-on investment was at 1 penny, a discount of 90%. Of note is the investment in Midatech Pharma plc whereby the company’s initial proposed transaction was voted down by shareholders and, as a consequence, the company had to undertake a highly dilutive rescue fundraising, in effect wiping out the existing shareholders’ equity. The company has been renamed Biodexa Pharmaceuticals plc.

	Valuation as at		
	31 March 2023	30 September 2022	Unrealised gain/(loss)
	£	£	£
Evgen Pharma plc	80,937	65,625	15,312
Light Science Technologies Holding plc	531,200	863,200	(332,000)
Microsaic Systems plc	92,160	88,400	3,760
Biodexa Pharmaceuticals plc (previously Midatech Pharma plc)	1,365	26,250	(24,885)
Polarean Imaging plc	89,583	175,000	(85,417)
Shield Therapeutics plc	50,000	75,000	(25,000)
Trellus Health plc	27,625	29,750	(2,125)
Yourgene Health plc (bfwd)	4,359	71,321	(66,962)
Yourgene Health plc. (follow on investment) ¹	137,500	-	(12,907)
Closing fair value	1,014,729	1,394,546	(530,224)

¹ Follow on investment of £150,407 made on 12 January 2023

Unquoted companies

Our portfolio of unquoted companies has performed reasonably in comparison to the publicly quoted portfolio and continues, in the main, to be held at cost, plus accrued interest if applicable, or at the

valuation of the most recent investment round. Momentum Limited has raised additional capital post period end at the same valuation as the round in which IIG participated and therefore there is no increase or decrease in valuation. We are aware of one investee companies currently raising capital which may negatively impact its valuation. Further details of the companies in the unquoted portfolio are contained at the end of this statement.

Reorganisation of investment in Sanondaf, reduction in deferred consideration and adjustment to fair value

As announced on 24 May 2023, the Company has reorganised Touchless Innovation Limited (“**Touchless Innovation**”) and Touch-Less Hygiene UK Limited (“**Touch-Less Hygiene**”) (together the “**Touchless Group**”) which trades under the name Sanondaf and the Board has negotiated a reduction in the deferred consideration payable to the vendors of the business and assets of Sanoserv International Franchising Limited. After careful consideration, the Board is now proposing reducing in the fair value of the Touchless Group.

The board of Touchless Innovation, with the agreement of the board of IIG, moved Touch-Less Hygiene from being a wholly owned subsidiary of Touchless Innovation to being a wholly owned subsidiary of IIG. Touchless Innovation and Touch-Less Hygiene have different business models. Touchless Innovation is an international franchising business, with master franchisees in 11 countries. Touch-Less Hygiene is a UK market-leading provider of specialist disinfection and decontamination services, with 25 regional sites in the UK and customers that include blue-chip life sciences companies, essential infrastructure firms and the NHS. Given the distinct business models, separating and having distinct management teams will improve both the opportunity for growth and the potential to attract third party funding.

The consideration payable by Touchless Innovation to the vendors included £900,000 of deferred consideration payable six months from completion, due on 25 August 2022. In substitution for the £900,000 the Boards of IIG and Touchless Innovation agreed to issue the vendors 2,000,000 new ordinary shares of 1 penny each in IIG, as well as allowing the vendors the master franchise for Malta for nine years. The minimum royalty amount under the master franchise agreement is US\$5,400 per annum. In addition, the vendors no longer have the right to appoint a director to the Board of Touchless Innovation.

The Touchless Group continues to trade profitably and make significant progress:

- Touch-Less Hygiene, in selling machines and consumable product alongside the existing extensive franchise network; and
- Touchless Innovation has an extensive sales pipeline in the US which the Board believe will convert to sales imminently.

For the year ended 30 September 2022 the Touchless Group reported unaudited turnover of £1.94 million, profit after tax of £142,000, has net assets of £2.24 million including cash of £423,000. The Board has therefore taken the prudent view to reduce the valuation of the investment in the Touchless Group from £6.36 million to £3.50 million, split equally for Touchless Innovation and Touch-Less Hygiene Touch-Less Hygiene.

Financial performance

NAV per Ordinary Share at; flotation: 18.78 pence; 30 September 2022: 18.00 pence; 31 March 2023: 13.07 pence. Absent the write down in the Touchless Group the NAV per Ordinary Share would have been 17.05 pence. There are investment losses of £3.44 million, comprising unrealised losses of £3.49 million, interest income from the convertible loan notes of £44,000 and management fee income of £12,000. The structure of the Company is purposefully simple, and the administrative costs of the business were £193,000 for the period. Overall, the loss for the period was £3.51 million.

Outlook

Despite short term headwinds the Board believes there are significant opportunities to restore shareholder value. We look forward to updating you as to our progress in the near term.

Later stage investments

BioQ Pharma Incorporated ("BioQ")

Investment of US\$1 million by way of unsecured convertible loan notes and warrants, valued at cost plus accrued interest.

BioQ has raised more than US\$30 million in subscription for the CLN and is looking to prepare for a fundraising in the Series E ordinary shares.

BioQ is a commercial-stage, medical device and pharmaceutical company, addressing the infusible drugs market. BioQ's proprietary Invenious™ platform comprises a "connect-and-go" drug-device system combination, which can be utilised to improve the delivery of infusible medicines. BioQ's platform includes a bespoke unit-dose delivery solution for infusible drugs, whereby a diluent delivery system and administration line are combined in one self-contained, ready-to-use presentation. The key benefits of the platform include reduced cost and complexity compared to current infusion techniques.

Touchless Innovation Ltd ("Sanondaf")

Investment of £1.75 million to acquire the entire issued share capital, held at fair value, for which cost is which is based on Directors' valuation.

Touchless Innovation is an international licensing and franchising business, with master franchise agreements in ten countries. Sanondaf licenses the brands, know-how and intellectual property of specialist disinfection and decontamination technology.

Touch-Less Hygiene Ltd ("Touch-Less Hygiene")

Investment of £1.75 million to acquire the entire issued share capital, held at fair value, which is based on Directors' valuation.

Touch-Less Hygiene is a market-leading provider of specialist disinfection and decontamination services and has 25 regional sites in the UK. Treatments are non-corrosive, contain no toxic ingredients and Sanondaf's application methods ensure they are not harmful to people, animals or the environment. It is safe for use in all settings, including operating theatres, critical care units, and is CASA (Civil Aviation Safety Authority) approved. Sanondaf's disinfection formula has proven efficacy against pathogens, included, viruses, mould, bacteria and fungi. Customers include the blue-chip life sciences companies, essential infrastructure firms and the NHS. Touchless Hygiene holds a master franchise agreement from Touchless Innovation Ltd to operate in the UK.

Series A and B investments

Axol Bioscience Ltd ("Axol")

Investment of £249,092 in A ordinary shares, held at fair value, for which cost is deemed the most appropriate basis of measurement. The company undertook a fundraising in April 2022 at the same valuation as IIG's investment.

Axol produces high quality human cell products, particularly in relation to pluripotent stem cell and critical reagents such as media and growth supplements, which are sold to medical research and drug discovery organisations. Axol also provides contract research for example customising cell lines for customers, such as reprogramming and differentiation. The Chairman of Axol is Jonathan Milner, who was previously deputy chairman of Abcam plc.

CardiNor AS ("CardiNor")

Investment of £112,891 in ordinary shares, held at fair value, for which cost is deemed the most appropriate basis of measurement.

CardiNor has made excellent progress particularly with the amount of money raised, which includes:

- Elisa test CE marked with clear route to market in the Europe and next generation magnetic test being developed.
- RuO in the US, but distribution deal done with IBL and talking to Labcorp. Going for full FDA approval.

Valuation is 80 million NOK (c.£7.0 million). CardiNor is a Norwegian biotech company established in June 2015 to commercialise the development of secretoneurin ("**SN**"), an important new biomarker for cardiovascular disease ("**CVD**"). SN is the only biomarker shown to be associated with biological processes linked to cardiomyocyte handling. This unique biological function explains why SN presents as an independent and strong predictor of mortality in all major patient cohorts, including ventricular arrhythmia, acute heart failure, acute respiratory failure patients with CVD and severe sepsis. CardiNor has completed development of a research assay based on immunoassay technology to measure SN in blood and the assay is under further clinical development, allowing it to obtain a CE mark.

The Electrospinning Company Ltd ("TECL")

Investment of £500,000 in ordinary shares, held at fair value, for which cost is deemed the most appropriate basis of measurement.

Held at cost, TECL is trading in line with management expectations. TECL has a technology platform built around the process of electrospinning, a technique for production of micro and nano-fibre biomaterials from a variety of natural and synthetic polymers, and a suite of post-processing technologies to convert the biomaterials into medical device components. The core business is the sale of product development and manufacturing services to medical device companies. TECL is also using its know-how to develop proprietary materials for targeted out-licensing opportunities, aiming to capture more of the end-market value created by its innovations and expertise.

Micrima Ltd ("Micrima")

Investment of £229,636 by way of convertible loan note held at fair value, for which cost is deemed the most appropriate basis of measurement.

Micrima specialises in radiofrequency technology to improve early diagnosis of breast cancer and measure breast density. Micrima continues to make progress, but has suffered delays in its commercial launch and as a consequence is looking to refocus on breast density measurement.

Momentum Bioscience Ltd ("Momentum")

Investment of £125,000 in preferred A ordinary shares, held at fair value, for which cost is deemed the most appropriate basis of measurement. Momentum undertook an additional subscription in September 2022 at the same valuation as IIG's investment.

Momentum is developing a revolutionary rapid diagnostic test for patients suspected of sepsis, an infection of the blood stream resulting in symptoms including a drop in a blood pressure, increase in heart rate and fever. Momentum's SepsiSTAT® system enables reporting of the presence or absence and 'pan gram identification' of viable organisms in just two hours, helping direct the right

antimicrobials. The system also provides a pure concentrate of growing organisms for further analysis. Faster testing in suspected sepsis patients can reduce mortality, accelerate hospital discharge, lower hospital costs, and reduce the incidence of antimicrobial resistance. SepsisSTAT® is a diagnostic test that runs from a sample of whole blood before any culturing steps are taken and is currently being studied in clinical practice with highly encouraging early results indicating competitive sensitivity versus the current standard of care. Over 120 million blood tests for sepsis are run annually representing a market potential of over £1 billion.

Ocutec Ltd ("Ocutec")

Investment of £250,000 in ordinary shares, held at fair value, for which cost is deemed the most appropriate basis of measurement. Post period Ocutec completed a fundraising of £1.2 million. The price was £2.00 per ordinary share which compares to a price of £1.60 per ordinary share at the time of the Company's investment. Therefore, there is a post period end unrealised gain of £62,500, based on most recent funding round.

Ocutec has patented technology covering the formulation of novel contact lens products, contact lens comfort solutions and injection moulding technology for rapid manufacturing. Ocutec is based in Glasgow, and has been operating since 2006, having been spun out of the University of Strathclyde.

PneumoWave Ltd ("PneumoWave")

Investment of £904,124 in new ordinary shares, held at fair value, for which last investment round is deemed the most appropriate basis of measurement.

IIG invested £100,000 by way of convertible loan notes which converts at a 15% discount to the Series A and £350,000 in the pre-series A funding round. The Series A round has completed leading to an increase in valuation of £454,124.

PneumoWave, which was incorporated in February 2018, is developing an innovative remote respiratory monitoring platform comprising a small, chest-worn biosensor and AI-driven data analysis/alerting software for the early detection, prediction, and prevention of adverse events in respiratory patients, both in hospitals and at home. In 2020, PneumoWave was awarded Breakthrough Medical Device designation from the U.S. Food and Drug Administration for the development of the device, which is designed to monitor breathing in real-time to a clinical standard of care.

The specially designed wireless biosensor is one of the smallest available and transmits data to the cloud using a data hub or smartphone, alerting the patient, their household members, doctor, nurse, or emergency services where life-threatening changes occur. PneumoWave's technology will be able to accurately monitor large numbers of patients in any location at any time.

Intuitive Investments Group Plc
Statement of Comprehensive Income
For the 6 months to 31 March 2023

	6 months to 31 March 2023 Unaudited £'000	6 months to 31 March 2022 Unaudited £'000	Year to 30 September 2022 Audited £'000
Investment income			
Finance income	44	99	148
Gains on realised investments	-	76	76
Unrealised gains/(losses) due to FX	(96)		166
(Losses)/Gains on investments at fair value	(3,395)	(889)	(1,493)
Management Fees	12	18	30
	<u>(3,435)</u>	<u>(696)</u>	<u>(1,073)</u>
Administrative expenses	(193)	(195)	(494)
(Loss)/Profit before tax	<u>(3,628)</u>	<u>(891)</u>	<u>(1,567)</u>
Corporation tax	114	174	409
(Loss)/Profit for the period	<u>(3,514)</u>	<u>(717)</u>	<u>(1,158)</u>
Other Comprehensive Income	-	-	-
Total comprehensive income for the period	<u><u>(3,514)</u></u>	<u><u>(717)</u></u>	<u><u>(1,158)</u></u>
Total comprehensive income attributable to the owners of the company	<u><u>(3,514)</u></u>	<u><u>(717)</u></u>	<u><u>(1,158)</u></u>
(Loss) per share			
Basic - pence	3 (4.9)p	(1.49)p	(2.01)p
Diluted - pence	(4.9)p	(1.49)p	(2.01)p

Intuitive Investments Group Plc
Statement of Financial Position
As at 31 March 2023

	Notes	As at 31 March 2023 Unaudited £'000	As at 31 March 2022 Unaudited £'000	As at 30 September 2022 Audited £'000
ASSETS				
Non-current assets				
Investments	4	7,863	10,398	11,160
Deferred tax asset		352	94	238
		<u>8,215</u>	<u>10,492</u>	<u>11,398</u>
CURRENT ASSETS				
Trade and other receivables		22	43	24
Cash and cash equivalents		1,233	1,911	1,553
		<u>1,255</u>	<u>1,954</u>	<u>1,577</u>
TOTAL ASSETS		<u><u>9,470</u></u>	<u><u>12,446</u></u>	<u><u>12,975</u></u>
EQUITY				
Shareholders' Equity				
Called up share capital	5	721	658	721
Deferred shares		48	48	48
Share premium		12,619	11,631	12,619
Other reserves		144	144	144
Accumulated deficit		(4,111)	(156)	(597)
Total Equity		<u>9,421</u>	<u>12,325</u>	<u>12,935</u>
LIABILITIES				
Current liabilities				
Trade and other payables		49	30	40
Non current liabilities				
Deferred tax liabilities		-	91	-
TOTAL LIABILITIES		<u>49</u>	<u>121</u>	<u>40</u>
TOTAL EQUITY AND LIABILITIES		<u><u>9,470</u></u>	<u><u>12,446</u></u>	<u><u>12,975</u></u>
Net asset value per share		13.07p	18.73p	18.00p

**Intuitive Investments Group Plc
Statement of Changes in Equity
For 6 months to 31 March 2023**

	Called up Share Capital £'000	Deferred Shares £'000	Share Premium £'000	Other Reserves £'000	Retained Earnings £'000	Total Equity £'000
Balance at 30 September 2021	404	48	6,986	144	561	8,143
Loss for the period	-	-	-	-	(717)	(717)
Issued share during the period	254	-	4,645	-	-	4,899
Balance at 31 March 2022	658	48	11,631	144	(156)	12,325
Loss for the period	-	-	-	-	(441)	(441)
Issued share during the period	63	-	988	-	-	1,051
Balance at 30 September 2022	721	48	12,619	144	(597)	12,935
Loss for the period	-	-	-	-	(3,514)	(3,514)
Balance at 31 March 2023	721	48	12,619	144	(4,111)	9,421

Intuitive Investments Group Plc
Statement of Cash Flows
For the 6 months to 31 March 2023

	Notes	6 Months to 31 March 2023 Unaudited £'000	6 Months to 31 March 2022 Unaudited £'000	Year to 30 September 2022 Audited £'000
Profit/(loss) before tax from continuing operations		(3,628)	(890)	(1,567)
Adjusted by:				
Interest income		(44)	(45)	(93)
Gain on disposal		-	-	(74)
Fair value movement		3,491	888	1,326
		<u>(181)</u>	<u>(47)</u>	<u>(408)</u>
Changes in working capital				
(Increase)/decrease in trade and other receivables		2	-	18
(Decrease)/increase in trade and other payables		9	(4)	7
		<u>(170)</u>	<u>(51)</u>	<u>(383)</u>
Net cash outflow from operating activities				
Cash flows from investing activities				
Purchase of investments	4	(150)	(1,350)	(1,450)
Proceeds from sale of investments		-	138	212
		<u>(150)</u>	<u>(1,212)</u>	<u>(1,238)</u>
Net cash (outflow)/inflow from investing activities				
Cash flows from financing activities				
Net proceeds from share issues		-	607	607
		<u>-</u>	<u>607</u>	<u>607</u>
Net cash inflow from financing activities				
		<u>-</u>	<u>607</u>	<u>607</u>
Increase/(decrease) in cash and equivalents		(320)	(656)	(1,014)
Cash and cash equivalents at beginning of period		1,553	2,567	2,567
		<u>1,233</u>	<u>1,911</u>	<u>1,553</u>
Cash and cash equivalents at end of period		<u>1,233</u>	<u>1,911</u>	<u>1,553</u>

**Intuitive Investments Group Plc
Notes to the Half Yearly Report
For the 6 months to 31 March 2023**

1. General Information

Intuitive Investments Group Plc is a company incorporated and domiciled in England and Wales. The company is listed on the AIM market of the London Stock Exchange (ticker: IIG).

The financial information set out in this Half Yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Company statutory financial statements for the period ended 30 September 2022, prepared under UK-Adopted International Financial Reporting Standards (“IFRS”), have been filed with the Registrar of Companies. The auditor’s report on those financial statements was unqualified and did not contain statements under Sections 498(2) and 498 (3) of the Companies Act 2006.

Copies of the annual statutory accounts and the Half Yearly report can be found on the Company’s website at <http://www.iigplc.com/>.

2. Basis of preparation

This Half- Yearly report has been prepared using the historical cost convention, on a going concern basis and under IFRS. The interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report and Accounts for the year ended 30 September 2022.

Intuitive Investments Group Plc
Notes to the Half Yearly Report
For the 6 months to 31 March 2023

3. Earnings per Share

Basic earnings per share is calculated by dividing the earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the period.

Reconciliations are set out below:

	6 Months to 31 March 2023 Unaudited	6 Months to 31 March 2022 Unaudited	Year to 31 September 2022 Audited
Basic			
Earnings attributable to ordinary shareholders	(3,514,054)	(716,516)	(1,158,483)
Weighted average number of shares	72,064,551	48,046,357	57,724,661
Earnings (Loss) per-share - pence	<u>(4.90) p</u>	<u>(1.49) p</u>	<u>(2.00) p</u>
Diluted			
Earnings attributable to ordinary shareholders	(3,514,054)	(716,516)	(1,158,483)
Weighted average number of shares	72,064,551	48,046,357	57,724,661
Earnings (Loss) per-share - pence	<u>(4.90) p</u>	<u>(1.49) p</u>	<u>(2.01)p</u>

As at 31 March 2023 there were 1,962,500 (2022: 1,962,500) outstanding share warrants.

Intuitive Investments Group Plc
Notes to the Half Yearly Report
For the 6 months to 31 March 2023

4. Investments

Cost	£'000
At 30 September 2021	5,737
Additions during 6 months to 31 March 2022	5,642
Disposals	(138)
Accrued interest	44
Change in fair value	(887)
At 31 March 2022	10,398
Additions during 6 months to 30 September 2022	1,151
Accrued interest	49
Change in fair value	(438)
At 30 September 2022	11,160
Additions during 6 months to 31 March 2023	150
Accrued interest	44
Change in fair value	(3,491)
At 31 March 2023	7,863

**Intuitive Investments Group Plc
Notes to the Half Yearly Report
For the 6 months to 31 March 2023**

5. Share Capital

Issued share capital comprises:

	6 months to to 31 March 2023 Unaudited £'000	6 months to to 31 March 2022 Unaudited £'000	Year to to 31 September 2022 Audited £'000
Ordinary shares of 1p each	721	658	721
	<hr/>	<hr/>	<hr/>
	721	658	721
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

There were no shares issued during the period.

6. Post balance sheet events

On 1 April 2023 Ocutec Limited completed a fundraising of £1.2 million. The price was £2.00 per ordinary share which compares to a price of £1.60 per ordinary share at the time of the Company's investment. Therefore there is an unrealised gain of £62,500, based on most recent funding round.

On 26 April 2023 a follow-on investment in Light Science Technologies Holdings plc of £150,000 was made to acquire 15 million shares at a price of £0.01 per share. IIG holds 28,280,000 ordinary shares of Light Science Technologies in total.

On 30 May 2023 2,000,000 shares of 1 penny each in the Company were issued at a value of £0.055 per share in settlement of the £900,000 deferred consideration payable as part of the acquisition of Touchless Innovation.