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Gelion PLC
19 March 2025

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Gelion plc
("Gelion" or the "Company" or the "Group")

Interim results to 31 December 2024

Gelion (AIM: GELN), the global energy storage innovator, announces its unaudited interim results for the six months ended 31 December 2024 (H1 FY25), a period in which the Company made significant technical and commercial progress, including signing commercial orders to generate revenue and gross margin to be recognised in the second half of FY25.

Operational highlights

- Achieved a breakthrough 402 Wh/kg energy density with Gelion's GEN 3 lithium sulfur (Li-S) technology, making it over 60% lighter than a comparable lithium-ion battery.
- Successfully fabricated advanced sulfide-based solid-state separators using the novel IP licensed from Oxford University Innovation Limited (Oxford University), enabling Gelion to proceed to the next stage of optimisation which has the potential to increase the cycle life of its high energy density GEN 3 Li-S cells.
- Launched Energy Storage Integration Solutions division, with an initial £1 million commercial order, with revenue and margin recognised in H2 FY25.
- Established Battery Minerals, a UK subsidiary, to commercialise the acquired Johnson Matthey IP and secured funding from the UK government's Department of Business and Trade (DBT), facilitated by the Advanced Propulsion Centre UK ("APC") as part of the Technology Developer Accelerator Programme ("TDAP") to support the optimisation of commercial pathways.
- Awarded c.£2.5 million grant by the Australian Renewable Energy Agency ("ARENA") as matched funding to implement its Advanced Commercial Prototyping Centre ("ACPC") Project in Sydney to produce, optimise and test its next generation GEN 3 (Li-S and Silicon Sulfur (Si-S)) battery technologies. The Project will commence upon Gelion securing appropriate co-funding.
- Successfully raised gross proceeds of £1.86 million of which £1.7 million was raised pursuant to the placing, subscription and retail offer from existing, new investors and Directors.

Financial highlights

- Total income of £0.4m (H1 FY24: £0.04m), reflecting the grant income for OXLID.
- Adjusted EBITDA loss [1] of £2.9m (H1 FY24: £3.2m), driven by an increase in total income and largely stable cost base despite the inclusion of the six-month financial results of OXLiD.
- Cash at period end of £3.5m (June 24: £3.8m) with nil debt.

Post-period end

- Appointed Dr Graham Cooley as a Non-Executive Director, who brings a wealth of relevant experience through his background in power, energy storage and hydrogen sectors.
- A further 7.6%[2] (£0.5m) of cost savings has been achieved, driven primarily by reduced Directors' fees, salaries and discretionary expenses. This builds on the c.£1.1m in savings realised over the last 18 months, bringing the total estimated decrease in costs to 21% from the FY23 cost base. Approximately 52% of these savings are attributed to lower salaries and wages, with the remainder coming from reduced R&D and administrative expenses.
- Demonstrated the proprietary GEN 3 Sulfur Cathode material viability with solid-state electrolytes, positioning Gelion for a strong market presence in both liquid and solid-state cells.
- Successful award of three patents in the United States for the Group's core Li-S technology and the acceptance of one of its recycling patent applications by the United States Patent and Trademark Office (USPTO), further strengthening Gelion's IP portfolio.
- Successful completion of Phase 1 of the TDAP, securing a further £100,000 grant for Phase 2, plus a £75,000 booster grant indicating the validation from the APC and partners for Battery Minerals' technology potential and recognising the commercial traction achieved.

John Wood, CEO of Gelion, commented: *"H1 FY25 marked significant progress in strengthening our technological position in sulfur-based battery development. We have successfully unified Gelion's talent and expertise-including OXLiD and the extensive ex-Oxis IP portfolio acquired from Johnson Matthey-into a single, focused sulfur technology development program. This consolidation is delivering promising test results, reinforcing our confidence in Gelion's role in the anticipated breakthrough trajectory for sulfur chemistry.*

"At the same time, we have started building revenue and margin through our Integration Solutions business unit. This initiative leverages Gelion's deep battery expertise to enhance solution engineering while providing valuable real-world application insights that feed back into our own battery technology development. Additionally, we see strong synergies between our integration activities and the supply chain partnerships we are developing for our own battery technologies as they mature.

"We are confident that 2025 will validate the value of our combined focus-advancing technological leadership in sulfur technology while driving commercial success through strategic collaborations and direct sales in our integration efforts."

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About Gelion
Gelion ("gel: ion") is a global energy storage innovator, supporting the transition to a more sustainable economy by commercialising two globally important next generation technologies: Lithium-Sulfur (LiS) and Zinc-based (Zn) hybrid cells to electrify mobile and stationary applications. Gelion plc (the Group) is listed on the London Stock Exchange's Alternative Investment Market and wholly owns Australia based Gelion Technologies Pty Ltd and UK based OXLiD Ltd. Gelion is designing and delivering innovative battery technologies and integrated systems solutions to enable that transition and return value for its customers and investors.

Lithium Sulfur

Gelion's effort is directed at the potential for the Li-S chemistry to deliver double the gravimetric energy density of standard Lithium-ion chemistries, whilst concurrently reducing cost and increasing safety, targeting the EV and e-aviation market, helping to make global transport, energy consumption and storage more sustainable.

Gelion is developing a GEN 3 Lithium-Sulfur cell product for its high energy density sulfur cathode at its expanded R&D facilities in Australia and UK, enabling it to integrate with a variety of anodes ranging from graphite to silicon to lithium-metal, depending on the targeted application.

Gelion's GEN 3 cell unlocks the potential of sulfur batteries for a wide range of global mobile applications including electrical vertical-take-off-and-landing (eVTOL), drone markets, electric vehicles (EVs) and stationary energy storage (ESS).

Advantages of Gelion's GEN 3 Lithium Sulfur

- **High energy density -** Energy density > 400 Wh/kg, when using a 10+ Ah pouch cell.
- **Semi-solid-state / Solid-State as a route to increased longevity/cycle life**: GEN 3 employs a semi-solid-state and solid-state mechanism which mitigates the major degradation factor associated with conventional Li-S technology.
- **Improved safety** - Sulfur technology may be more stable at high temperatures, minimising risk of thermal runaway related fires and explosions.
- **Increased sulfur utilisation:** GEN 3 demonstrates the full theoretical capacity of sulfur, i.e. a much higher sulfur utilisation than found in conventional Li-S approaches.
- **Simplified supply chain:** The innovative cathode is produced by mixing commercially available materials with abundant sulfur using a low-energy, room-temperature process, with potential to eliminate the need for pre-fabrication of the sulfur composite (sulfur composite is related to cathode active material in conventional lithium-ion batteries), streamlining the associated supply chain and production process and enabling localised manufacturing.
- **Environmental and economic benefits:** The water-based, standard-atmosphere cathode production process eliminates the need for toxic solvents, leading to significant cost savings and enhanced manufacturability.

Glossary

1MPa	This level of pressure replicates real-world pressure conditions inside batteries and is crucial for ensuring the durability, efficiency, and performance of the separator in practical applications.
Ah	Ampere hours. A measure of capacity stored in the cell. The larger the number the higher the capacity.
Energy density (Wh/kg)	The ratio of energy stored per unit weight i.e. Watt-hours per kilogram. The higher the number the lighter the battery.
Pouch cell	An industry standard format of a battery which comprises a flat pouch-shaped design with a multi-layered laminate structure.
Solid-to-solid conversion	A low or polysulfide-free conversion of sulfur within the cathode. Polysulfides are a dissolved form of sulfur that is corrosive and reduces cycle life in traditional lithium-sulfur batteries. Solid-to-solid conversion helps mitigate the formation of these polysulfides.
Semi-solid state as a route to increased longevity/cycle life	Gelion's GEN 3 technology can employ a semi-solid-state mechanism, maintaining the sulfur-based cathode materials in the cathode, preventing their diffusion into the electrolyte and diminishing associated battery degradation caused by reactive polysulfides. This approach mitigates the major degradation factor associated with conventional Li-S technology.
Solid state separator	A solid-state separator is a solid material that separates the anode and cathode in a battery,

	enabling ion transfer while preventing short circuits enhancing battery safety, supports higher energy densities, and allows stable use of a lithium metal anode, increasing capacity and lifespan.
Cycle life	The number of full charge and discharge cycles a battery can complete before its capacity falls below a specified level, typically 80% of the original capacity. Higher cycle life indicates longer-lasting performance.

Zinc
Gelion is adapting its zinc technology to comprise an alternate cathode technology, a zinc hybrid cell to develop complementary next-generation batteries for the lead-acid eco-system. Early testing indicates that this solution has the potential to maintain good energy density levels with enhanced cost and safety aspects. Once fully developed, Gelion intends for our zinc technology to provide a durable and sustainable market extension within the ecosystem that supports lead-acid batteries.

Recycling
Gelion is pioneering an innovative battery recycling technology, focusing on lithium extraction and designed to enhance and supplement current recycling methods. Our technology aims to significantly reduce the initial costs of recycling plants, minimize waste, and lower carbon emissions, while improving the purity of metal products and enabling efficient lithium extraction. This advancement will allow for a broader range of scrap materials to be recycled. Currently in the feasibility stage, Gelion is committed to advancing our technology to a pilot-scale demonstration, paving the way for commercialisation through material production and IP licensing.

Integration
Gelion leverages its significant integration and BMS capability to deliver bespoke BESS for Australian customers. These BESS are currently based on lithium-ion technology and will also include Gelion's next-generation batteries as these become available. Gelion will deploy BESS with our proprietary cloud-based battery monitoring system, which will provide real-time diagnostics and alerts to maximise performance and return on investment for our customers.

Chief Executive Officer's statement

Gelion made significant progress in the first half H1 FY25, successfully achieving key technological milestones and strategic objectives while actively reducing its cost base. We have continued to implement our strategy, focusing activities towards acceleration of our core Li-S technology and Integration Solutions business divisions. This has allowed us to effectively use our resources, delivering on both operational milestones and cost efficiencies.

We recognise the exponential growth requirement in both mobile and stationary energy storage to facilitate the global energy transition, and resulting need for low-cost, readily available, and scalable storage technologies. Gelion remains committed to delivering energy storage solutions that support this transition and capitalise on the immense opportunity that this transition presents for our shareholders.

Gelion is focused on expanding and developing our global cooperation network. We continue to foster and strengthen commercial partnerships through technology and material collaborations. In addition, the team continues to work towards realising independent funding by partnering with strategic investors, which will facilitate the introduction of our innovative technologies to market.

Technological progress

Li-S Battery Technology

We achieved several key milestones with our Li-S technology in H1 FY25. This included successfully meeting our initial energy density target through the production of a 12 Ah pouch cell with an energy density of 402 Wh/kg. This is over 60% higher than the gravimetric energy density currently attainable with a lithium-ion battery (i.e. Li-NMC) of equivalent capacity. This was a significant achievement and clearly demonstrates one of the main advantages of a Li-S battery over incumbent technologies.

Gelion has purposefully designed its sulfur-based cathode technology to support the future evolution of battery solutions. While our current GEN 3 Li-S technology pairs our cathodes with a lithium metal anode and our proprietary liquid electrolyte, we believe that our cathodes offer broader optionality. This includes expected compatibility with alternate anode technologies such as silicon-based anodes as well as solid-state electrolytes. Although our cathode material demonstrates wide compatibility, further optimisation may be required to achieve performance objectives based on the full cell composition, particularly given the fundamental differences between liquid-based and solid-state technologies.

The broad compatibility of our cathode ensures Gelion remains forward focused toward expanding its product range to target a range of market segments. Gelion's strategy is to achieve this while simultaneously controlling the scope of expenditure typically required to bring additional products to market by leveraging our existing technology and expertise to collaborate with partners rather than reinventing within and across the existing supply chain.

In November 2024, we successfully fabricated an advanced solid-state electrolyte separator (SES), which used intellectual property (IP) licensed from Oxford University Innovation Limited. SESs are a recognised approach to mitigate key safety concerns for lithium metal-based batteries. Our approach produces an ultra-thin, lightweight SES using readily scalable manufacturing processes. This has the potential to significantly enhance cycle-life and increase energy density, not only for our GEN 3 Li-S batteries but also for other existing lithium metal-based lithium-ion technologies. This development provides an approach that bridges the gap between traditional liquid electrolyte-based batteries and the next-generation all-solid-state technologies. Gelion will continue to work to develop and validate this technology.

Gelion has also recently initiated research to validate the applicability of our cathode technology for an all-solid-state system. We were pleased to update our shareholders as to our progress in this direction post-period end. Gelion engaged a renowned European research institution to conduct independent testing that employed our GEN 3 cathode materials in a solid-state battery. This research confirmed the compatibility of our cathodes for pairing with solid-state electrolytes. This development means Gelion has a technology with the potential to complement and establish a significant market presence alongside traditional Li-ion cathode chemistries (e.g. NMC or LFP).

In summary, in H1 FY25, we successfully demonstrated a high energy density for our GEN 3 cathode while also substantiating its broader compatibility. It is anticipated that these developments will result in safer, longer lasting, and lighter batteries, while also accelerating Gelion's expansion across a range of battery technologies. These technological advancements bring us closer to offering high-performance, cost-effective solutions for electric vehicles, drones, and energy storage systems.

Australian Renewable Energy Agency (ARENA)

In December, Gelion was awarded a c.£2.5m (A 4.8m) match funding grant by ARENA. This Australian government grant initiative will provide funding for the construction and operation of our planned Advanced Commercial Prototype Centre (ACPC) in Sydney. The ACPC Project will provide Gelion with new capabilities, facilitating the optimisation of both our technology and manufacturing processes. The produced next-generation batteries will be provided to prospective global partners and customers for testing and performance validation.

The ACPC Project is due to commence upon Gelion securing appropriate co-funding. As such, our short-term focus is to secure additional supportive investment, which we aim to achieve by securing a strategic investor to co-fund the Australian government grant and the general working capital of the business.

This marks an important stage in our growth, linking our advanced battery solutions with a global network of partners committed to commercialisation. The support of investors and government agencies, like ARENA in Australia and the Faraday Institute in the UK, empowers us to deliver on our vision, create value, and solidify Gelion's position in the evolving battery technology space.

Integration Solutions

In October 2024, we launched our Energy Storage Integration Solutions business, and secured the first commercial order, signing a £1 million contract to supply two battery energy storage systems (BESS) to Group Energy Pty Ltd, part of the Borg Group. This initial project is expected to be successfully delivered in the coming months, with the revenue and profit to be recognised in the current financial year (FY25).

Our focus is on successfully delivering these first integration solution systems, prior to firmly committing to other commercial orders. This will allow us to develop our cloud-based monitoring systems, while simultaneously strengthening third-party collaborations and establishing product pipelines. This measured approach will enable us to continue to build this business from the initial commercial success. We are building our pipeline as we have received interest in our integration solutions from other parties with discussions for orders ongoing.

While the current products employ commercially available lithium-ion batteries, this develops capabilities, establishes partnerships, and lays the foundation to bring our own technologies to market. This business will enable Gelion to build consumer confidence through a proven record for delivering projects, facilitating the commercialisation and introduction of our proprietary storage technologies to the market.

Technology Incubation

The Board recognises the prospective value and market opportunities inherent in both its zinc-based battery and battery recycling technologies. While we see clear potential in these two technologies, these require capital investment to attain market readiness. Therefore, in accordance with Gelion's strategic plan, we are currently incubating these technologies, reducing costs, accessing non-dilutive capital while we explore opportunities for independent investment. This approach will provide the best chance for success, while remaining cost effective and enabling the team to focus its efforts towards the progression of the Group's core businesses, being Li-S and Integration Solutions.

Battery Recycling

In H1 FY25, we also launched a new UK subsidiary, Battery Minerals Ltd, with the aim to commercialise the intellectual property (IP) portfolio acquired from Johnson Matthey in 2023. Battery Minerals' technology focusses on developing lithium-first approach for the recovery of valuable metals from end-of-life batteries.

Battery Minerals was awarded a grant of up to £170,000 as part of the Advanced Propulsion Centre UK's (APC) TDAP. This funding was used to support a market-focused study, involving in-depth techno-economic modelling and the development of a product strategy with support from industry partners. As a result, we have established the commercial viability of our recycling approach and identified clear pathways to commercialisation for this technology.

I am pleased to report that, post-period end, we were successful in our application to Phase Two of this programme. This provides an additional £100,000 in grant funding, with Battery Minerals additionally being awarded a £75,000 booster grant. Progression to Phase 2 of the programme indicates the validation from the APC and partners for Battery Minerals technology's potential and recognising the commercial traction achieved.

Phase 2 of TDAP, running between February 2025 and November 2025, focuses on 'Technology Validation' and will involve further development of the recycling process with partners to increase the technology-readiness level ("TRL") and potentially support a feasibility study for a larger scale pilot plant.

Zinc-based Technology

Gelion is continuing to develop our zinc-hybrid battery, with the goal to deliver a cost-effective, non-toxic and safe cell that could complement and extend the existing lead-acid ecosystem. Lead acid batteries are made in the majority of geographic regions around the planet and the path our team has established has potential to match the low cost/kWh of Lithium-Ion cells made in China.

This provides an option to extend the productivity of the lead acid ecosystem producing zinc cells in country with a low capital entry path rather than importing Lithium Ion. The Gelion research team has made considerable progress over the last half year, developing approaches to address key challenges with this technology.

While Gelion continues to incubate and develop intellectual property with this technology, we are actively working in parallel towards securing independent investment, with an aim to achieve an investment agreement by H2 FY25.

Board and people update

In January, we were pleased to welcome Dr Graham Cooley, as a Non-Executive Director of the Company. Graham offers a valuable and diverse perspective to the Board through his extensive experience in the commercialisation of innovative technologies, knowledge of processes surrounding publicly listed companies, and a fundamental understanding of the science behind Gelion's products.

The Company continues to monitor its cost base and has taken further measures with an annual estimated cost savings of c.£0.5m. These are in addition to £1.1m cost savings delivered in FY24. The H1 FY25 measures include:

- Directors' voluntarily agreeing to a reduction in their fees between 40% and 80% and
- a £0.4m reduction in salaries due to a reduction in headcount (one-off costs of £0.12m) and other discretionary costs in the business.

Outlook for H2 2025

Looking ahead, I am focused on driving our strategic plan forward, realising industry technology leadership for Gelion, and building on the generic talent of our research teams, leveraging the acceleration made possible as a result of acquisitions of the last 18 months. I am also focused on driving product/market fit for the outcomes of that effort, and building on this by developing collaborations within the supply chain that will support the path to capital light commercialisation. In the short-term, additional capital investment will be required for continuing development while Gelion progresses opportunities for partnerships with strategic investors to enable realisation of our long-term objectives. In parallel, we will continue to develop and strengthen collaborations with key technology partners and potential customers.

We remain well positioned to meet our performance objectives, primarily our cycle-life and stability, with significant progress made towards realising minimum viable product ("MVP") performance targets. Preparations are underway to develop in-house battery prototype manufacturing capabilities. This will leverage Australian government support (both capex and operating expenditure) to facilitate the production of pre-pilot volumes prior to an expansion towards licensing and contract manufacturing.

I have been incredibly encouraged by the substantial technological advancements that have already been made to date this financial year. This would not have been possible without the extraordinary dedication of our team, and I would like to recognise their efforts toward driving Gelion forward. I also thank our valued shareholders and all our partners, who are joining us in our endeavours and our dedicated directors for their commitment, support, availability, valuable input, and stewardship.

I strongly believe that our innovative technology and the vast expertise present in our team provides Gelion with enormous opportunities, particularly with the growing global recognition of the importance of Lithium Sulfur technology and of its ability to first deliver high value niche applications building on its high energy to weight "lightness" as a battery and then to grow quickly alongside lithium ion toward its full potential to form a significant share of the storage market building on its abundance and potential for low cost. We look forward to playing a pivotal role in the global energy transition, steering in the next-generation energy storage solution.

John Wood
CEO
19 March 2025

Chief Financial Officer's review

Overview

H1 FY25 was a strong period for the Group, defined by major technological progress and the strategic launch of our Integration Solutions business. This expansion positioned us to seize key commercial opportunities, resulting in Gelion's first £1 million order. Importantly, we achieved this while continuing with the cost discipline and strengthening our commercial operations.

Interim results

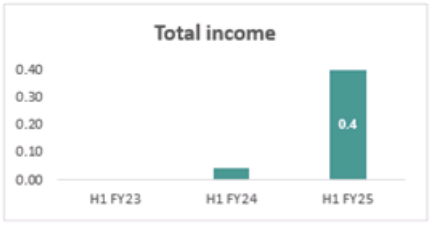
The H1 FY25 interim results include OXLiD's full six-month financial performance, compared to just one month in H1 FY24 following its acquisition on 30 November 2023.

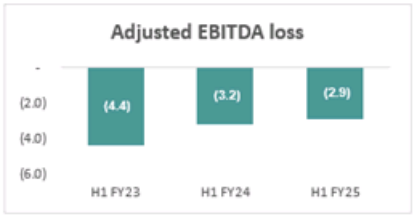
Maintaining financial discipline remains a top priority for the management team. Despite incorporating six months of OXLiD's operating costs in this period, the Group's cost base in H1 FY25 remained largely stable, increasing by just £0.1m (3.1%). On a like-for-like basis i.e. if H1 FY25 included only one month of OXLiD's costs-the Group has effectively reduced its cost base by approximately £0.3m, demonstrating continued financial prudence.

I have summarised the key financial highlights for the period below.

Financial performance

The Group's policy is to recognise R&D tax incentive/offsets (as other income) at year-end. Post 30 June, management assesses its R&D activities and associated expenditure and identifies expenses that are likely to be eligible under the scheme/s. These are then reviewed and assessed by independent experts and only recognised post review.





Adjusted EBITDA loss[3] for the period was £2.9m (H1 FY24 Adjusted EBITDA loss was £3.2m). The c. 9% decrease in the Adjusted EBITDA loss was driven by:

- Increase in total income to £0.4m (H1 FY24: £0.04m), primarily reflecting the grant income for OXLiD through the Faraday Battery Challenge (FBC) and the Advanced Propulsion Centre (APC);
- £0.1m increase in R&D spend, primarily driven by the inclusion of six months of costs from OXLiD;
- A largely stable administrative costs despite increase in operations as the Group expanded in the UK through OXLiD's acquisition, setting up Battery Minerals to explore the Recycling IP and launching the Integration Solutions business.

Non-recurring items relate to the expensed transaction costs incurred in relation to the December 2024 capital raise, deferred consideration accrual for the OXLiD acquisition and the non-cash losses incurred from the disposal of fixed assets.

Our pro-active review of our IP portfolio in FY24 has also resulted in total IP costs (capitalised and expensed) to reduce from £0.6m in H1 FY24 to £0.3m H1 FY25. All these measures enable us to reduce our capital requirements while maintaining our focus on innovation and accelerating our path to commercialisation.

Statement of financial position and cash flows

At 31 December 2024, Gelion's current assets amounted to £11.5m (June 2024: £13.6m), with the decrease reflecting the receipt of the R&D tax incentive. Cash and cash equivalents of £3.5m (June 2024: £3.8m) remained largely consistent following the successful capital raise in December 2024.

Our non-current assets and total liabilities remained largely consistent across both periods and the Company continues to be debt-free.

Outlook

As we advance into the second half of FY25, Gelion continues to build upon the robust foundation established in the first half. Our strategic initiatives and technological advancements position us well for continued growth and innovation.

Financial discipline remains a cornerstone of our strategy. We continue to monitor our cost base and have implemented additional measures (post period-end) expected to deliver annual savings of approximately £0.5m, building on the £1.1m savings achieved in FY24. While additional capital investment will be required in the short term, our prudent cost management approach ensures efficient capital deployment, strengthening our ability to invest in critical R&D and commercialisation efforts.

The momentum behind our near-term opportunities continues to grow as we advance our development programs by strengthening our leadership in Li-S technology. At the same time, we are focused on securing commercial deals for the

Integration Solutions team while strategically incubating non-core assets to reduce capital requirement. Our commitment to technological innovation, disciplined financial management, and sustainable growth positions us to capitalise on these opportunities. We remain dedicated to delivering cutting-edge energy storage solutions that meet the evolving needs of our global customers.

Amit Gupta
CFO
19 March 2025

Consolidated Statement of Comprehensive Income

	Notes	Six months ended 31 Dec 2024 £'000 Unaudited	Six months ended 31 Dec 2023 £'000 Unaudited
Other income	3	381	35
Total income		381	35
Administrative expenses	4	(1,442)	(1,482)
Research and development expenditure	5	(1,848)	(1,708)
Share-based payments expense	6	(260)	(416)
Depreciation and amortisation		(303)	(297)
Operating loss before non-recurring items		**(3,472)**	**(3,868)**
Non-recurring items:	**7**		
Acquisition related costs		(78)	(225)
Capital raising and ARENA grant application costs		(53)	(88)
Other non-recurring expenses		(38)	-
Total non-recurring items:	**7**	**(169)**	**(313)**
Operating loss		**(3,641)**	**(4,181)**
Finance costs		-	(2)
Finance income		18	68
Loss on ordinary activities before taxation		**(3,623)**	**(4,115)**
Tax income		10	-
Loss on ordinary activities after taxation		**(3,613)**	**(4,115)**
Total loss for the period attributable to equity holders of the parent			
Other comprehensive income:			
Items that may be reclassified to profit or loss			
- Exchange gains/(losses) arising on translation of foreign operations		(303)	203
Total comprehensive loss for the period attributable to equity holders of the parent		**(3,916)**	**(3,912)**
Loss per share (basic and diluted) attributable to the equity holders (pence)	8	(2.60)	(3.60)

The above results relate entirely to continuing activities.

The results for the six months ended 31 December 2024 include the results of OXLiD Ltd for the full period i.e. six months whereas 31 December 2023 include the results of OXLiD Ltd for one month i.e. from the date of acquisition i.e. 30 November 2023.

Consolidated Balance Sheet

	Notes	31 Dec 2024 £'000 Unaudited	30 June 2024 £'000 Audited
Assets			
Non-current assets			
Intangible assets		6,482	6,614
Property, plant and equipment		901	1,069
Current assets			
Cash and cash equivalents		3,457	3,792
Other receivables	9	631	2,118
Total Assets		**11,471**	**13,593**
Liabilities			
Current liabilities			
Trade and other payables		1,164	1,250
Non-current liabilities			

Trade and other payables		67	55
Deferred tax liabilities		310	320
Total liabilities		**1,541**	**1,625**
Net assets		**9,930**	**11,968**
Equity			
Issued capital	10	147	136
Share premium account	10	25,941	24,487
Other non-distributable reserves	10	8,988	8,877
Capital reduction reserve	10	11,194	11,194
Accumulated losses		(36,340)	(32,726)
Total equity		**9,930**	**11,968**

Consolidated Statement of Cash Flows

	Six months ended 31 Dec 2024 £'000 Unaudited	Six months ended 31 Dec 2023 £'000 Unaudited
Cash flow from operating activities		
Loss for the period before tax and exchange losses	**(3,623)**	**(4,115)**
Adjustments for:		
– depreciation & amortisation	303	297
– net finance loss / (income)	(18)	(73)
– impairment of intangible assets	1	16
– loss on disposal of fixed assets	31	-
– share-based payments expense	260	416
– changes in working capital	1,290	2,050
Net cash used in operating activities	**(1,756)**	**(1,409)**
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	-	(1,076)
Other investments - escrow account	133	(133)
Purchase of intangible assets	(158)	(626)
Purchase of tangible property, plant and equipment	(63)	(405)
Interest received	17	72
Net cash used in investing activities	**(71)**	**(2,168)**
Cash flows from financing activities		
Proceeds from issue of shares	1,710	4,100
Transaction costs in relation to issue of shares	(245)	(348)
Prepaid equity	155	-
Repayment of leasing liabilities	(8)	(25)
Net cash generated from / (used in) financing activities	**1,612**	**3,727**
Net increase / (decrease) in cash held	**(215)**	**149**
Cash and cash equivalents at beginning of reporting period	3,792	7,268
Effect of exchange rate changes	(120)	34
Cash and cash equivalents at end of reporting period	**3,457**	**7,451**

Consolidated Statement of Changes in Equity

	Share capital £'000	Share premium £'000	Accumulated losses £'000	Capital reduction reserve £'000	Other non-distributable reserves £'000	Total £'000
Balance at 1 July 2023 (Audited)	**108**	**20,752**	**(24,778)**	**11,194**	**5,328**	**12,604**
Total comprehensive loss for the						

Total comprehensive loss for the period*	**-**	**-**	**(4,115)**	**-**	**203**	**(3,912)**
Contributions by and distributions to owners:						
Merger relief reserve (fair value of shares issued on acquisition)	11	-	-	-	2,512	2,523
Share-based payment charge	-	-	-	-	416	416
Shares issued during the period	17	4,083	-	-	-	4,100
Cost of shares issued	-	(348)	-	-	-	(348)
Balance at 31 Dec 2023 (Unaudited)	**136**	**24,487**	**(28,897)**	**11,194**	**8,461**	**15,382**
Balance at 1 Jan 2024 (Unaudited)	**136**	**24,487**	**(28,897)**	**11,194**	**8,461**	**15,382**
Total comprehensive loss for the period	**-**	**-**	**(3,833)**	**-**	**(230)**	**(4,063)**
Contributions by and distributions to owners:						
Merger relief reserve (fair value of shares issued on acquisition)	-	-	-	-	78	78
Share-based payment charge	-	-	-	-	570	570
Balance at 30 June 2024 (Audited)	**136**	**24,487**	**(32,726)**	**11,194**	**8,877**	**11,968**
Balance at 1 Jul 2024 (Audited)	**136**	**24,487**	**(32,726)**	**11,194**	**8,877**	**11,968**
Total comprehensive loss for the period	**-**	**-**	**(3,613)**	**-**	**(303)**	**(3,916)**
Contributions by and distributions to owners:						
Prepaid equity (equity paid in advance)	-	-	-	-	155	155
Share-based payment charge	-	-	-	-	260	260
Shares issued during the period	11	1,699	-	-	-	1,710
Cost of shares issued	-	(245)	-	-	-	(245)
Balance at 31 Dec 2024 (Unaudited)	**147**	**25,941**	**(36,340)**	**11,194**	**8,988**	**9,930**

Notes to The Consolidated Financial Statements

1. General Information

Gelion Plc ('Gelion' or the 'Company') is a 100% owner of:

- Gelion Technologies Pty Ltd, an Australian subsidiary that conducts research and development in respect of an innovative battery system and associated industrial design and manufacturing; and
- OXLiD Ltd, a UK subsidiary which is involved in the research and development of lithium-sulfur battery technology; and
- Battery Minerals Ltd, a UK subsidiary which is involved in the recycling of lithium-ion battery technology.

Gelion is a public limited company, limited by shares, incorporated and domiciled in England and Wales. The Company was incorporated on 26 September 2015. The registered office of the Company is at c/o Armstrong, Level 4 LDN:W, 3 Noble Street London EC2V 7EE. The registered company number is 09796512.

Gelion Plc was originally incorporated as Gelion UK Ltd. On 12 November 2021, Gelion UK Ltd was re-registered as a public limited company under the Companies Act and its name was changed to Gelion plc.

The Board, Directors and management referred to in this document refers to the Board, Directors and management of Gelion.

2. Accounting Policies

2.1 Basis of preparation

The interim consolidated financial statements for the period 1 July 2024 to 31 December 2024 are unaudited. The financial statements also incorporate the unaudited figures for the interim period 1 July 2023 to 31 December 2023 and the audited figures for the year ended 30 June 2024 (where applicable). These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be

required in a complete set of financial statements and should be read in conjunction with the 2024 annual report.

These interim financial statements are presented in Great British Pounds (GBP) unless otherwise stated, which is the Company's presentational currency and the parent company's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated. The functional currency of the subsidiaries are both Great British Pounds (GBP) and Australian Dollars (AUD). Some numerical figures included in this Interim Report have been subject to rounding adjustments.

2.2 Going Concern

The interim financial statements have been prepared on a going concern basis which assumes that the Group and Company will have sufficient funds available to enable it to continue to trade for the foreseeable future being a period of at least 12 months from the date of approval of these financial statements. In making their assessment that this assumption is correct, the Directors have undertaken an in-depth review of the business, its current prospects, and cash resources as set out below.

The Company is a holding entity and therefore the going concern assessment for the Company was performed as part of the Group's assessment.

As at 31 December 2024, the Group had cash in bank of £3.5 million.

The Directors have reviewed a range of potential cash flow forecasts for the 14-month period from 1 January 2025 to 28 February 2026 (the "Period") including actual results subsequent to the period ended 31 December 2024 and reasonable possible downside scenarios.

The base case cash flow forecast includes the following assumptions for the Period:

- net cash out flows of c. £6.0 million for the Period which includes:
  - an estimated R&D tax incentive receipt of £1.3 million for FY2025 (July 2024 to June 2025) expected to be received in September/ October 2025;
  - positive gross margin from the Integration Solutions first sale;
  - receipt of secured grant funding in the UK;
  - ongoing R&D, general and administrative costs of the Group;
  - payment for the remaining deferred consideration c. £265k in relation to the OXLiD acquisition;
  - additional cost control measures that were implemented post 31 December 2024 e.g. reduction in headcount, Directors' fee and certain other discretionary costs estimated to reduce total costs by 7.6%.

Conclusion

The base case forecast includes a total net cash outflow over the Period of £6.0 million. The Directors' have also considered a plausible downside scenario which includes a 10% contingency on a subset of total costs (excluding expenses which are largely fixed or controllable in nature e.g. lease expenses, employee expenses etc.) resulting in a total net cash flow of £6.1 million.

The forecast indicates that under both scenarios, the Group will need to raise additional funds by June 2025. As a result, the Group is reliant on securing additional funding which is not guaranteed.

The Directors also note that the Company recently concluded a capital raise of £1.86m in December 2024/January 2025, giving them confidence that the Company can attract additional investment. Furthermore, the Board has confidence that based on the prospects of the business and their previous experience in raising equity finance, the Company can attract additional investment as required in the future.

The Board acknowledges that this funding is not, at the present time, in place. Accordingly, the Board acknowledges that the need for additional funding represents a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

2.3 Earnings per share

Basic earnings/loss per share
Basic earnings/loss per share is calculated by dividing:

- the profit or loss attributable to owners of Gelion Plc, excluding any costs of servicing equity other than Ordinary Shares; by
- the weighted average number of Ordinary Shares outstanding during the period, adjusted for bonus elements in Ordinary Shares issued during the period.

Diluted earnings/loss per share
Diluted earnings/loss per share adjusts the figures used in the determination of basic earnings/loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential Ordinary Shares; and
- the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential Ordinary Shares.

2.4 Share-based payments

The Group provides benefits to its employees in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions) in the parent entity.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black- Scholes model. This calculation is completed by the parent entity.

The cost of these equity-settled transactions is recognised as an expense, with a corresponding increase in equity, over the period in which the service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to profit and loss is the product of:

- the grant date fair value of the award;
- the current best estimate of the number of awards that will vest;
- the expired portion of the vesting period; and
- the removal of any fair value attributable to share options that have contractually lapsed, expired, cancelled or forfeited.

The charge to profit and loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to the share-based payment reserve in equity.

If a share-based payment arrangement is modified, the minimum expense recognised over the vesting period is the original fair value. If the modification increases fair value, the additional fair value is recognised over the remaining vesting period.

2.5 Non-Recurring Items

The Group considers certain unusual or infrequent items that either because of their size or their nature, or relevance to the business as are non-recurring and disclose separately to report the underlying performance of the business. For an item to be considered as a separate item, it must initially meet at least one of the following criteria:

- It is a significant item, which may cross more than one accounting period.
- It has been directly incurred as a result of either an acquisition / divestment or funding related or arises from a major business change.
- It is unusual in nature, e.g. outside the normal course of business.

If an item meets at least one of the criteria, the Board, through the Audit and Risk Committee, then exercises judgement as to whether the item should be classified as an allowable adjustment to IFRS performance measures and disclosed separately.

2.6 Foreign currency translation

The functional currency of each company in the Group is that of the primary economic environment in which the entity operates. Monetary assets and liabilities denominated in foreign currencies are translated into GBP at the rates of exchange ruling at the period end. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

All differences are taken to the Statement of Comprehensive Income. On consolidation, the assets and liabilities of the Group entities that have a functional currency different to the presentational currency are translated into GBP at the closing rate at the date of the Statement of Financial Position. Income and expenses for each statement of profit or loss are translated at average exchange rates for the period. Exchange differences are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

2.7 Critical accounting judgements and key sources of estimation uncertainty

R&D tax incentives

From 1 July 2011, the Australian Taxation Office has provided a tax incentive, in the form of a refundable tax offset of 43.5%, for eligible research and development expenditure.

Both OXLiD and Battery Minerals are eligible to claim Research and Development Expenditure Credit (RDEC) under the SMEs program.

The Group does not recognise a receivable for R&D tax incentive or the RDEC at half-year and recognises this at the year-end only based on total eligible expenditure incurred during the year. As such, no R&D tax incentive receivable has been recognised for the period ended 31 December 2024.

3. Other income

	Six months ended 31 Dec 2024 £'000 Unaudited	**Six months ended 31 Dec 2023 £'000 Unaudited**
Grant income	381	35
Total other income	**381**	**35**

Grant income relates to approved grant funding for OXLiD and Battery Minerals through the Faraday Battery Challenge (FBC) and the Advanced Propulsion Centre (APC) programs. The grant funding is recognised on an accrual basis and are claimed either on a monthly or a quarterly basis with the funds received in the month after the claim submission.

4. Administrative Expenditure

Administrative expenditure includes personnel and related costs (including salaries, benefits and payroll tax) and costs associated with external consultancy services.

5. R&D Expenditure

R&D expenditure includes personnel and related costs (including salaries, benefits and payroll tax) and costs associated with product research, design and development.

6. Share-Based Payments

The Directors recognise the role of the Group's staff in contributing to its overall success and the importance of the Group's ability to incentivise and motivate its employees. Therefore, the Directors believe that certain employees should be given the opportunity to participate and take a financial interest in the success of the Company, aligning employee interests with shareholders and Company goals.

In July 2022, the Board introduced a new Share Option Plan. The plan is designed to motivate and incentivise key talent to assist the Group in achieving its strategic aims whilst remaining consistent with its tolerance for risk, all set within delegated limits set out during the recent IPO.

These options are structured as nominal cost options. The options will normally vest in three equal tranches over three years, subject to continued employment.

On 13 December 2023, 1,637,629 options were granted that will vest in three equal tranches, the first anniversary is 31 August 2024, followed by annual vesting on 31 August 2025 and 31 August 2026. The options were granted with the exercise price of 0.1 pence and will be exercisable up to the tenth anniversary of the grant.

On 20 December 2023, 949,751 options were granted that have an 18 month vesting period and will vest in full on 31 May 2025. The options were granted with the exercise price of 0.1 pence and will be exercisable up to the tenth anniversary of the grant.

On 5 February 2024, 200,000 options were granted to Louis Adriaenssens that have a 12-month vesting period and will vest in full on 4 February 2025. The options were granted with the exercise price of 0.1 pence and will be exercisable up to the fifth anniversary date.

For options granted to groups of employees, the estimated number of options expected to vest has been adjusted downward based on the actual average attrition rate of 23%. The share-based payment expense for unvested options is determined by the probability of number of options likely to vest; as a result, the number of unvested options is reduced to account for the average attrition rate.

	Six months ended 31 Dec 2024 £'000 Unaudited	Six months ended 31 Dec 2023 £'000 Unaudited
Share-based payment expense recognised	260	416
Total share-based payment expense	**260**	**416**

Summary of movements in awards:

	New Share Option Plan '000s	2021 and prior Original Share Option Plan Number '000s	Weighted average exercise price £
Outstanding at 1 July 2023 (Audited)	2,896	5,583	0.21
Granted	2,587	-	0.00
Forfeited	(29)	-	0.00
Exercised	(12)	-	0.00
Outstanding at 31 December 2023 (Unaudited)	**5,442**	**5,583**	**0.16**
Exercisable at 31 December 2023 (Unaudited)	**1,674**	**5,583**	**0.24**
Granted	200	-	0.00
Forfeited / Cancelled	(86)	-	0.00
Exercised	-	-	0.00
Outstanding at 30 June 2024 (Audited)	**5,556**	**5,583**	**0.16**
Exercisable at 30 June 2024 (Audited)	**1,674**	**5,583**	**0.24**
Granted	-	-	-
Forfeited / Cancelled	-	-	-
Exercised	-	-	-
Outstanding at 31 December 2024 (Unaudited)	**5,556**	**5,583**	**0.16**
Exercisable at 31 December 2024 (Unaudited)	**2,788**	**5,583**	**0.21**

The range of exercise prices for options outstanding at 31 December 2024 was £0.001 to £1.45 (2023: £0.001 to £1.45).

The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 was 5.05 years (2023: 5.98 years).

Of the total number of options outstanding at 31 December 2024, 8,371,128 (31 December 2023: 7,256,964) had vested and were exercisable.

7. Non-Recurring Items

	Six months ended 31 Dec 2024	Six months ended 31 Dec 2023

	£'000 Unaudited	£'000 Unaudited
Acquisition related costs	78	225
Capital raising costs	33	88
ARENA grant application costs	20	-
Loss on disposal of fixed assets	31	-
Agent fees relating to new premises	7	-
Total non-recurring items	**169**	**313**

Non-recurring costs in the 6 month period to 31 December 24 include one-off capital raise related expenses as well as deferred consideration relating to the acquisition of OXLiD Ltd. These have been separately disclosed to assist the user of the financial information to understand and compare the underlying results of the Company.

8. Loss Per Share

	Six months ended 31 Dec 2024 Unaudited	Six months ended 31 Dec 2023 Unaudited
Loss after tax	£3,613,000	£4,115,000
Weighted average number of shares (number)	136,446,587	113,792,426
Loss per share (pence)	2.6p	3.6p

The calculation of the loss per share is based on the loss for the financial period after taxation of £3,613,000 (2023: £4,115,000) and on the weighted average of 136,446,587 (2023: 113,792,426) Ordinary Shares in issue during the period.

During the 6 month period to 31 December 2024, the parent company issued 11,397,837 shares as part of the capital raise in December 2024.

There were 11,139,221 share options outstanding as of 31 December 2024 (30 June 2024: 11,139,221). The impact of these options would be to reduce the diluted loss per share and therefore they are antidilutive. Hence, the diluted loss per share reported for the periods under review is the same as the earnings per share.

9. Other receivables

	As at 31 Dec 2024 Unaudited	As at 30 June 2024 Audited
	£'000	£'000
R&D tax incentive	57	1,614
Grant income	179	-
Prepayments	351	137
VAT / GST receivable	31	-
Restricted cash - escrow	-	133
Other debtors	13	234
Total other receivables	**631**	**2,118**

R&D tax incentives are granted by the Australian Taxation Office and the HMRC in the form of tax offsets. The key judgements applied in the recognition of this receivable are detailed in note 2.7. The R&D tax incentive receivable at 31 December 24 relates to HMRC R&D tax offset for eligible expenditure for the period ending 30 June 24. Grant income relates to receivables in OXLiD for grant funding in the UK, obtained through the Faraday Battery Challenge (FBC) and the Advanced Propulsion Centre (APC).

The Directors consider that the carrying value of other receivables approximates to their fair value.

10. Issued Capital and Reserves

Share capital and premium

	Ref.	Number of shares on issue	Share capital	Share premium
		(#)	£'000	£'000
Balance as at 1 July 2023 (Audited)		**108,407,750**	**108**	**20,752**
Shares issued during the period	a	27,590,709	28	4,083
Cost of shares issued	b	-	-	(348)
Balance as at 31 Dec 2023 (Unaudited)		**135,998,459**	**136**	**24,487**
Exercise of share options		12,144	-	-
Balance as at 30 June 2024 (Audited)		**136,010,603**	**136**	**24,487**
Shares issued during the period	c	11,397,837	11	1,699
Cost of shares issued	d	-	-	(245)
Balance as at 31 Dec 2024 (Unaudited)		**147,408,440**	**147**	**25,941**

a) On 23 November 2023, 17,082,127 new ordinary shares of £0.001 have been issued at a price of 24 pence per share. On 29 November 2023, 10,508,582 new ordinary shares of £0.001 have been issued as part of consideration for acquisition of OXLiD Ltd.

b) Transaction costs incurred in the issuing of shares in the period ended 31 December 2023 of £436,000 of which £348,000 was offset against share premium and £88,000 was expensed.

c) On 24 December 2024, 11,397,837 new ordinary shares of £0.001 have been issued at a price of 15 pence per share.

d) Transaction costs incurred in the issuing of shares in the period ended 31 December 2024 of £278,000 of which £245,000 was offset against share premium and £33,000 was expensed.

Nature and purpose of other reserves

Other reserves

- Share-based payments reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to note 6 for further details of these plans.

- Foreign currency translation reserve

The subsidiary's functional currency is AUD and therefore on consolidation a foreign exchange gain or loss on translation of net assets is recognised through other comprehensive income at each reporting date. These gains or losses are accumulated in a foreign currency translation reserve.

- Capital reduction reserve

Immediately following the Second Bonus Issue in 2021, the balance standing to the credit of the share premium account was cancelled and the amount so cancelled was credited to a distributable reserve called the 'capital reduction reserve'.

- Merger relief reserve

On 29th November 2023, The Company completed the acquisition of 100% of ordinary shares of OXLiD Ltd. The transaction consideration involved a combination of cash and issuance of 10,508,582 ordinary shares in Gelion. The investment was recognised at fair value, and the excess of the fair value over the nominal value of the issued share capital is recorded within equity as a merger relief reserve.

- Prepaid equity reserve

The prepaid equity reserve is used to recognise capital paid in advance of shares issued. The Directors participated in the December 2024 capital raise and £155,000 was received by the parent as capital paid in advance of shares issued prior to 31 December 2024. The shares were issued on 8 January 2025 and this contribution has therefore been recognised as prepaid equity reserve.

Other non-distributable reserves:

	Share-based payment reserve £'000	Foreign currency translation reserve £'000	Merger relief reserve £'000	Prepaid Equity £'000	Total other reserves £'000
Balance at 1 July 2023 (Audited)	**5,511**	**(183)**	**-**	**-**	**5,328**
Foreign currency translation reserve movement	-	203	-	-	203
Share-based payment charge	416	-	-	-	416
Merger relief reserve (fair value of shares issued on acquisition)	-	-	2,512	-	2,512
Balance at 31 December 2023 (Unaudited)	**5,927**	**20**	**2,512**	**-**	**8,459**
Foreign currency translation reserve movement	-	(230)	-	-	(230)
Share-based payment charge	570	-	-	-	570
Merger relief reserve (fair value of shares issued on acquisition)	-	-	78	-	78
Balance at 30 June 2024 (Audited)	**6,497**	**(210)**	**2,590**	**-**	**8,877**
Foreign currency translation reserve movement	-	(303)	-	-	(303)
Share-based payment charge	260	-	-	-	260

Equity paid in advance of share issue	-	-	-	155	155
Balance at 31 December 2024 (Unaudited)	**6,757**	**(513)**	**2,590**	**155**	**8,988**

11. Events subsequent to period end

On 3 January 2025, the company announced that Directors had participated in a capital raise and were issued, in aggregate, 1,033,334 new ordinary shares at a price of 15 pence per share, raising gross proceeds of £155,000.

12. Alternative Performance Measure (APM)

The Group uses the following non-IFRS performance measure to provide additional insight into financial performance. This measure supplements, but does not replace, IFRS reporting and may not be directly comparable to similar measures used by other companies.

Alternative Performance Measures (APMs) should be viewed as supplementary information only and not in isolation.

When determining whether an item qualifies as an allowable adjustment to IFRS measures, the Group considers items that are significant either due to their size or nature, and that are non-recurring. To qualify as an allowable adjustment, an item must meet at least one of the following criteria:

- It is a significant item, which may span more than one accounting period.
- It is directly incurred as a result of an acquisition, divestment, or arises from a major business change.
- It is unusual in nature, occurring outside the normal course of business.

If an item meets any of these criteria, the Board, through the Audit and Risk Committee, exercises judgment on whether it should be classified as an allowable adjustment to IFRS performance measures.

Allowable Adjustments

The following have been defined as allowable adjustments:

a) **Acquisition-related costs** - Costs directly incurred in relation to acquisitions.

b) **Capital raise and ARENA grant application costs** - Costs associated with capital raising and ARENA grant applications.

c) **Other non-recurring costs** - Includes losses on disposal of fixed assets, write-offs of IP intangibles, and agent fees related to new premises.

d) **Share-based payments expense** - non-cash expenses relating to employee incentive schemes.

Purpose and Use

This measure provides a consistent view of underlying results derived from core business activities. It is widely used by securities analysts, investors, and other stakeholders to evaluate financial performance and compare performance across periods.

Management closely monitors this measure to assess the Group's operating performance, support financial and strategic decision-making, and better understand underlying trends on a comparable, period-on-period basis.

Measure

Adjusted EBITDA loss is calculated by excluding certain costs (as detailed in the table) from Operating loss:

Reconciliation:

Operating loss to Adjusted EBITDA loss

	Six months ended 31 Dec 2024 £'000 Unaudited	**Six months ended 31 Dec 2023 £'000 Unaudited**
Operating loss (as reported)	**(3,641)**	**(4,181)**
Adjustments		
Depreciation and amortisation	303	297
Share-based payments expense	260	416
Acquisition related costs	78	225
Capital raising and ARENA grant application costs	53	88
Other non-recurring expenses	38	-
Adjusted EBITDA loss	**(2,909)**	**(3,155)**

[1] Adjusted EBITDA loss is a non-statutory measure and a reconciliation to Operating loss has been disclosed in note 12.

[2] Cost savings of 7.6% has been calculated using H1 FY25 as the cost base, including R&D and administrative expenses. Since this cost base represents a half-year period, the cost savings were also proportionally adjusted.

[3] Adjusted EBITDA loss is a non-statutory measure and a reconciliation to Operating loss has been disclosed in note 12.

END

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