

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.

07 November 2024



**Eden Research**  
("Eden" or "the Company")

### **Trading Update**

#### **Overview**

- Revenue for FY2024 is expected to increase by 34% to c. £4.3m (FY2023: £3.2m) with product sales expected to increase by 42% to c. £3.7m (FY2023: £2.6m).
- Operating loss for FY2024 is expected to increase by 11% to c. £2.1m (FY2023: £1.9m loss) with cash position at 31 December 2024 forecast to be c. £3.6m (31 December 2023: £7.4m).

#### **Outlook**

- Revenue for FY2025 is expected to increase by 16% to c. £5m when compared with 2024 expected revenue, with some potentially significant approvals and other events that could, subject to timing, increase this figure.
- The Company does not currently expect to need to raise additional funds for its existing working capital requirements for the foreseeable future.

Eden Research plc (AIM: EDEN), a leader in sustainable biopesticide and biocontrol technology, provides the following trading update.

With the financial year coming to a close, the Company now has improved visibility on revenue for the year and the outlook for 2025. We are encouraged to see ongoing strong growth of the Company's core business and clear signs that our strategy to expand not only our geographic footprint, but the overall addressable markets for our products is paying off.

Regulatory considerations continue to impact the business in many ways, but overall, despite cost, revenue and time constraints that result from regulatory restrictions, we continue to see the strong trend towards the use of sustainable pesticides replacing conventional chemistry in not only high-value applications, such as horticulture, but also in larger segments of the market such as seed treatments for broad acre crops.

## **Product update**

### **Mevalone®**

Challenging weather conditions for growers throughout Europe in the spring and summer of 2024 increased demand for fungicides across many of the Company's main markets for Mevalone, even whilst growing conditions have decreased productivity for growers.

New territory authorisations and the positive impact of label expansions in recent years contributed to what is expected to be a significant increase in sales of Mevalone in FY2024, allowing for a reasonable post-season sales campaign, in line with previous years.

Sales of Mevalone in the US were constrained in 2024 due to the timing of the approval in California (January 2024) which meant that it wasn't possible for Eden's distributor to undertake a full marketing campaign. In addition, the label of Mevalone, as approved in the US, has certain restrictions which may negatively impact sales in the short term. The Company is currently addressing these restrictions through studies, and the successful outcome of these should result in an increase in addressable market in the short to medium-term.

In the next year or so, Eden expects one of Mevalone's leading competitive products to be banned in the EU, which leaves Mevalone well-placed to take additional market share, replacing conventional chemistry with plant-derived chemistry. The removal of this market-leading, conventional fungicide creates a real opportunity for the strengthening of Eden's market-share and overall product positioning, and it reflects the general trend of the replacement of pesticides with more sustainable alternatives, such as Eden's products.

### **Cedroz™**

Sales of Cedroz have increased in 2024, in part due to the initiation of meaningful sales in the new market of Morocco at the start of Q4, 2024. Morocco is a leading exporter of horticultural crops to European markets, including the UK.

Cedroz has been increasingly adopted by growers into the nematicide market where the number of viable alternative solutions is rapidly diminishing.

As with Mevalone, one of the leading competitor products to Cedroz is very likely to be banned in the EU, providing an opportunity to take additional market share in the coming years.

### **Ecovelex™**

In May 2021, Eden signed an exclusive Commercialisation, Supply and Distribution Agreement with Corteva Agriscience, one of the largest agricultural inputs companies in the world. The agreement covers Eden's first seed treatment product, Ecovelex, which relies upon Eden's proprietary, plastic-free Sustaine® encapsulation technology and registered, plant-derived active ingredients.

Over the last four years, the companies have worked closely together to undertake field trials and other development work and in May 2023, Eden made a submission for authorisation of the product across the EU.

In December 2023, Ecovelex2023 was granted an approval in Italy for use as a bird repellent seed treatment in maize for the 2024 growing season under EU regulation 1107/2009, bringing it to the market for the first time. This allowed Eden to sell a significant amount of Ecovelex to Corteva before the year end.

A second request for an approval in Italy for Ecovelex 2024, for use as a bird repellent seed treatment in maize for the 2025 growing season under EU regulation 1107/2009, was granted in November 2024 which means that further sales of Ecovelex are forecast to be made before the end of FY2024. The product, to date, has received widespread support by Italian farmers who have relied on Ecovelex as an alternative to conventional seed treatments that have been removed from the market.

Full, EU-wide authorisation of Ecovelex is currently expected in 2025, subject to regulatory clearance.

### Insecticide

A number of potential commercial partners for Eden's insecticide product have run over 300 field trials in 2023 and 2024 which have produced encouraging results and have resulted in a high level of interest for this product.

Eden is now in commercial discussions with several potential partners to determine who to appoint as distribution partner(s) for the insecticide product, and the Company expects to update the market in the coming months.

The well-documented banning of conventional insecticides in recent years has helped to create a strong demand for viable alternatives, which Eden believes it is able to provide.

### Investments, expenditure and other factors

As forecast, regulatory costs have been relatively high in FY2024 due to the costs associated with the renewal of Eden's three active ingredients in the EU.

However, Eden has also invested meaningfully in the development of its product portfolio, both through advancing regulatory submissions (new formulations and label extensions of existing products) and through laboratory and field work to assist in the ultimate commercialisation of those products.

The increased strength of the British Pound against the Euro throughout 2024 (from €1.15 at the beginning of the year to €1.20 per GBP as at today's date) is expected to negatively impact reported revenue by c. £0.2m.

### Outlook

The FY2025 revenue guidance is underpinned by sales of Ecovelex being made under subsequent approvals, as well as growth in sales of Mevalone and Cedroz due to increasing market share and pursuant to approvals that have been received in 2024.

However, there are several key regulatory and commercial milestones expected in Q4, 2024 and 2025 that have not been factored into the current guidance, which could increase the Company's forecast revenue in 2025. These include, but are not limited to:

- EU-wide approval of Ecovelex
- Approval of Esseva™ (Mevalone) in France for downy mildew
- Completion of commercial arrangements for Eden's insecticide product

The timing of these milestones is inherently uncertain and, as such, FY2025 revenue guidance has been limited to the existing and more certain regulatory and commercial scenarios, given the unpredictability of these events occurring. Subject to timing in the year, the occurrence of any one of these should positively impact forecast revenue.

Overheads are expected to increase in FY2025 when compared to FY2024 but investments in regulatory and product development are expected to decrease. In particular, the high level of investment made in FY2024 for the renewal of Eden's three active ingredients in the EU is not expected to be repeated in FY2025.

The Company does not currently expect to need to raise additional funds for its existing working capital requirements for the foreseeable future.

### **Sean Smith, Chief Executive Officer of Eden Research plc, commented:**

"It is good to note that 2024 is expected to result in another year of sizeable growth for Eden.

I believe strongly that the Company is investing intelligently in its current and future portfolio of products and that we are now clearly starting to see the benefit of the investments that have been made over the past five years, including investments in product portfolio expansions, internal capacity and addressable market growth for our first two products.

While we are confident in our regulatory strategy and satisfied with the progress we have made to date, the regulatory hurdles in the agrochemicals market are ever increasing, even for sustainable products like Eden's. These hurdles result in lengthening of our time-to-market, but we must remember that the industry, as a whole, faces the same challenges, and Eden is well-equipped to benefit substantially in the coming years from the changing landscape. This notwithstanding, the increasing number of products in our portfolio are competitive and show good efficacy, and with numerous approvals having already been granted, and with more still to come, I believe Eden is well positioned to capitalise on this evolving and dynamic market.

Mevalone and Cedroz are already well entrenched in growers' practices and Ecovelex should, in the relatively short term, become a market leader. However, the opportunity for the insecticide product could well surpass anything else we have done to date, and this is exciting for all of us.

I look forward to updating shareholders throughout the year with news of the progress we expect to make."

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**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 three products currently on the market:

Based on plant-derived active ingredients, **Mevalone<sup>®</sup>** 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<sup>™</sup>** 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<sup>™</sup>** 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<sup>®</sup> microencapsulation system.

Eden's **Sustaine<sup>®</sup>** 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 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](http://www.edenresearch.com). You can also follow Eden's latest developments via its social media channels: [X \(Twitter\)](#) and [LinkedIn](#).

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