RNS Number : 1397F
Eden Research plc
23 September 2024

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

23 September 2024

EDEN
THE NATURAL SOLUTION

Eden Research plc

("Eden" or "the Company")

Half Yearly Report

Eden Research plc (AIM: EDEN), a leader in sustainable biopesticide and biocontrol technology, announces its interim results for the six months ended 30 June 2024.

Financial highlights

- Revenue for the period of £1.9m (H1 2023: £1.1m)
- Product sales of £1.7m (H1 2023: £1.1m)
- Operating loss for the period of £1.3m (H1 2023: £1.2m)
- Cash and cash equivalents of £4.9m (H1 2023: £0.5m)
- On track to meet 2024 market expectations for revenue and operating loss

Business highlights

Expanding regulatory approvals in key territories, including the US, new commercial agreement, and new product areas

- Authorisation for Mevalone® received in the key state of California
- Mevalone® authorised for use in new crops and fungal pathogens in Spain
- 140 insecticide field trials run by potential distribution partners so far in 2024, following significant interest in the evaluation of Eden's developmental insecticide
- Authorisation for Mevalone® received in Germany and Czechia (post period-end)

Corporate highlights

Strengthening of the Company's financial position and team to allow the business to grow apace

- Eden named ESG Company of the Year at the prestigious 2024 Small Cap Network Awards in recognition of its commitment to environmental, social and governance matters and contribution to the green economy
- Appointment of Derek McAllan as Non-executive Director and Chairman of the Audit Committee
- Strengthening of the Commercial Team with the appointment of Humair Tariq as Global Commercial Lead and Daniel Mulas Garcia as Global Product and Marketing Lead

Lykele van der Broek, Chairman of Eden Research, commented:

"Eden continues to grow, as evidenced by increased sales of 65% compared to the first half of 2023 and product registrations received across target geographies. To support this growth and ensure the business can capture its significant future potential, we have expanded the team in the first half of the year, welcoming Humair Tariq as Global Commercial Lead, Daniel Mulas Garcia as Global Product and Marketing Lead and Ilshad Moulan as Head of Regulatory Affairs. We were also delighted to appoint Derek McAllan as Non-executive Director and Chairman of the Audit Committee.

In the background, the Company is working flat out developing novel formulations and commercialising products in order to fully exploit the vast bank of intellectual property and expertise that Eden has created over the past four years in particular, since it opened its laboratory facilities in mid-2020.

Be in no doubt, the potential for Eden is huge.

Aside from having a great team and a strong product portfolio, Eden is very much in the right place at the right time.

Regulators continue to restrict, or ban, existing chemistry, whilst at the same time making it increasingly difficult for new active ingredients and products to come into the market with ever-increasing regulatory requirements.

Farmers continue to demand choice and flexibility in their use of pesticides with an ever-reducing set of tools available to them, due to the diminution of old chemistry.

Consumers and supermarkets are increasingly demanding residue-free, organic produce, which Eden can help growers to deliver.

All of this means that demand for products like Eden's will continue to increase, something which is backed up by market forecasts that predict a Compound Annual Growth Rate of the global biopesticides market of 15.9% over the next seven years.

I remain very confident in the future success of Eden and would like to thank our shareholders for their continued support and belief in us."

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Chief Executive Officer's Statement

The first half of 2024 was characterised by strong regulatory momentum, including a number of significant approvals in key geographies, and also the expansion of our team to increase our capacity to capture future opportunities. These efforts have enabled us to meet our growth objectives, supported by increased product sales across our existing portfolio and our commercial partnerships with some of agriculture's largest players.

Financial performance

Revenue for the period increased by 65% to £1.9m from £1.1m in H1 2023, of which product sales made up £1.7m (H1 2023: £1.1m).

The Operating loss for the period was £1.3m, a slight increase on H1 2023 when it was £1.2m. This was a reflection of a reduction in gross margin (31% in H1, 2024 vs 37% in H1, 2023), as well as an increase in staff costs as the Company increased its headcount of both commercial and laboratory staff.

At 30 June 2024, Cash and cash equivalents stood at £4.9m, up from £0.5m at 30 June 2023 following completion of the last fundraise in the second half of 2023.

In the twelve months to 30 June 2024, Eden has invested £2.3m in intangible assets including development and regulatory costs.

Overall, the Company is pleased to report that it is on track to meet its 2024 market expectations for revenue and operating loss, the key financial metrics of the business.

Expanding territorial reach, growing the label

With the industry's regulators creating high barriers to entry, our approach to regulatory affairs and approvals is integral to Eden's growth proposition and offers a great potential reward to investors willing to back our innovative technology. Despite the high regulatory hurdles and long lead times for adoption, we have recently managed to successfully gain important approvals which expand both the geographies and the range of crop applications and addressable markets.

2024 began with the welcome news of regulatory authorisation for Mevalone® in California. To put this one approval into context, California is the US's largest wine region, accounting for approximately 84% of the nation's total production and, in comparison with the rest of the US, has much stricter agricultural regulations geared towards sustainable farming practices. Given the timing of this regulatory approval, we have been able to commence distributing to grape growers across the state via our commercial partner, Sipcam. We expect to make meaningful revenues in 2025 as we continue to develop the commercial and marketing strategy.

In June, Eden received notification from the Spanish regulators that Mevalone, marketed as Araw® in the region, had received a label expansion to include 22 new crops on 4 new fungal diseases. This newly expanded label makes our biofungicide one of the most versatile and reliable solutions available to Spanish farmers to prevent fungal diseases in many crops under both organic and conventional agriculture. The new approval extends to a large number of high-value crops that weren't previously on the label, but most notably, includes almonds which are the third largest tree crop in Spain after olives and grapes. Furthermore, Spain boasts the largest cultivated area of almond trees in the world and ranks third in terms of overall production.

Post-period end in August, we were delighted that Mevalone received regulatory authorisation in Germany, applicable for use on grape vines to control Botrytis and apples to prevent storage diseases. Germany is widely considered in the biocontrol markets as one of the strictest regulatory environments across the EU and more broadly, and our regulatory success here is a great validation of the strong efficacy of our product, as well as its flexible and environmentally friendly qualities.

In September, Cedroz was granted, according to Reg. EU/1107/2009, a temporary approval in Greece for use on potatoes against wireworms for the 2024 growing season.

New products, same technology

Eden's development pipeline remains active across a number of different projects, all using the same proprietary terpene technology and underlying microencapsulation technology, Sustaine®. These products are based on a desire to replace, or work alongside, conventional pesticide chemistry with plant-derived alternatives. We have the capacity, capability, and flexibility with our in-house laboratory facilities and team to be able to adapt our development to meet the demands of the industry and to also pursue new market opportunities as they arise.

This in-house expertise has allowed us to accelerate the development of our new bioinsecticide which would have otherwise been a much longer process had we needed to contract the work. In June, we announced encouraging results of our new bioinsecticide which has involved more than 30 laboratory trials and more than 140 field trials conducted in Europe and the United States. Results show strong efficacy against all life stages of key pests such as aphids, spider mites and whiteflies and demonstrate equivalence or superior performance when compared with registered biological reference products produced by some of the world's leading biochemical companies.

Eden is now working towards regulatory submissions of our new bioinsecticide in the US and Europe, which we anticipate will happen in 2024 and 2025, respectively. Subject to authorisation, first sales of the product could be achieved as early as 2025 in the US, given our active ingredients have already been registered at a federal level.

We are also working towards including downy mildew on the Mevalone label for the first time with an application already submitted in France. With key competitor products being removed from the market, or in some cases, already withdrawn, we see a significant opportunity to address an unmet need. We anticipate a positive verdict in early 2025, subject to regulatory timelines.

Strengthening our team

Driving sustainable innovation through the development of new products using our unique, patented technologies is a fundamental aspect of creating value for shareholders. Since our move to Oxfordshire in 2020, we have benefited tremendously from the ability to bring our biopesticide and biocontrol development in-house and accelerate timelines that would have otherwise been significantly slower. To continue to accelerate growth, we have elected to make key hires across specific mandates.

The first of these key appointments came in June 2024, when we appointed Humair Tariq as our Global Commercial Lead. Humair joined Eden from Syngenta where he spent the past 12 years working across a number of remits across the firm's pesticide division. Humair assumes a new role which is specifically dedicated to fostering the Company's existing partnerships, developing new relationships with potential partners, and driving revenue growth through both the expansion of our existing business and the pursuit of new opportunities.

Since the end of the first half, we are also pleased to welcome Daniel Mulas García as the Company's new Global Product and Marketing Lead. Daniel holds a wealth of industry experience from his time working as a product manager of biostimulants and biocontrol for one of Eden's most important commercial partners, Sipcam Oxon. Daniel's focus at Eden is on ensuring that our current and future products are well-aligned with the needs of farmers in an ever-changing regulatory and commercial environment, as well as maximising revenue growth through the pursuit of ongoing expansions of the Company's product portfolio.

Finally, Ilshad Moulan joined Eden as our new Head of Regulatory Affairs last month. Ilshad worked at a specialist product registration consultancy where he led a team of nine, focusing on regulatory affairs. Ilshad succeeds Dr Mike Carroll who will retire at the end of a handover period. Mike has served as Eden's first-ever regulatory leader and played a key role in not only establishing Eden's in-house regulatory capabilities but also in successfully securing the many regulatory authorisations the Company now holds.

At a Board level, we saw the appointment of Derek McAllan as a new non-executive director and Chairman of the Audit Committee. He takes over from Robin Cridland who has undertaken this duty for the past nine years. Robin continues to advise the Board in his capacity as a non-executive director. At the start of the year, we also saw the departure of Richard Horsman who stepped down as a non-executive director following an 18-month stint, during which he made significant contributions to the Company at a pivotal time.

Outlook

We anticipate the remainder of the year will provide plenty of reasons for excitement. Eden is exploring various options to reintroduce its sustainable seed treatment, Ecovelex, on an emergency authorisation basis following success in Italy in 2023. We anticipate full Ecovelex authorisation in the EU in 2025. We are also looking into the potential for deploying Ecovelex on other grain and cereal crops such as sweetcorn.

On the regulatory front, Eden is working closely with Sipcam towards submitting regulatory applications for Mevalone and Cedroz in new frontier markets such as Argentina, Brazil, and Chile. We expect to update the market with our progress in due course.

Ahead of the launch of our bioinsecticide, we expect to appoint a commercial partner to help prepare the product for regulatory submission in the coming months. This has been a highly competitive process which has so far involved more than 11 potential partners covering a range of global opportunities.

I'd like to take this opportunity to thank our team for all their effort so far this year in what has been a very busy period for the Company. I would also like to extend my gratitude to all our shareholders and the Board for their continued support.

Sean Smith

Chief Executive Officer

20 September 2024

Eden Research plc - Consolidated Statement of Comprehensive Income for the six months ended 30 June 2024

	Six months ended 30 June 2024 £ unaudited	Six months ended 30 June 2023 £ unaudited	Year ended 31 December 2023 £ audited
Revenue (note 18)	1,885,929	1,142,371	3,192,027
Cost of sales	(1,292,117)	(710,337)	(1,426,547)
Gross profit	**593,812**	432,034	1,765,480
Administrative expenses	(1,701,968)	(1,250,541)	(2,997,633)
Other operating income	4,199	-	20,689
Amortisation of intangible assets	(150,508)	(264,557)	(418,651)
Share based payments (note 17)	(79,666)	(119,083)	(236,576)
Operating loss	**(1,334,131)**	(1,202,147)	(1,866,691)
Investment revenues	43,884	181	34,014
Finance costs	(6,068)	(9,539)	(17,207)
Foreign exchange gains/(losses)	(8,994)	11,857	(68,802)
Impairment of intangible assets (note 9)	-	(4,968,529)	(4,968,529)
Share of loss of equity accounted investee, net of tax (note 10)	**(3,350)**	(25,111)	(33,047)
Loss before taxation	**(1,308,659)**	(6,193,288)	(6,920,262)
Income tax income	395,778	317,230	428,326
Loss for the financial period	**(912,881)**	(5,876,058)	(6,491,936)
Attributable to:			
Equity holder of the company	(916,128)	(5,887,194)	(6,491,936)
Non-controlling interest	3,247	11,136	2,313
Total Comprehensive Income	**(912,881)**	(5,876,058)	(6,491,936)
Earnings per share (note 7)			
Basic (pence per share)	(0.17)	(1.54)	(1.54)

Eden Research plc - Consolidated Statement of Financial Position as at 30 June 2024

	30 June 2024 £ unaudited	30 June 2023 £ unaudited	31 Dec 2023 £ audited
NON-CURRENT ASSETS			
Intangible assets (note 9)	5,620,863	3,641,058	4,710,511
Property, plant & equipment (note 12)	231,997	167,175	230,091
Right of Use assets (note 13)	144,769	265,141	212,437
Investments in associate (note 10)	293,847	305,133	297,197
	6,291,476	4,378,507	5,450,236
CURRENT ASSETS			
Inventories (note 14)	618,190	651,394	964,552
Trade and other receivables (note 15)	2,463,758	930,000	2,449,623
Taxation	712,978	640,946	317,201
Cash and cash equivalents	4,947,303	492,766	7,413,107
	8,742,229	2,715,106	11,144,483

CURRENT LIABILITIES			
Trade and other payables (note 16)	2,161,728	1,818,582	2,819,153
Lease liabilities	139,773	138,808	142,849
	2,301,501	1,957,390	2,962,002
NET CURRENT ASSETS	**6,440,728**	757,716	8,182,481
NON-CURRENT LIABILITIES			
Lease liabilities	19,622	147,780	86,920
	19,622	147,780	86,920
NET ASSETS	**12,712,582**	4,988,443	13,545,797
EQUITY			
Called up share capital	5,333,529	3,811,089	5,333,529
Share premium account	6,413,652	39,308,529	6,413,652
Warrant reserve	664,892	640,741	758,234
Retained earnings	270,447	(38,807,554)	1,013,567
Non-controlling interest	30,062	35,638	26,815
TOTAL EQUITY	**12,712,582**	4,988,443	13,545,797

Eden Research plc - Consolidated Statement of Changes in Equity as at 30 June 2024

	Share capital £	Share premium £	Merger reserve £	Warrant reserve £	Retained earnings £	Non-control-ling interest £	Total £
Six months ended 30 June 2024							
Balance at 1 January 2024 (audited)	**5,333,529**	**6,413,652**	**-**	**758,234**	**1,013,567**	**26,815**	**13,545,797**
(Loss) /profit and total comprehensive income	**-**	**-**	**-**	**-**	**(916,128)**	**3,247**	**(912,881)**
Transactions with owners - Options granted	**-**	**-**	**-**	**79,666**	**-**	**-**	**79,666**
- Options exercised/ lapsed	**-**	**-**	**-**	**(173,008)**	**173,008**	**-**	**-**
Transactions with owners	**-**	**-**	**-**	**(93,342)**	**173,008**	**-**	**-**
Balance at 30 June 2024 (unaudited)	**5,333,529**	**6,413,652**	**-**	**664,892**	**270,447**	**30,062**	**12,712,582**
Six months ended 30 June 2023							
Balance at 1 January 2023 (audited)	3,808,589	39,308,529	10,209,673	701,065	(43,309,440)	24,502	10,742,918
(Loss)/profit and total comprehensive income	-	-	-	-	(5,887,194)	11,136	(5,876,058)

Transactions with owners							
- Transfer of merger reserve	-	-	(10,209,673)	-	10,209,673	-	-
- Options granted	-	-	-	119,083	-	-	119,083
- Options exercised/lapsed	2,500	-	-	(179,407)	179,407	-	2,500
Transactions with owners	-	-	(10,209,673)	(60,324)	10,389,080	-	2,500
Balance at 30 June 2023 (unaudited)	3,811,089	39,308,529	-	640,741	(38,807,554)	35,638	4,988,443

Eden Research plc - Consolidated Statement of cash flows for the six months ended 30 June 2024

	Six months ended 30 June 2024 £ unaudited	**Six months ended 30 June 2023 £ unaudited**	Year ended 31 December 2023 £ audited
Cash flows from operating activities			
Cash outflow from operations (note 8)	(1,306,694)	(1,018,716)	(2,130,252)
R&D tax credit received	1	-	434,841
Net cash used in operating activities	**(1,306,693)**	(1,018,716)	(1,695,411)
Cash flows from investing activities			
Development of intangible assets	(1,060,860)	(426,918)	(1,650,465)
Purchase of property, plant and equipment	(48,649)	(1,875)	(102,391)
Interest received	43,884	181	34,014
Net cash used in investing activities	**(1,065,625)**	(428,612)	(1,718,842)
Cash flows from financing activities			
Issue of shares	-	2,500	9,058,239
Payment of lease liabilities	(79,108)	(59,196)	(139,539)
Interest on lease liabilities	(5,383)	(9,539)	(17,009)
Net cash used in financing activities	**(84,491)**	(66,235)	8,901,690
Decrease in cash and cash equivalents	**(2,456,810)**	(1,513,563)	5,487,437
Cash and cash equivalents at beginning of period	**7,413,107**	1,994,472	1,994,472
Effect of exchange rate fluctuations on cash held	**(8,994)**	11,857	(68,802)
Cash and cash equivalents at end of period	**4,947,303**	492,766	7,413,107

Cash and cash equivalents comprise bank account balances.

Notes to the Interim Results

1. Reporting Entity

Eden Research plc is a public limited company incorporated in the United Kingdom under the Companies Act 1985. The Company is domiciled in the United Kingdom and is quoted on the Alternative Investment Market (AIM).

These condensed consolidated interim financial statements ('Interims') as at and for the six months ended 30 June 2024 comprise the Company and its Subsidiaries (together referred to as 'the Group'). The principal activities of the Group are the development and commercialisation of encapsulation, terpenes and environmentally friendly technologies to provide naturally occurring solutions for the global agrochemicals, animal health, and consumer product industries.

2. Basis of Preparation

These Interims have been prepared in accordance with IAS 34 'Interim Financial Reporting' and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023 which were approved by the Board of Directors on 2 May 2024 and have been delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

The Interims do not include all of the information required for a complete set of financial statements prepared under UK-adopted International Accounting Standards and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

Comparative information in the Interims as at and for the year ended 31 December 2023 has been taken from the published audited financial statements as at and for the year ended 31 December 2023. All other periods presented are unaudited.

The Board of Directors and the Audit Committee approved the interims on 20 September 2024.

3. Going Concern

The Directors have, at the time of approving the Interims, a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the approval of the financial statements. Thus, the Interim financial statements have been prepared on a going concern basis which contemplates the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group has reported a loss for the first half of the year after taxation of £912,881 (H1 2023: £5,876,058). Net current assets at that date amounted to £6,440,728 (H1 2023: £757,716). Cash at that date amounted to £4,947,303 (H1 2023: £492,766). The Group is reliant on its current cash balance to fund its working capital.

The Directors have prepared budgets and projected cash flow forecasts, based on forecast sales provided by Eden's distributors where available, for a period of at least 12 months from the date of approval of the Interims and they consider that the Company and Group will be able to operate with the cash resources that are available to it for this period.

The forecasts adopted include only revenue derived from existing contracts. They do not include potential upside from on-going discussions and negotiations with other parties not yet contracted, as well as other 'blue sky' opportunities.

In addition, the Group has relatively low fixed running costs and, while mitigating actions are not forecast to be required to support the going concern basis, the Directors have previously demonstrated their ability to postpone certain other costs, such as Research and Development expenditure, in the event of unforeseen cash constraints and are willing and able to delay costs in the forecast period should the need arise.

Furthermore, in July 2023, Eden completed a firm Capital Raising of £1.1 million and Retail Offer of £0.4 million (July 2023) together with a Conditional Capital Raising of £7.9 million, all before expenses.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the half year report and therefore have prepared the half year report on a going concern basis.

4. Adoption of new and revised standards and changes in accounting policies

These condensed consolidated Interims have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 31 December 2023.

The accounting policies have been applied consistently for the purposes of preparation of these condensed Interims.

5. Principal risks and uncertainties

The Company's prime risk is the on-going commercialisation of its intellectual property, which involves testing of the Company's products, obtaining regulatory approvals and reaching a commercially beneficial arrangement for each product to be taken to market. This is measured by comparing actual results with forecasts that have been agreed by the Company's Board of Directors.

The Company's credit risk is primarily attributable to its trade receivables. Credit risk is managed by running credit checks on customers and by monitoring payments against contractual agreements.

The Company monitors cash flow as part of its day-to-day control procedures. The Board considers cash flow projections at its meetings and ensures that the Company has sufficient cash resources to meet its on-going cash flow requirements.

Due to the nature of the business, there is inherent risk of infringement of Eden's intellectual property rights by third parties. The risk of infringement is managed by taking (and acting on) the relevant legal advice as and when required.

There is also inherent uncertainty surrounding the regulatory approval of products in terms of both timing and outcome. This risk is managed by retaining appropriately experienced staff and contracting with expert consultants as needed.

Full details of the principal risks and uncertainties can be found in the Strategic Report in the Company's 2023 Annual Report.

6. Ukraine

Eden does not currently have any business activities in Russia or Ukraine and, as such, has not experienced, nor does it expect, any direct impact on its business.

The knock-on effect of the conflict on other countries is still being understood, though we do not envisage significant disruption to the current business in the short term.

7. Earnings per share

	Six months ended 30 June 2024 Pence unaudited	Six months ended 30 June 2023 Pence unaudited	Year ended 31 December 2023 Pence audited
(Loss)/profit per ordinary share (pence) - basic	**(0.17)**	(1.54)	(1.54)

Loss per share - basic has been calculated on the net basis on the loss after tax of £912,881 (30 June 2023: £5,876,058, 31 December 2023: £6,491,936) using the weighted average number of ordinary shares in issue of 533,352,523 (30 June 2023: 380,912,474, 31 December 2023: 420,921,123).

Diluted earnings per share has not been presented as the Group is currently loss making and as a result, any additional equity instruments have the effect of being anti-dilutive.

8. Reconciliation of loss before income tax to cash used by operations

	Six months ended 30 June 2024 £ unaudited	**Six months ended 30 June 2023 £ unaudited**	**Year ended 31 December 2023 £ audited**
(Loss)/profit after tax	**(912,881)**	(5,876,058)	(6, 491,936)
Adjustments for:			
Share of associate's losses	**3,350**	25,111	33,047
Amortisation charges	**150,508**	264,557	5,387,180
Impairment of intangible assets	**-**	4,968,529	-
Share based payment charge	**79,666**	119,083	236,576
Depreciation of property, plant and equipment and right of use assets	**114,411**	101,159	206,426
Finance costs	**5,383**	-	17,009
Foreign exchange currency losses/(gains)	**8,994**	(11,857)	68,802
Finance income	**(43,884)**	(181)	(34,014)

Tax credit	**(395,778)**	(317,230)	(428,326)
Inventory provision	**-**	-	-
Doubtful debt provision	**-**	-	-
Movements in working capital:			
(Increase)/decrease in trade and other receivables	**(14,135)**	(271,134)	(1,790,757)
(Decrease)/ Increase in trade and other payables	**(648,690)**	5,241	1,004,833
Decrease/(increase) in inventory	**346,362**	(25,936)	(339,094)
Cash used by operations	**(1,306,694)**	(1,018,716)	(2,130,252)

9. Intangible assets

	Intellectual property £	Licences and trademarks £	Development Costs £	Total £
COST				
At 1 January 2023	9,507,057	456,684	9,074,031	19,037,772
Additions	-	-	426,918	426,918
At 30 June 2023	**9,507,057**	**456,684**	**9,500,949**	**19,464,690**
Additions	45,166	-	1,178,381	1,223,547
At 31 December 2023	9,552,223	456,684	10,679,330	20,688,237
Additions	**-**	**-**	**1,060,860**	**1,060,860**
At 30 June 2024	**9,552,223**	**456,684**	**11,740,190**	**21,749,097**
AMORTISATION				
At 1 January 2023	7,146,975	450,192	2,993,379	10,590,546
Charge for the period	132,588	780	131,189	264,557
Impairment charge for the period	1,705,122	2,545	3,260,862	4,968,529
At 30 June 2023	8,984,685	453,517	6,385,430	15,825,242
Charge for the period	30,864	608	122,622	152,484
At 31 December 2023	9,015,549	454,125	6,508,052	15,977,726
Charge for the period	**33,372**	**522**	**116,614**	**150,508**
At 30 June 2024	**9,048,921**	**454,647**	**6,624,666**	**16,128,234**
CARRYING AMOUNT				
At 30 June 2024	**503,302**	**2,037**	**5,115,524**	**5,620,863**
At 31 December 2023	**536,674**	**2,559**	**4,171,278**	**4,710,511**
At 30 June 2023	**522,372**	**3,167**	**3,115,519**	**3,641,058**

Impairment review

Full details of the impairment review and subsequent charge in 2023 can be found in the Company's 2023 Annual Report and Accounts.

Given that the Company has recently completed an impairment review as part of its 2023 audit and since there have been no indicators of impairment subsequent to that, as well as positive events, such as the authorisation of Mevalone in California, Germany and Czechia, and label extension for Mevalone in Spain, the Board is satisfied that an impairment review is not required at this point.

The Board will continue to assess the carrying value of its intangible assets on a regular basis to check for any indications of impairment.

10. Investment in associate

	Six months ended 30 June 2024 unaudited	Six months ended 30 June 2023 unaudited	Year ended 31 December 2023 audited
Percentage ownership interest			
and proportion of voting rights	29.90%	29.90%	29.90%
	£	**£**	£
Non-current assets	284,742	347,094	315,918
Current assets	360,750	340,873	311,599
Non-current liabilities	(468)	(57,155)	(23,819)
Current liabilities	(328,661)	(386,531)	(309,349)
Net assets (100%)	316,363	244,281	294,349
Company's share of net assets	94,593	73,040	88,010
Separable intangible assets	86,126	118,965	96,059
Goodwill	412,649	412,649	412,649
Impairment of investment in associate	(299,521)	(299,521)	(299,521)
Carrying amount of interest in associate	293,847	305,133	297,197
Revenue	434,230	297,304	515,647
Profit/(loss) from continuing operations	13,158	(59,620)	(61,802)
Post tax profit from discontinued operations	-	-	-
100% of total post-tax profits	13,158	(59,620)	(61,802)
29.9% of total post-tax profits	(3,934)	(17,827)	(18,479)
Amortisation of separable intangible assets	(7,284)	(7,284)	(14,568)
Company's share of loss including amortisation of separable intangible asset	(3,350)	(25,111)	(33,047)

11. Subsidiaries

Details of the company's subsidiaries at 30 June 2023 are as follows:

Name of undertaking	**Country of incorporation**	**Ownership interest (%)**	**Voting power held (%)**	**Nature of business**
TerpeneTech Limited	Republic of Ireland	50.00	50.00	Sale of biocide products
Eden Research Europe Limited	Republic of Ireland	100.00	100.00	Dormant

TerpeneTech Limited ("TerpeneTech (Ireland))", whose registered office is 108 Q House, Furze Road, Sandyford, Dublin, Ireland, was incorporated on 15 January 2019 and is jointly owned by both Eden Research Plc and TerpeneTech (UK), the company's associate.

Eden has the right to appoint a director as chairperson who will have a casting vote, enabling the Group to exercise control over the Board of Directors in the absence of an equivalent right for TerpeneTech (UK). Eden owns 500 ordinary shares in TerpeneTech (Ireland).

Eden Research Europe Limited, whose registered office is 108 Q House, Furze Road, Sandyford, Dublin, Ireland, was incorporated on 18 November 2020 and is wholly owned by both Eden Research plc.

Non-controlling interests

The following table summarises the information relating to the Group's subsidiary with material non-controlling interest, before intra-group eliminations:

	30 June 2024	30 June 2023	31 Dec 2023
	£	£	£
	unaudited	unaudited	audited
NCI percentage	**50%**	50%	50%
Non-current assets	73,019	86,291	79,655
Current assets	100,310	34,983	56,887
Non-current liabilities	-	-	-
Current liabilities	(197,208)	-	(166,914)
Net assets/(liabilities)	**(23,879)**	121,274	(30,372)
Carrying amount of NCI			-
Revenue	43,423	28,907	50,811
Profit/(loss)	6,493	22,271	4,625
OCI	-	-	-
Total comprehensive income	**6,493**	22,271	4,625
Share of NCI (50% of net Total comprehensive income)	**3,247**	11,136	2,313
Cash flows from operating activities	**-**	-	-
Cash flows from investment activities	**-**	-	-
Cash flows from financing activities	**-**	-	-
Net increase/(decrease) in cash and cash equivalents	**-**	-	-
Dividends paid to non-controlling interests	**-**	-	-

12. Property, plant and equipment

	Land and buildings £	**Total £**
COST		
At 1 January 2023	332,956	332,956
Additions	1,875	1,875
At 30 June 2023	334,831	334,831
Additions - owned	100,516	100,516
At 31 December 2023	435,347	435,347
Additions	**48,649**	**48,649**
At 30 June 2024	**483,996**	**483,996**
AMORTISATION		
At 1 January 2023	134,170	134,170
Charge for the period	33,486	33,486
At 30 June 2023	167,656	167,656
Charge for the period	37,600	37,600
At 31 December 2023	205,256	205,256
Charge for the period	**46,743**	**46,743**
At 30 June 2024	**251,999**	**251,999**

CARRYING AMOUNT

CARRYING AMOUNT

At 30 June 2024	**231,997**	**231,997**
At 31 December 2023	**230,091**	**230,091**
At 30 June 2023	**167,175**	**167,175**

13. Right of use assets

	Land and buildings £	Vehicles £	Total £
COST			
At 1 January 2023	443,777	137,436	581,213
Additions	-	-	-
At 30 June 2023	443,777	137,436	581,213
Additions	-	14,963	14,963
Disposals	-	(22,282)	(22,282)
At 31 December 2023	443,777	130,117	573,894
At 30 June 2024	**443,777**	**130,117**	**573,894**
AMORTISATION			
At 1 January 2023	210,741	37,658	248,399
Charge for the period	45,438	22,235	67,673
Eliminated on disposal	-	-	-
At 30 June 2023	256,179	59,893	316,072
Charge for the period	45,438	22,229	67,667
Eliminated on disposal	-	(22,282)	(22,282)
At 31 December 2023	301,617	59,840	361,457
Charge for the period	**45,438**	**22,230**	**67,668**
At 30 June 2024	**347,055**	**82,070**	**429,125**
CARRYING AMOUNT			
At 30 June 2024	**96,722**	**48,047**	**144,769**
At 31 December 2023	142,160	70,277	212,437
At 30 June 2023	187,598	77,543	265,141

14. Inventories

	30 June 2024 £	30 June 2023 £	31 December 2023 £
Raw materials	355,348	533,227	149,644
Goods in transit	-	-	27,736
Finished goods	262,842	118,167	787,172
	618,190	651,394	964,552

Inventory above is shown net of a provision off			
Provision for obsolete inventory	-	76,250	-

	-	76,250	-

15. Trade and other receivables

	30 June 2024	30 June 2023	31 December 2023
	£	£	£
Trade receivables	1,609,698	479,311	1,788,151
VAT recoverable	361,566	252,336	386,684
Other receivables	160,328	99,140	112,375
Prepayments and accrued income	332,166	99,213	162,413
	2,463,758	930,000	2,449,623
Trade receivables are shown net of a provision for doubtful debt of:			
Provision for doubtful debt	-	107,188	-
	-	107,188	-

Trade receivables disclosed above are measured at amortised cost. The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

16. Trade and other payables

	30 June 2024	30 June 2023	31 December 2023
	£	£	£
Trade payables	1,720,027	1,171,433	1,925,559
Accruals and deferred income	184,157	420,310	640,342
Social security and other taxation	62,911	55,434	56,841
Other payables	194,633	171,405	196,411
	2,161,728	1,818,582	2,819,153

17. Share based payments

Long-Term Incentive Plan ("LTIP")

Since September 2017 Eden has operated an option scheme for Executive Directors, senior management and certain employees under an LTIP which allows for certain qualifying grants to be HMRC approved. Details on options issued in prior periods can be found in the annual report for the year ended 31 December 2023.

Options

	Number of share options	Weighted average exercise

			price (pence)	
	30 Jun 2024	**30 Jun 2023**	**30 Jun 2024**	**30 Jun 2023**
Outstanding at 1 January	**23,486,534**	16,312,649	**8**	7
Granted during the period	**-**	-	**-**	-
Exercised during the period	**-**	(250,000)	**-**	1
Lapsed during the period	**(3,596,432)**	(3,500,000)	**6**	6
Exercisable at 30 June	**19,890,102**	12,562,649	**6**	8

The exercise price of options outstanding at the end of the period ranged between 6p and 10.4p (H1 2023: 6p and 10.4p) and their weighted average contractual life was 2.0 years (H1 2023: 1.4 years).

The share-based payment charge for the period, in respect of options, was £79,666 (H1 2023: £119,083). The charge in H1, 2024 is in respect of the options granted in 2023 under a LTIP Award.

During the period, 3,596,432 of options lapsed and £173,008 (H1 2023: £171,251) was transferred from the warrant reserve to retained earnings.

There were no warrants outstanding at 30 June 2024.

18. Segmental Reporting

IFRS 8 requires operating segments to be reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers, who are responsible for the resource allocation and assessing performance of the operating segments have been identified as the Executive Directors as they are primarily responsible for the allocation of the resources to segments and the assessment of performance of the segments.

The Executive Directors monitor and then assess the performance of segments based on product type and geographical area using a measure of adjusted EBITDA. This is the result of the segment after excluding the share-based payment charges, other operating income and the amortisation of intangibles. These items, together with interest income and expense are not allocated to a specific segment.

The segmental information for the six months ended 30 June 2024 is as follows:

	Agrochemicals	**Consumer products**	**Total**
Revenue	**£**	**£**	**£**
Milestone payments	165,245	-	**165,245**
R & D charges	-	2,309	**2,309**
Royalties	-	43,423	**43,423**
Product sales	1,674,952	-	**1,674,952**
Total revenue	**1,840,197**	**45,732**	**1,885,929**
EBITDA	**(991,394)**	**45,732**	**(945,662)**
Share Based Payments	(79,666)	-	**(79,666)**
Adjusted EBITDA	**(1,071,060)**	**45,732**	**(1,025,328)**
Amortisation	(143,872)	(6,636)	**(150,508)**
Impairment	-	-	**-**
Depreciation	(114,411)	-	**(114,411)**
Finance costs, foreign exchange and investment revenues	(15,062)	-	**(15,062)**
Income Tax	395,778	-	**395,778**
Share of Associate's loss	-	(3,350)	**(3,350)**
(Loss)/Profit for the Period	**(916,231)**	**35,746**	**(912,881)**
Total Assets	**14,860,376**	**173,329**	**15,033,705**
Total assets includes:			
Additions to Non-Current Assets	1,109,509	-	**1,109,509**
Total Liabilities	**2,123,915**	**197,208**	**2,321,123**

The segmental information for the six months ended 30 June 2023 is as follows:

	Agrochemicals	**Consumer products**	**Total**
Revenue	**£**	**£**	**£**
Milestone payments	-	-	-
R & D charges	-	4,943	**4,943**
Royalties	-	28,907	**28,907**
Product sales	1,108,521	-	**1,108,521**
Total revenue	**1,108,521**	**33,850**	**1,142,371**
EBITDA	**(751,178)**	**33,850**	**(717,328)**
Share Based Payments	(119,083)	-	**(119,083)**
Adjusted EBITDA	**(870,261)**	**33,850**	**(836,411)**
Amortisation	(257,941)	(6,636)	**(264,577)**
Impairment	(4,968,529)	-	**(4,968,529)**
Depreciation	(101,159)	-	**(101,159)**
Finance costs, foreign exchange and investment revenues	2,499	-	**2,499**
Income Tax	317,230	-	**317,230**
Share of Associate's loss	-	(25,111)	**(25,111)**
(Loss)/Profit for the Year	**(5,878,161)**	**2,103**	**(5,876,058)**
Total Assets	**6,971,889**	**121,274**	**7,093,613**
Total assets includes:			
Additions to Non-Current Assets	428,793	-	**428,793**
Total Liabilities	**2,085,170**	**20,000**	**2,105,170**

The segmental information for the year ended 31 December 2023 is as follows:

	Agrochemicals	**Consumer products**	**Total**
Revenue	**£**	**£**	**£**
Milestone payments	-	-	-
R & D charges	501,324	9,133	**510,457**
Royalties	17,391	50,811	**68,202**
Product sales	2,613,368	-	**2,613,368**
Total revenue	**3,132,083**	**59,944**	**3,192,027**
Adjusted EBITDA	**(1,064,982)**	**59,944**	**(1,005,038)**
Share Based Payments	(236,576)	-	**(236,576)**
EBITDA	**(1,301,558)**	**59,944**	**(1,241,614)**
Amortisation	(405,379)	(13,272)	**(418,651)**
Depreciation	(206,426)	-	**(206,426)**
Finance costs, foreign exchange and investment revenues	(51,995)	-	**(51,995)**
Impairment of investment in associate	(4,968,529)	-	**(4,968,529)**
Income Tax	428,326	-	**428,326**
Share of Associate's loss	-	(33,047)	**(33,047)**
(Loss)/Profit for the Year	**(6,505,561)**	**13,625**	**(6,491,936)**
Total Assets	**16,458,177**	**136,542**	**16,594,719**
Total assets includes:			
Additions to Non-Current Assets	1,730,280	37,539	**1,767,819**
Total Liabilities	**3,048,922**	**-**	**3,048,922**

Geographical Reporting

	Six months ended 30 June 2024 £	Six months ended 30 June 2023 £	Year ended 31 December 2023 £
UK	**43,423**	33,850	59,944
Europe	**1,842,506**	1,108,521	3,132,083
	1,885,929	1,142,371	3,192,027

The above analysis represents sales to the Group's direct customers who further distribute these products to their end markets.

All of the non-current assets are in the UK.

19. Subsequent Events

LTIP grant

On 4 July 2024, the Company has made a grant to the Executive Directors, in respect of 2023 in order to ensure continuity of long term incentive, of options over 11,918,901 new Ordinary Shares in Eden ("the Options"), at a strike price of 6.5p each, representing a premium of 48% to the current share price, in the amounts of 6,805,852 awarded to Sean Smith and 5,113,049 awarded to Alex Abrey.

The Options expire on 30 June 2028 and vest as follows:

1/3 12 months from the date of grant
1/3 24 months from the date of grant
1/3 36 months from the date of grant

Notes to Editors:

Eden Research is the only UK-listed company focused on biopesticides for sustainable agriculture. It develops and supplies innovative biopesticide products and natural microencapsulation technologies to the global crop protection, animal health and consumer products industries.

Eden's products are formulated with terpene active ingredients, based on natural plant defence metabolites. To date, they have been primarily used on high-value fruits and vegetables, improving crop yields and marketability, with equal or better performance when compared with conventional pesticides. Eden has two products currently on the market:

Based on plant-derived active ingredients, **Mevalone®** is a foliar biofungicide which initially targets a key disease affecting grapes and other high-value fruit and vegetable crops. It is a useful tool in crop defence programmes and is aligned with the requirements of integrated pest management programmes. It is approved for sale in a number of key countries whilst Eden and its partners pursue regulatory clearance in new territories thereby growing Eden's addressable market globally.

Cedroz™ is a bionematicide that targets free living nematodes which are parasitic worms that affect a wide range of high-value fruit and vegetable crops globally. Cedroz is registered for sale on two continents and Eden's commercial collaborator, Eastman Chemical, is pursuing registration and commercialisation of this important new product in numerous countries globally.

Eden's seed treatment product, **Ecovelex™** was developed to safely tackle crop destruction caused by birds - a major cause of losses in maize and other crops. Ecovelex works by creating an unpleasant taste or odour that repels birds, leaving the seeds safely intact and the birds unaffected and free to find alternative food sources. The product is based on Eden's plant-derived chemistry, registered in the EU, U.S. and elsewhere, and formulated using Eden's Sustaine® microencapsulation system.

Eden's **Sustaine®** encapsulation technology is used to harness the biocidal efficacy of naturally occurring chemicals produced by plants (terpenes) and can also be used with both natural and synthetic compounds to enhance their performance and easeby plants (terpenes) and can also be used with both natural and synthetic compounds to enhance their performance and ease-of-use. Sustaine microcapsules are naturally-derived, plastic-free, biodegradable micro-spheres derived from yeast. It is one of the only viable, proven and immediately registerable solutions to the microplastics problem in formulations requiring encapsulation.

Eden was admitted to trading on AIM on 11 May 2012 and trades under the symbol EDEN. It was awarded the London Stock Exchange **Green Economy Mark** in January 2021, which recognises London-listed companies that derive over 50% of their total annual revenue from products and services that contribute to the global green economy. Eden derives 100% of its total annual revenues from sustainable products and services.

For more information about Eden, please visit: www.edenresearch.com.

Follow Eden on LinkedIn, Twitter and YouTube.

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