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.

29 September 2023

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

Half Yearly Report

Eden Research plc (AIM: EDEN), the AIM-quoted company focused on sustainable biopesticides and plastic-free formulation technology for use in the global crop protection, animal health and consumer products industries, announces its interim results for the six months ended 30 June 2023.

Financial highlights

- Revenue for the period of £1.14m (H1 2022: £1.04m)
- Product sales of £1.09m (H1 2022: £1.01m)
- Operating loss for the period of £1.2m (H1 2022: £1.3m)
- Adjusted loss (excluding a non-cash intangible assets impairment of £5.0m*) for the period of £0.9m, loss of £5.9m including impairment (H1 2022: £1.0m, impairment of £nil)
- Cash and cash equivalents of £0.5m (H1 2022: £0.9m)
- Cash and cash equivalents at 31 August 2023 of £1.73m following a tax refund and proceeds from the unconditional placing
- On track to meet 2023 market expectations for product sales revenue and EBITDA

*See note 9 for further details.

Business highlights

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

- First commercial order received for Ecovelex®, Eden's new seed treatment product (August 2023)
- Materially increased Eden's global addressable market with label extensions and new regulatory approvals, most notably the addition of the US following various state approvals
- Authorisation for Cedroz™ received in the key state of California with Mevalone® authorisation anticipated in due course
- Eden's first 'non-professional' (home garden) uses for 3logy® granted in Italy
- Mevalone® received regulatory authorisation in Poland, which is acting on behalf of the EU Central Zone, thereby paving the way to central EU approvals
- Authorisation for Mevalone® (Novellus) received in New Zealand
- Submission made to the EU and UK authorities for Eden's seed treatment product, Ecovelex®, which was developed with Corteva Agriscience
- Steps to expand the use of Mevalone® in France to include powdery and downy mildew are well underway
- Return to commercial production of Cedroz™ following previous manufacturing issues. Continue to actively monitor customer feedback
- Use of Cedroz™ expanded to include the control of wire worm in potatoes through the granting of an emergency use approval in Italy
- New distribution agreement signed with Anasac for Mevalone® in Colombia
- 140 field trials run by potential distribution partners in 2023, following significant interest in the evaluation of Eden's developmental insecticide

Corporate highlights

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

- Successful firm Capital Raising of £1.1 million, Minimum Conditional Capital Raising of £7.9 million and Retail Offer of £0.4 million, all before expenses (Announced in July 2023)
- Strengthening of the Commercial Team underway

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

"It was with great pleasure that in May this year we were finally able to announce, in conjunction with our partner Corteva Agriscience ("Corteva"), the development of our new bird repellent, seed treatment product Ecovelex®.

Ecovelex® is the result of a three-year collaboration with Corteva with significant effort, work and determination from everyone involved in the project and is a direct result of the fundraise that took place in March 2020, without which this would not have been possible.

Ecovelex® represents Eden's first commercial activity in broad-acre crops and seed treatments and highlights the versatility that the Company's technologies and products can bring to the market. The initial commercial opportunity on maize in Europe is significant by itself, but there are numerous additional others that we can now look to exploit using the same, proven platform.

The first half of the year also saw several important regulatory approvals come through, such as Mevalone® in New Zealand, where botrytis is prevalent and Poland, off the back of which we expect to receive approvals in the other central EU zone countries in fairly short order, and state approvals in the US for both Mevalone® and Cedroz™.

Each of these approvals unlocks our route to product sales and increases our addressable market.

At the end of July, the Company announced that it had completed a firm placing of £1.1m and conditional placing of at least £7.9m (up to a maximum of £9.4m), both before expenses.

The Board of Eden considered very carefully the right approach to ensure the future viability and growth prospects of the business and it was concluded that, with the much-appreciated support from institutional and retail shareholders, strengthening the Company's financial position through a fundraise was the right course of action.

From this new position of strength, we can now expeditiously develop and commercialise our products which, the Board believes, will, on balance, substantially benefit the Company and its shareholders."

For further information contact:

Eden Research plc	www.edenresearch.com
Sean Smith	01285 359 555
Alex Abrey	
Cavendish Securities plc (Nominated advisor and broker)	
Giles Balleny / George Lawson (corporate finance)	020 7397 1961
Michael Johnson (sales)	
Hawthorn Advisors (Financial PR)	
Simon Woods	eden@hawthornadvisors.com
Felix Meston	

Chief Executive Officer's Statement

At Eden Research, we aim to create innovative and sustainable crop protection solutions to empower farmers worldwide to tackle destructive pest infestations and plant diseases effectively and without causing harm to the environment. The first half of 2023 has seen further progress towards these aims. With our three plant-derived active ingredients and proprietary microencapsulation technology, Sustaine®, we are making good progress with our efforts to develop a portfolio of products to address a multitude of challenges that go beyond our initial focus on treating grapevine fungal diseases.

Demonstrating development excellence in seed treatments

One such example is our recently unveiled, new seed treatment, Ecovelex®. Without doubt, this has been the highlight of the first half of the year and is the result of more than three years of intensive development alongside our partner Corteva Agriscience. In its initial use case, Ecovelex® will be deployed as a seed coating for maize seeds, acting as a repellent against bird infestation and protecting farmers' crop yield at the earliest point in the growth cycle.

Ecovelex® represents an alternative to currently available bird repellent seed treatments widely used across the arable farming community. One of the most popular seed treatments, containing conventional synthetic active ingredients, is likely to be removed from the market in the EU without there being any other bird repellent available in the shorter term. We see not only a significant opportunity for Ecovelex® to act as a replacement in this regard, but are also proud that we can offer the maize-growing community a method to protect their seeds using naturally occurring compounds that help protect soil and bird health. Furthermore, extensive field trials have demonstrated that our product is equally effective when compared with the incumbent product currently used by farmers.

Alongside announcing Ecovelex® in May, we also indicated to the market that we have submitted a dossier and application to the Austrian regulator, who will act as the interzonal rapporteur member state ("RMS") on behalf of the EU. Approval by the RMS will provide the key to entry into the rest of the European Union single market, subject to each state requesting further information before local authorisations are granted. In July, we also announced that we had submitted the equivalent application to the Chemicals Regulation Division in the UK for authorised use in our home country. In both these instances, it is expected that review and authorisation of Ecovelex® will take between 18 and 24 months, although it should be noted that the pace of regulatory actions lies solely in the control of the relevant authorities.

During this time, the Eden management and regulatory teams will work closely with each regulator to ensure they have all the necessary tools and information required to grant authority as soon as possible. We are also exploring other means to bring Ecovelex® to the market sooner, such as via emergency authorisations which could see the product being used as early as the 2024 growing season. However, such authorisations are not guaranteed, and we are working to ensure that we obtain full authorisation in a timely manner.

Widening geographic presence, growing the label

A large part of our commercial progress this period has been linked to our two existing products, Mevalone® and Cedroz™. Here, our strategy has been to introduce these biopesticides to new markets and expand the list of allowed uses, known as 'the label', beyond existing uses.

Following receipt of our landmark Environmental Protection Agency (EPA) approval in the US at a national level for both Mevalone® and Cedroz™ in September of last year, we are delighted to have been able to secure individual state approvals in 17 US states, as announced in March and May of this year. These include the lucrative markets of Florida and California (Cedroz only), where high-value fruit and vegetables are grown. Not only are these attractive markets in terms of production, but also with respect to their favoured use of natural pesticides and other agricultural inputs over conventional alternatives. We now look forward to receiving approval for Mevalone in California where we will be predominantly focused on the wine market in high profile regions such as Napa Valley, Sonoma, Monterey, and Santa Barbara.

In April, we were pleased to have been granted approval for Mevalone® in Poland for use on wine and table grapes, as well as on apples. Poland is the EU's largest producer of apples, accounting for a total annual production of approximately 2.5 million tons. As with the case in a number of other countries, the Mevalone approval extends to pre-harvest application for post-harvest effect given its exemption from maximum residue levels, thereby helping to prevent food waste in the very early stages of the supply chain. More importantly, this one approval represents a significant landmark in that it provides the opportunity for entry into Central Europe where we can ultimately access the nearby markets of Austria, Hungary, and Germany, where a high concentration of wine production is found. Efforts are being made by our regulatory team to actively pursue these opportunities through eventual regulatory approval in each member state.

Elsewhere, we continue to build our geographic presence in the Southern Hemisphere with regulatory approval for Mevalone in New Zealand, where the product is marketed as a Novellus®. This builds on our existing presence in Australia where we are once again targeting another significant wine region. New Zealand's damp conditions and fluctuating temperatures across its wine growing areas provides an ideal environment for Botrytis cinerea to thrive and we forecast this will create strong demand for our product, particularly for use on its most famous grape varietal, Sauvignon Blanc, which is highly susceptible to bunch rot given how close the berries grow to one another.

Eden has also made its first move in South America having appointed Anasac as its exclusive distribution partner for Mevalone® in Colombia. Here, Eden is pursuing the registration of Mevalone® on ornamental crops such as cut flowers to prevent and cure outbreaks of Botrytis cinerea. Colombia is one of the world's largest cut flower exporters with the United States acting as the primary export market. The US imports over $1.35 billion of cut flowers annually. Building on our presence in Mexico, where we already have regulatory approval and are selling product, and in Colombia, where we expect regulatory approval to be granted in due course, we are intent on widening our influence in Latin America, working alongside our regional partners.

Closer to home, we have secured our first domestic (non-professional use) approval with the authorisation of Mevalone® for home-use in Italy. This will afford Italian gardeners the same access to sustainable biopesticides as farmers and provide them with a biocontrol tool to prevent and treat several destructive plant pathogens such as Botrytis cinerea and powdery mildew.

Building robust cashflow

While much of our effort is directed at ensuring that we are well-placed geographically and targeting the right pests and diseases, our partnerships form an important part of our commercial success. We are proud to have formed close ties with some of the industry's largest and high-profile leaders such as Corteva, Sipcam, SumiAgro and others, who play a key role in distributing our pesticides across the globe.

We have also benefitted from sales made in the United States following EPA approval obtained last year, and the various approvals across individual states obtained subsequently.

As has been the case in recent years, the 2023 growing season has not been without its challenges. In our primary market of Southern Europe, we have seen severe drought and high temperatures which can adversely affect demand for certain fungicides, particularly those that target botrytis. We remain cautiously optimistic that more favourable growing conditions will return toward the end of the season thereby helping to ensure appropriate inventory levels and a reasonable post-season restocking period.

Across the interim period, Eden reported revenues of £1.14 million, a marginal increase on the previous H1 2022 period of £1.04 million. Product sales have also marginally increased to £1.09 million from £1.01 million in H1 of last year.

Earnings remained consistent with H1 2022 with an overall loss before tax of £0.9 million compared with £1.0 million, (excluding a non-cash intangible assets impairment during the period of £5.0 million). Including impairment, the total H1 2023 loss after tax was £5.9 million. See note 9 for details of the impairment.

As at 30 June 2023, Eden's cash and cash equivalents balance stood at £0.5 million. Post period end, we have seen cash and cash equivalents increase to £1.73m as at 31 August 2023 following a tax refund and proceeds from the unconditional placing.

As the 2023 harvest season approaches and we near a key pesticide application period for botryticides, we remain on track to meet market expectations for product sales.

Strengthening the financial position

In Q3 2023, Eden announced a fundraising round by means of firm and conditional placings, as well as a retail offer to existing shareholders. In total, once the fundraising is complete, which is expected in the coming weeks, we expect to have raised a total of £10.0 million before expenses. This fundraise not only provides us with additional capital to commercialise further existing products and fund new areas of the business, but it also serves to strengthen our balance sheet and provide greater flexibility during this high-growth period.

Firm placing and rights issue

The use of proceeds raised from the firm placing and retail offer will primarily be allocated towards the funding of materials to build up stocks for our new seed treatment. We will also be looking to grow the Ecovelex® label through further lab screening and field trials, and formulation development, as well as expand our territorial presence in new regions such as Latin America and South-East Asia. Lastly, we intend to bolster our commercial team with the appointment of a new commercial director and a market development and product manager.

Conditional placing

The net proceeds from the conditional capital raise will be used towards new product development, further development of our insecticides as partnering discussions progress, and as additional working capital towards Ecovelex's® label expansion. These proceeds will also be used to establish a US-based team to help support the Company's growth across the US and North America. In the announcement made by the Company on 28 July 2023 regarding its Capital Raising, it noted that the Conditional Placing was subject, inter alia, to (i) the approval of the Resolutions at the General Meeting, (ii) the Advanced Assurance being obtained from HMRC, (iii) the Capital Reduction becoming effective and (iv) Second Admission.

The first three conditions have now been met and, as such, the Company expects to complete the Second Admission and Conditional Placing shortly.

As at 31 August 2023, Eden's post-period cash and cash equivalents balance stood at £1.73 million, following a tax refund and receipt of capital raised at the recent unconditional placing and rights issue.

There are currently no near-term plans to pay a dividend. However, the Board continues to review the Company's dividend policy.

Following an independent impairment review, the Board agreed to write down the value of its intangible assets by £5.0m. For further details, please see note 9.

Extending our product line

We have made great advancements with our product development pipeline with the limited working capital available to us before the post-period fundraise. The second notable product that we are working to bring to market next is our insecticide, the development of which was funded by the capital we raised three years ago. Our lead product candidate targets key pests that attack plants such as spider mites, whitefly, aphids, and thrips. Extensive greenhouse and field trials by Eden and its partners have been conducted throughout the past two years, and the results have so far proven to be promising with good efficacy and consistency against our targeted pests. We intend to launch this product as soon as practicable, with regulatory applications planned for submission in late 2023 or early 2024, subject to the outcome of ongoing trials and data analysis. Pending a positive and prompt regulatory decision, we estimate product launch and first sales as early as 2024/25 in the US and 2025/26 in the EU.

We are continually assessing applicable use of our biopesticide products across crops and pests outside our existing remits such as cannabis, black sigatoka, potato blight and wireworm. In each case, initial evaluations have been conducted and have produced encouraging results. Eden is also exploring the use of its proprietary technologies in the consumer products and animal health industries. While we have long indicated the possibility of expanding our scope in this regard, the consumer and animal health segments are still considered non-core to our business for the time being, although we still maintain good relationships and active discussions with potential partners.

Reflecting on the half-year period, I am very proud of what we have been able to achieve in such a short space of time. These milestones serve as a reminder of the company's potential and, with the additional resources expected to come at our disposal, we are committed to ensuring we can continue to deliver on our growth objectives. I'd like to take this opportunity to thank our shareholders, our team and the Board for their support and efforts.

Sean Smith
Chief Executive Officer

28 September 2023

Eden Research plc - Consolidated Statement of Comprehensive Income for the six months ended 30 June 2023

	Six months ended 30 June 2023 £ unaudited	Six months ended 30 June 2022 £ unaudited	Year ended 31 December 2022 £ audited
Revenue (note 18)	**1,142,371**	1,040,036	1,827,171
Cost of sales	**(710,337)**	(626,342)	(997,011)
Gross profit	**432,034**	413,694	830,160
Administrative expenses	**(1,250,541)**	(1,295,770)	(2,749,240)
Amortisation of intangible assets	**(264,557)**	(246,325)	(495,818)
Share based payments (note 17)	**(119,083)**	(152,135)	(152,135)
Operating loss	**(1,202,147)**	(1,280,536)	(2,567,033)
Investment revenues	**181**	28	192
Finance costs	**(9,539)**	(9,868)	(22,046)
Foreign exchange gains/(losses)	**11,857**	(33,351)	(52,736)
Impairment of intangible assets (note 9)	**(4,968,529)**	-	-
Share of loss of equity accounted investee, net of tax (note 10)	**(25,111)**	(9,849)	(31,444)
Loss before taxation	**(6,193,288)**	(1,333,576)	(2,567,595)
Income tax income	**317,230**	345,424	323,716
Loss for the financial period	**(5,876,058)**	(988,152)	(2,243,879)
Attributable to:			
Equity holder of the company	**(5,887,194)**	(997,630)	(2,237,262)
Non-controlling interest	**11,136**	9,478	(6,617)
Total Comprehensive Income	**(5,876,058)**	(988,152)	(2,243,879)

Earnings per share (note 7)

Basic (pence per share)	**(1.54)**	(0.26)	(0.59)

Eden Research plc - Consolidated Statement of Financial Position as at 30 June 2023

	30 June 2023 £ unaudited	30 June 2022 £ unaudited	31 Dec 2022 £ audited
NON-CURRENT ASSETS			
Intangible assets (note 9)	**3,641,058**	8,330,644	8,447,226
Property, plant & equipment (note 12)	**167,175**	222,712	198,786
Right of Use assets (note 13)	**265,141**	339,179	332,814
Investments in associate (note 10)	**305,133**	351,839	330,244
	4,378,507	9,244,374	9,309,070
CURRENT ASSETS			
Inventories (note 14)	**651,394**	459,424	625,458
Trade and other receivables (note 15)	**930,000**	1,564,652	658,866
Taxation	**640,946**	918,009	323,716
Cash and cash equivalents	**492,766**	1,852,019	1,994,472
	2,715,106	4,794,104	3,602,512
CURRENT LIABILITIES			
Trade and other payables (note 16)	**1,818,582**	1,638,945	1,813,341
Lease liabilities	**138,808**	114,478	139,547
	1,957,390	1,753,423	1,952,888
NET CURRENT ASSETS	**757,716**	3,040,681	1,649,624
NON-CURRENT LIABILITIES			
Lease liabilities	**147,780**	247,742	215,776
	147,780	247,742	215,776
NET ASSETS	**4,988,443**	12,037,313	10,742,918
EQUITY			
Called up share capital	**3,811,089**	3,803,402	3,808,589
Share premium account	**39,308,529**	39,308,529	39,308,529
Warrant reserve	**640,741**	769,773	701,065
Merger reserve (note 19)	**-**	10,209,673	10,209,673
Retained earnings	**(38,807,554)**	(42,094,661)	(43,309,440)
Non-controlling interest	**35,638**	40,597	24,502
TOTAL EQUITY	**4,988,443**	12,037,313	10,742,918

Eden Research plc - Consolidated Statement of Changes in Equity as at 30 June 2023

	Share capital £	Share premium £	Merger reserve £	Warrant reserve £	Retained earnings £	Non-controlling interest £	Total £
<u>Six months ended 30 June 2023</u>							
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**
<u>Six months ended 30 June 2022</u>							
Balance at 1 January 2022 (audited)	3,803,402	39,308,529	10,209,673	937,505	(41,460,753)	31,119	12,829,475
(Loss)/profit and total comprehensive income	-	-	-	-	(997,630)	9,478	(988,152)
Transactions with owners							
- Xinova write off (note 17)	-	-	-	-	43,855	-	43,855
- Options granted	-	-	-	152,135	-	-	152,135
- Options exercised/lapsed	-	-	-	(319,867)	319,867	-	-
Transactions with owners	-	-	-	(167,732)	363,722	-	195,990
Balance at 30 June 2022 (unaudited)	3,803,402	39,308,529	10,209,673	769,773	(42,094,661)	40,597	12,037,313

Eden Research plc - Consolidated Statement of cash flows for the six months ended 30 June 2023

	Six months ended 30 June 2023 £ unaudited	Six months ended 30 June 2022 £ unaudited	Year ended 31 December 2022 £ audited
Cash flows from operating activities			
Cash outflow from operations (note 8)	**(1,018,716)**	(1,528,470)	(1,586,531)
Interest on lease liabilities	**-**	(9,868)	-
R&D tax credit received	**-**	330,660	903,244
Net cash used in operating activities	**(1,018,716)**	(1,207,678)	(683,287)
Cash flows from investing activities			
Development of intangible assets	**(426,918)**	(657,189)	(1,023,262)
Purchase of property, plant and equipment	**(1,875)**	(21,790)	(30,929)
Interest received	**181**	28	192
Net cash used in investing activities	**(428,612)**	(678,951)	(1,053,999)
Cash flows from financing activities			
Issue of shares	**2,500**	-	-
Payment of lease liabilities	**(59,196)**	(57,370)	(128,301)
Interest on lease liabilities	**(9,539)**	-	(22,046)
Net cash used in financing activities	**(66,235)**	(57,370)	(150,347)
Decrease in cash and cash equivalents	**(1,513,563)**	(1,943,999)	(1,887,633)
Cash and cash equivalents at beginning of period	**1,994,472**	3,829,369	3,829,369
Effect of exchange rate fluctuations on cash held	**11,857**	(33,351)	52,736
Cash and cash equivalents at end of period	**492,766**	1,852,019	1,994,472

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 2006. 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 2023 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 2022 which were approved by the Board of Directors on 4 May 2023 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 2022 has been taken from the published audited financial statements as at and for the year ended 31 December 2022. All other periods presented are unaudited.

The Board of Directors and the Audit Committee approved the interims on 28 September 2023.

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 £5,876,058 (H1 2022: £988,152). Net current assets at that date amounted to £757,716 (H1 2022: £3,040,681). Cash at that date amounted to £492,766 (H1 2021: £1,852,019). 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 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 its 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 a minimum 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 2022, except for the application of the following standard at 1 January 2023:

- Amendments to IFRS 3, IAS 16, IAS 37 and the 2018-2020 IFRS Annual Improvements cycle

The adoption of these new standards would not result in any material changes to the Interims.

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.

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 2023 Pence unaudited	Six months ended 30 June 2022 Pence unaudited	Year ended 31 December 2022 Pence audited

(Loss)/profit per ordinary share (pence) - basic	**(1.54)**	(0.26)	(0.59)

Loss per share – basic has been calculated on the net basis on the loss after tax of £5,876,058 (30 June 2022: £988,152, 31 December 2022: £2,243,879) using the weighted average number of ordinary shares in issue of 380,912,474 (30 June 2022: 380,340,229, 31 December 2022: 380,549,518).

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 2023 £ unaudited	**Six months ended 30 June 2022 £ unaudited**	**Year ended 31 December 2022 £ audited**
(Loss)/profit after tax	**(5,876,058)**	(988,152)	(2,243,879)
Adjustments for:			
Share of associate's losses	**25,111**	9,849	31,444
Amortisation charges	**264,557**	246,325	495,818
Impairment of intangible assets	**4,968,529**	-	-
Share based payment charge	**119,083**	152,135	152,135
Xinova loan balance written off	**-**	43,855	43,855
Depreciation of property, plant and equipment and right of use assets	**101,159**	88,159	191,622
Finance costs	**-**	9,868	22,046
Foreign exchange currency losses/(gains)	**(11,857)**	33,351	(74,782)
Finance income	**(181)**	(28)	(192)
Tax credit	**(317,230)**	(345,424)	(323,716)
Inventory provision	**-**	-	76,250
Doubtful debt provision	**-**	-	107,188
Movements in working capital:			
(Increase)/decrease in trade and other receivables	**(271,134)**	(678,066)	125,720
(Decrease)/ Increase in trade and other payables	**5,241**	(162,269)	(9,683)
Decrease/(increase) in inventory	**(25,936)**	61,927	(180,357)
Cash used by operations	**(1,018,716)**	(1,528,470)	(1,586,531)

9. Intangible assets

	Intellectual property £	**Licences and trademarks £**	**Development Costs £**	**Total £**
COST				
At 1 January 2022	9,407,686	456,684	8,150,140	18,014,510
Additions	-	-	657,189	657,189
At 30 June 2022	9,407,686	456,684	8,807,329	18,671,699
Additions	99,371	-	266,702	366,073
At 31 December 2022	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**
AMORTISATION				
At 1 January 2022	6,936,629	448,896	2,709,205	10,094,730
Charge for the period	105,174	648	140,503	246,325
At 30 June 2022	7,041,803	449,544	2,849,708	10,341,055
Charge for the period	105,172	648	143,671	249,491
At 31 December 2022	7,146,975	450,192	2,993,379	10,590,546
Charge for the period	**132,588**	**780**	**131,189**	**264,557**
Impairment	**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**
CARRYING AMOUNT				
At 30 June 2023	**522,372**	**3,167**	**3,115,519**	**3,641,058**
At 31 December 2022	2,360,082	6,492	6,080,652	8,447,226
At 30 June 2022	2,365,883	7,140	5,957,621	8,330,644

Background

The impairment review that was undertaken as part of the Company's 2022 accounts preparation resulted in headroom over the carrying value of only £0.9m (down from £8.3m in 2021), a rather small margin given intangible assets amounted to £8.4m at that time.

Given the marginal headroom and general downward trend, the management team and Audit Committee agreed it was appropriate to undertake a further impairment review of the Company's intangible assets, as part of the preparation of the Company's 2023 Interims.

The need for an impairment review was also driven by external factors such as continuing high interest rates and inflation which it was felt might impact the discount rate used in the Company's CGU calculations.

The Board agreed to appoint an independent advisor to undertake an impairment review, based on the current position of the Company and the current financial environment.

Based on the advisor's review, it was reported that there was an indication of impairment of £5.0m which had arisen primarily due to an increase in the discount rate used and increased forecast development costs.

Accordingly, the Board agreed to impair intellectual property by £1.7m and development costs by £3.3m.

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

Details

In 2003, the Group acquired Eden Research Inc., primarily obtaining intellectual property assets worth £9,181,967. Recently, the Group has taken steps to establish its own research and development facility, comprising a skilled team proficient in formulation, chemistry, and biology. Over the past three years, the Group has significantly expanded its internal knowledge base, historically reliant on external parties. The Directors have concluded that none of the old formulations, or formulation techniques acquired from Eden Research Inc. are now relevant to the Group's current, or future product portfolio. As a result, it is highly probably that the intellectual property acquired in the past has substantially decreased in value.

On review of the estimated timeline for product development and given the slow pace of development to commercialisation of products in the crop protection industry, the Directors have forecasted that most of the future revenues for product development projects will start at the end of the current forecasting timeline of 2030. Given the general uncertainty as to what the products and their addressable markets would be, it is not reasonable to include them within any produce sales revenue forecasts. Therefore, the Directors felt it was prudent to complete an impairment assessment based on the projected revenues that have already been sold or have licences for.

Further to the above, in the period to 30 June 2023, the Directors have observed a decrease in the expected gross profit and budgeted operating loss within the Agrochemicals CGU. The Group is currently evaluating whether this decline is a short-term trend linked to the current uncertainty of wider the economic environment or whether this is part of a boarder, long-term trend.

Based on the above, an impairment review has been undertaken by the Directors. Of the total carrying value of the intangible assets, £8,523,296 have been allocated to the Agrochemicals Cash Generating Unit (CGU).

The recoverable amounts of the intangible assets has been determined based on value in use calculations based on the Agrochemicals CGU.

Assumptions

The Directors have prepared a discounted cash-flow forecast, based on product sales forecasts including those provided by the Group's commercial partners, and have taken into account the market potential for the Group's products and technologies using third party market data that the Group has acquired licences to. The discounted cash-flow forecast is limited to those products which are already being sold, or are expected to be sold in 2023, or early 2024.

The forecast covers a period of 7.5 years, with no terminal value, reflecting the useful economic life of the patent in respect of the underlying technology. Financial forecasts are based on the approved budget. Financial forecasts for 2024-2025 are used on the approved long-term plan. Financial forecasts for 2026-2030 are extrapolated based on a long-term growth rate.

The discount rate is derived from the Group's weighted average cost of capital, taking into account the cost of equity and debt, which specific market-related premium and company-related premium adjustments are made. The discount rate used was 16.36%.

Tax rate is assumed at 25% which is in line with the rate in the years the Group have earnings, however the current losses brought forward as at 30 June 2023 exceed £30m so not tax charge has been included in the forecasted years where the Group is profitable.

Based on the above assumptions, the value in use of the intangible assets was £4,970,139 lower than the carrying value of the intangible assets indicating that an impairment of intangible assets is required at 30 June 2023.

The cash flows used within the impairment model are based on assumptions which are sources of estimation uncertainty and small movements in these assumptions could lead to further impairment. Management have performed a sensitivity analysis on the key assumptions in the impairment model using reasonably possible changes in these key assumptions.

	Increase in assumption	**Effect on value in use calculation (£)**
Discount rate	1%	(270,020)
Working capital investment as a % of revenue growth	1%	(137,499)
Average exchange rate	0.30	(682,654)

The impairment charge of £4,968,529 has been charged immediately to the statement of comprehensive income.

10. Investment in associate

	Six months ended 30 June 2023 GBP'000 unaudited	Six months ended 30 June 2022 GBP'000 unaudited	Year ended 31 December 2022 GBP'000 audited
Percentage ownership interest			
and proportion of voting rights	**29.90%**	29.90%	29.90%
	£	**£**	£
Non-current assets	**347,094**	409,425	378,271
Current assets	**340,873**	310,173	382,753
Non-current liabilities	**(57,155)**	(98,806)	(92,341)
Current liabilities	**(386,531)**	(269,026)	(365,430)
Net assets (100%)	**244,281**	351,766	303,903
Company's share of net assets	**73,040**	105,178	90,867
Separable intangible assets	**118,965**	133,533	126,249
Goodwill	**412,649**	412,649	412,649
Impairment of investment in associate	**(299,521)**	(299,521)	(299,521)
Carrying amount of interest in associate	**305,133**	351,839	330,244
Revenue	**297,304**	255,912	497,292
Profit/(loss) from continuing operations	**(59,620)**	(8,579)	(56,440)
Post tax profit from discontinued operations	**-**	-	-
100% of total post-tax profits	**(59,620)**	(8,579)	(56,440)
29.9% of total post-tax profits	**(17,827)**	(2,565)	(16,876)
Amortisation of separable intangible assets	**(7,284)**	(7,284)	(14,568)
Company's share of loss including amortisation of separable intangible asset	**(25,111)**	(9,849)	(31,444)

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 2023	30 June 2022	31 Dec 2022
	£	£	£
	unaudited	unaudited	audited
NCI percentage	**50%**	50%	50%
Non-current assets	**86,291**	99,563	92,927
Current assets	**34,983**	-	6,076
Non-current liabilities	**-**	-	-
Current liabilities	**-**	(18,371)	-
Net assets	**121,274**	81,192	99,003
Carrying amount of NCI			-
Revenue	**28,907**	25,591	50,038
Profit/(loss)	**22,271**	18,955	(13,234)
OCI	**-**	-	-
Total comprehensive income	**22,271**	18,955	(13,234)
Share of NCI (50% of net Total comprehensive income)	**11,136**	9,478	(6,617)

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 2022	302,027	302,027
Additions	21,790	21,790
At 30 June 2022	323,817	323,817
Additions – owned	9,139	9,139
At 31 December 2022	332,956	332,956
Additions	**1,875**	**1,875**
At 30 June 2023	**334,831**	**334,831**
AMORTISATION		
At 1 January 2022	69,749	69,749
Charge for the period	31,356	31,356
At 30 June 2022	101,105	101,105
Charge for the period	33,065	33,065
At 31 December 2022	134,170	134,170
Charge for the period	**33,486**	**33,486**
At 30 June 2023	**167,656**	**167,656**
CARRYING AMOUNT		
At 30 June 2023	**167,175**	**167,175**
At 31 December 2022	198,786	198,786
At 30 June 2022	222,712	222,712

13. Right of use assets

	Land and buildings £	Vehicles £	Total £
COST			
At 1 January 2022	443,777	86,073	529,850
Additions	-	23,194	23,194
Disposals	-	(35,865)	(35,865)
At 30 June 2022	443,777	73,402	517,179
Additions	-	64,034	64,034
At 31 December 2022	443,777	137,436	581,213
At 30 June 2023	**443,777**	**137,436**	**581,213**
AMORTISATION			
At 1 January 2022	119,865	37,198	157,063
Charge for the period	45,438	11,364	56,802
Eliminated on disposal	-	(35,865)	(35,865)
At 30 June 2022	165,303	12,697	178,000
Charge for the period	45,438	24,961	70,399
At 31 December 2022	210,741	37,658	248,399
Charge for the period	**45,438**	**22,235**	**67,673**
At 30 June 2023	**256,179**	**59,893**	**316,072**
CARRYING AMOUNT			
At 30 June 2023	**187,598**	**77,543**	**265,141**
At 31 December 2022	233,036	99,778	332,814
At 30 June 2022	278,474	60,705	339,179

14. Inventories

	30 June 2023 £	30 June 2022 £	31 December 2022 £
Raw materials	**533,227**	114,562	115,929
Goods in transit	**-**	251,985	411,181
Finished goods	**118,167**	92,877	98,348
	651,394	459,424	625,458
Inventory above is shown net of a provision off			
Provision for obsolete inventory	**76,250**	-	76,250

	76,250	-	76,250

15. Trade and other receivables

	30 June 2023	30 June 2022	31 December 2022
	£	£	£
Trade receivables	**479,311**	1,166,042	322,489
VAT recoverable	**252,336**	231,407	179,214
Other receivables	**99,140**	66,410	67,410
Prepayments and accrued income	**99,213**	100,793	89,753
	930,000	1,564,652	658,866
Trade receivables are shown net of a provision for doubtful debt of:			
Provision for doubtful debt	107,188	-	107,188
	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 2023	30 June 2022	31 December 2022
	£	£	£
Trade payables	**1,171,433**	1,306,597	1,150,873
Accruals and deferred income	**420,310**	212,193	515,860
Social security and other taxation	**55,434**	47,541	52,849
Other payables	**171,405**	72,614	93,759
	1,818,582	1,638,945	1,813,341

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 2022.

Options

	Number of share options		Weighted average exercise price (pence)	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022

Outstanding at 1 January	**16,312,649**	18,680,044	**7**	7
Granted during the period	**-**	2,006,939	**-**	5
Exercised during the period	**(250,000)**	-	**1**	-
Lapsed during the period	**(3,500,000)**	(3,500,000)	**6**	6
Exercisable at 30 June	**12,562,649**	17,186,943	**8**	8

The following information is relevant in the determination of the fair value of options granted during 2022 under the LTIP Replacement Award.

Grant date	30/06/2022
Number of awards	2,006,939
Share price	£0.04 - £0.05
Exercise price	£0.01 - £0.06
Expected dividend yield	-%
Expected volatility	63%
Risk free rate	0.95%
Vesting period	One year
Expected Life (from date of grant)	3 years

The exercise price of options outstanding at the end of the period ranged between 6p and 10.4p (H1 2022: 1p and 10.4p) and their weighted average contractual life was 1.4 years (H1 2022: 2.1 years).

The share-based payment charge for the period, in respect of options, was £119,083 (H1 2022: £152,135). The charge in H1 2023 is in respect of the options granted in 2022 under the LTIP Replacement Award.

During the period, 3,500,000 of options lapsed and £171,251 (H1 2022: £171,251) was transferred from the warrant reserve to retained earnings.

Also, during the period, 250,000 of options were exercised and £8,156 (H1 2022: £nil) was transferred from the warrant reserve to retained earnings.

Warrants

	Number of share options		Weighted average exercise price (pence)	
	30 Jun 2023	**30 Jun 2022**	**30 Jun 2023**	**30 Jun 2022**
Outstanding at 1 January	-	2,989,865	-	19
Granted during the period	-	-	-	-
Exercised during the period	-	-	-	-
Lapsed during the period	-	-	-	25
Exercisable at 30 June	-	2,989,865	-	15

There were no warrants outstanding at 30 June 2023.

The exercise price of warrants outstanding at 30 June 2022 ranged between 12p and 30p and their weighted average contractual life was 1.0 year. None of the warrants had vesting conditions.

The share-based payment charge for the period, in respect of warrants, was £nil (H1 2022: £nil).

Xinova liability

In September 2015, the Company entered into a Collaboration and Licence agreement with Invention Development Management Company LLC (part of Intellectual Ventures, now called Xinova LLC). As part of this agreement, upon successful completion of a number of different tasks, Xinova became entitled to a payment which is calculated using a percentage (initially 3.17%, reduced to 1.6% following the fundraise in March 2020) of the fully diluted equity value, reduced by cash and cash equivalents, of the Company on the date on which payment becomes due which is expected to be 30 September 2025. This has been accounted for as a cash-settled share-based payment under IFRS 2.

An amount of £67,462, being the estimated fair value of the liability due to Xinova, was recognised during 2016 and included as a non-current liability. It is not believed that the value of the services provided by Xinova can be reliably measured, and so this amount was calculated based on the Company's market capitalisation at 31 December 2016, adjusted to reflect the percentage of work completed by Xinova at that date based on a pre-determined schedule of tasks.

During H1 2022, Eden was informed that Xinova had begun to wind down its operations.

As a consequence, Eden began communications with an agent acting on behalf of Xinova to effect the wind down in respect of the liability owed to Xinova by Eden.

On 22 April 2022, Eden signed a 'full and final' settlement agreement with Xinova which resulted in Eden paying an amount of £43,855, which represented a c. 50% discount to the liability of £87,740 as at 31 December 2021, in line with the then existing contract.

At 30 June 2023, an amount of £nil (30 June 2022: £nil) was owed to Xinova.

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-maker, who is responsible for the resource allocation and assessing performance of the operating segments has 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 2023 is as follows:

	Agrochemicals	Consumer products	Animal health	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 six months ended 30 June 2022 is as follows:

	Agrochemicals	Consumer products	Animal health	Total
Revenue	**£**	**£**	**£**	**£**
Milestone payments	-	-	-	**-**
R & D charges	-	3,232	-	**3,232**
Royalties	-	25,591	-	**25,591**
Product sales	1,011,213	-	-	**1,011,213**
Total revenue	**1,011,213**	**28,823**	**-**	**1,040,036**
EBITDA	**(822,740)**	**28,823**	**-**	**(793,917)**
Share Based Payments	(152,135)	-	-	**(152,135)**
Adjusted EBITDA	**(974,875)**	**28,823**	**-**	**(946,052)**
Amortisation	(239,689)	(6,636)	-	**(246,325)**
Depreciation	(88,159)	-	-	**(88,159)**
Finance costs, foreign exchange and investment revenues	(43,191)	-	-	**(43,191)**
Income Tax	345,424	-	-	**345,424**
Share of Associate's loss	-	(9,849)	-	**(9,849)**

(Loss)/Profit for the Year	**(1,000,490)**	**12,338**	**-**	**(988,152)**
Total Assets	**13,931,631**	**99,563**	**-**	**14,038,478**
Total assets includes:				
Additions to Non-Current Assets	702,173	-	-	**702,173**
Total Liabilities	**1,982,793**	**18,371**	-	**2,001,164**

The segmental information for the year ended 31 December 2022 is as follows:

	Agrochemicals	**Consumer products**	**Animal health**	**Total**
Revenue	**£**	**£**	**£**	**£**
Milestone payments	-	-	-	**-**
R & D charges	75,334	14,309	-	**89,643**
Royalties	17,694	100,038	-	**117,732**
Product sales	1,619,796	-	-	**1,619,796**
Total revenue	**1,712,824**	**114,347**	**-**	**1,827,171**
Adjusted EBITDA	**(1,841,805)**	**114,347**	**-**	**(1,727,458)**
Share Based Payments	(152,135)	-	-	**(152,135)**
EBITDA	**(1,993,940)**	**114,347**	**-**	**(1,879,593)**
Amortisation	(482,546)	(13,272)	-	**(495,818)**
Depreciation	(191,622)	-	-	**(191,622)**
Finance costs, foreign exchange and investment revenues	30,882	-	-	**30,882**
Impairment of investment in associate	-	-	-	**-**
Income Tax	323,716	-	-	**323,716**
Share of Associate's loss	-	(31,444)	-	**(31,444)**
(Loss)/Profit for the Year	**(2,313,510)**	**69,631**	**-**	**(2,243,879)**
Total Assets	**12,812,579**	**99,003**	**-**	**12,911,582**
Total assets includes:				
Additions to Non-Current Assets	1,141,418	-	-	**1,141,418**
Total Liabilities	**2,168,664**	**-**	-	**2,168,664**

Geographical Reporting

	Six months ended 30 June 2023	Six months ended 30 June 2022	Year ended 31 December 2022
	£	£	£
UK	**33,850**	28,823	114,347
Europe	**1,108,521**	1,011,213	1,712,824
	1,142,371	1,040,036	1,827,171

The revenue derived from Milestone Payments relates to agreements which cover a number of countries both in the EU and the rest of the world.

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

19. Merger Reserve

	Six months ended 30 June 2023	Six months ended 30 June 2022	Year ended 31 December 2022
	£	£	£
Merger reserve	**-**	10,209,673	10,209,673

During the period, the carrying value of the intellectual property which had arisen from an acquisition in 2003 had been reduced to zero. As such, under the Companies Act 2006, the full balance of the merger reserve of £10,209,673 was transferred to retained earnings.

20. Subsequent Events

Capital Raising

On 28 July 2023, the Company announced that it had raised £1.1 million through a firm placing and subscription of new Ordinary Shares ("Firm Capital Raising") and a further £0.4 million through a Retail Offer and had conditionally raised a minimum of £7.9 million by way of a Placing of new Ordinary Shares ("Conditional Capital Raising"), all before expenses.

The Conditional Capital Raising is expected to complete shortly.

LTIP grant

On 31 August 2023, the The Company made a LTIP grant to the Executives, in respect of 2022 in order to ensure continuity of long term incentive, of options over 8,698,909 new Ordinary Shares in Eden ("the Options"), at a strike price of 5.05p each, being the 2022 Volume Weighted Average Price, in the amounts of 4,968,000 awarded to Sean Smith and 3,730,909 awarded to Alex Abrey.

The Options expire on 31 August 2027 and vest as follows:

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

Separately, the Board agreed that it would extend the exercise date to 31 December 2023 for the 3,500,000 options (2,000,000 awarded to Sean Smith and 1,500,000 awarded to Alex Abrey) with a strike price of 6p which were granted to the Executives in April 2021 under the Company's LTIP and which were due to expire on 30 June 2023.

The extension was agreed to due to the unusually long closed period that the Executives were placed in prior to the options' expiration date.

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 **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 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.