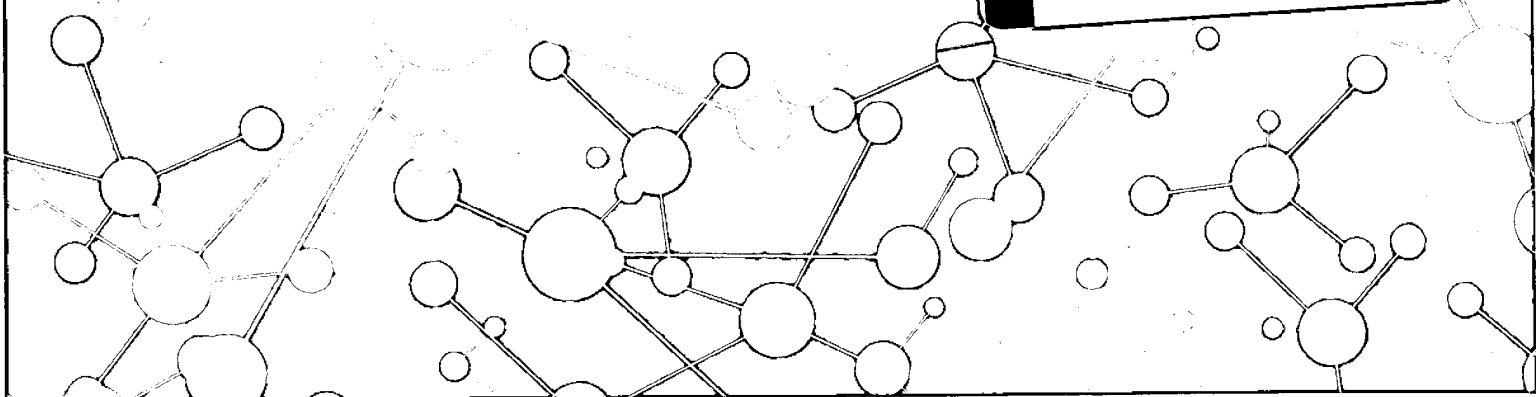


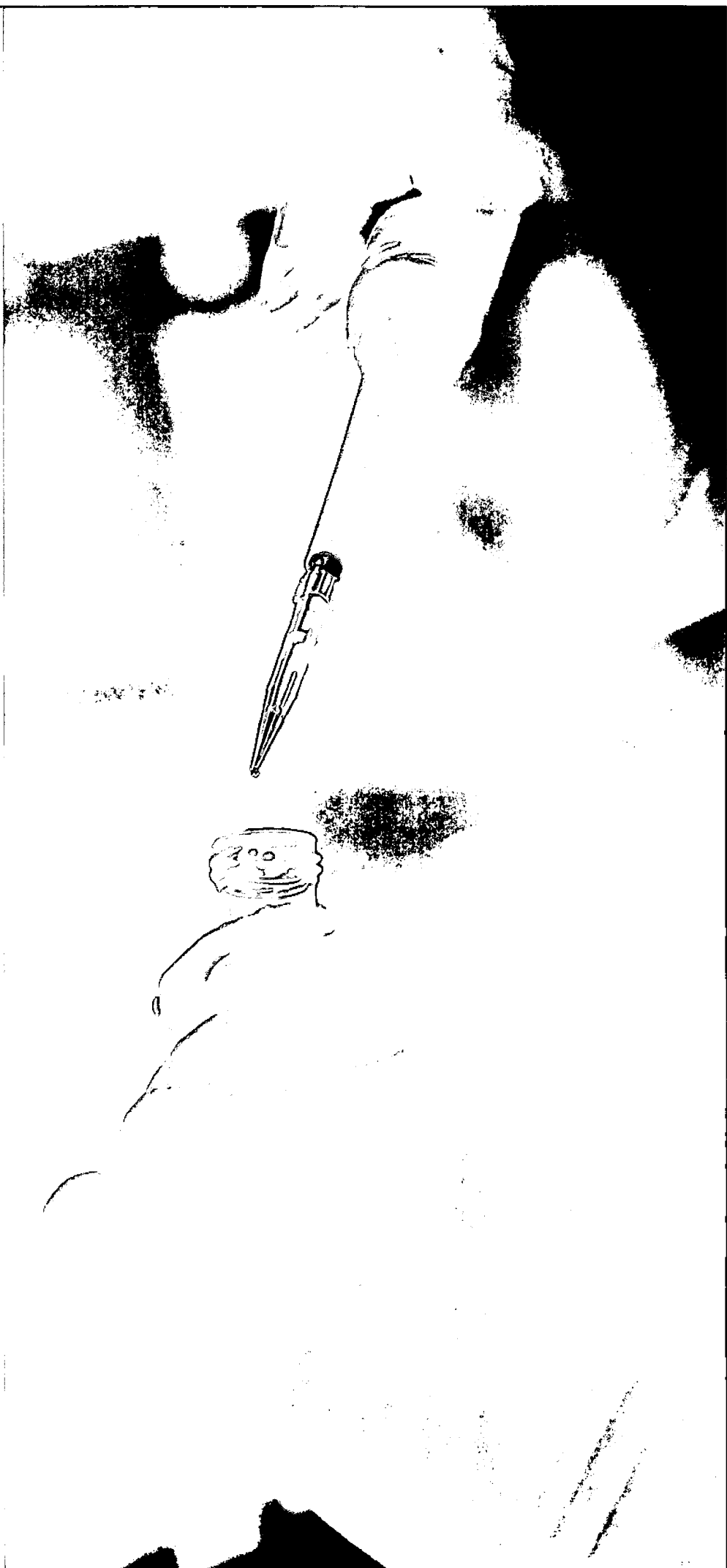
4basebio

2024 Annual Report and Financial Statements



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1. Highlights

- **Revenue Growth:** The Group doubled its revenues from DNA sales against the previous year, with overall revenues of £933k.

- **Product Supply for clinical trial purposes:** 4basebio supplied opDNA™ to its client HelixNano Technologies Inc. for the manufacture of an mRNA vaccine product for use in a first in human trial; the Group also commenced supply of HQ and GMP grade synthetic DNA into a tier one pharma company's vaccine programme.

- **MHRA regulatory approval to manufacture GMP:** The Group received its GMP manufacturing licence from the UK regulator, the Medicines and Healthcare products Regulatory Agency.

- **Expanded Intellectual Property:** The Group continues to develop its technology platform with the intellectual property portfolio now comprising 29 patent families, reinforcing its leading position in synthetic DNA.

- **Successful Equity Raise:** The £40 million primary equity investment which concluded in November 2024 underpins the Group's continued growth plans.

- **Strategic Advisory Board:** The Group formed a Strategic Advisory Board during the year to support the board in developing the strategic direction of the business.

2. At a glance

4basebio PLC (AIM: 4BB) is a Cambridge, UK-based AIM-quoted life sciences service Company for the 4basebio group of companies ("the Group"), which has commercial, manufacturing and R&D operations in the UK and Spain. It is a market leader in the development, manufacture and commercialisation of synthetic DNA and thermostable, non-viral delivery systems for use in cell & gene therapy and vaccine markets, across mRNA therapeutics and vaccines, AAV, gene editing and DNA vaccines.

4basebio's objective is to displace incumbent plasmid DNA with its synthetic DNA for large scale manufacture of DNA for clinical and commercial use. Its products offer its customers application specific product and performance benefits addressing critical customer needs in the cell & gene therapy and vaccine markets. This also includes much quicker manufacturing turnaround times relative to plasmid DNA.

4basebio also continues to invest in research and development activities to further develop its platforms and expand its product offering, particularly focussed on different nucleic acid modalities. Consequently, the Group continues to file significant numbers of patents each year.

3. Chairman's statement

Performance

The 2024 financial year has been another strong year for 4basebio with a doubling of its DNA revenues over the period, continued expansion of its customer base and further development of its DNA platform.

Another key milestone during the year was the equity investment of £40 million from Elevage Medical Technologies and M&G Investments into the Company, first announced in July 2024 and concluded in November 2024, following regulatory approval. This investment was concluded at a market valuation for the Company of £192 million and offered clear endorsement of 4basebio's technology and future growth prospects.

The Company is delighted to welcome these highly regarded investors to the share register. With this funding, the Group expects to be able to rapidly scale its commercial and operational capabilities.

Following the investment, 4basebio moved quickly to strengthen its commercial team, which included the recruitment of four staff based in the USA. As a result of these changes, the Group anticipates an acceleration of its revenue generation over the next year and beyond.

The Board was restructured to offer representation to 4basebio's two major shareholder groups, Elevage / M&G and Deutsche Balaton. As a result, the Board increased from five members following the Annual General Meeting in June to eight members by the end of the year. Further detail is provided in Corporate Governance section.

The synthetic DNA business continued to make excellent progress during 2024. A significant achievement was the supply of 4basebio opDNA™ product for use in a first-in-human mRNA vaccine trial by HelixNano Technologies in March 2024. The Group also commenced supply of HQ and GMP synthetic DNA for a Tier 1 pharmaceutical company mRNA vaccine programme. This commercial development underscores the market's growing acceptance of synthetic DNA in preference to plasmid DNA.

The Group is delighted that following the year end the 4basebio also received its GMP¹ manufacturing licence from the UK regulator, the Medicines and Healthcare products Regulatory Agency. This enables the Group to supply GMP critical starting materials as well as GMP drug substance into customer clinical trials and represents another key milestone for 4basebio on its commercial journey.

We expect the Group's commercial development to accelerate further with this recent announcement as customers can be confident that 4basebio can now support their programmes through each phase of their clinical development.

Alongside DNA, 4basebio also continues to invest into its Hermes® non-viral delivery system. Optimising the platform for vaccine applications continued to be funded by a grant from the Bill and Melinda Gates Foundation and the Group continues to develop its platform through collaborative projects.

Finally, in July 2024, the Company formed a Strategic Advisory Board ("SAB") and welcomed senior industry executives to support the management team and board with advice and industry insight spanning technical, operational, commercial and strategic matters as well as supporting the Group in the realisation of its growth goals and objectives.

Overall, the Group continues to make excellent progress and the Board believes the Group is well placed to grow 2025 revenues strongly and to continue innovating and providing new solutions to its clients. The Group will continue to be loss making in 2025 as it continues to invest in its technology and people and will draw on cash balances to fund those losses.

Strategy

4basebio's strategy remains focussed on becoming the global leader in DNA for cell & gene therapies and vaccine applications. Its synthetic DNA products offer speed, safety, and application-specific benefits. The 4basebio platform can be tailored to diverse applications from mRNA and gene editing to AAV and DNA vaccines.

The Group's application validation teams work with clients during their journey with 4basebio to demonstrate the benefits and advantages of its DNA, recognising the different characteristics of synthetic DNA relative to plasmid DNA may mean that customer processes may not be optimised for synthetic DNA.

Through this collaborative approach, 4basebio's objective is to become a strategic partner for its clients as they progress from early stage research through to pre-clinical, clinical and commercial stages. As clients progress through these stages, both the quantity and quality of DNA required increases, with customer revenues expected to increase significantly over time.

Share Price

The share price opened the year at 680 pence and reached a high of 1,820 pence in June before closing the year at 1,210 pence, a 78% uplift against the 2023 closing price. Trading volumes during the year represented approximately 4% of shares in issue, with a typical daily trading volume of 2,440 shares.

At year end, approximately 73% of the Company's shares were closely held between the Company's largest shareholders and Board Directors. The Board has limited visibility on holdings below the reporting threshold of 3% as holdings in the Company are typically held in nominee accounts. The Board believes that a significant portion of the remaining shares is owned by long term shareholders.

Environmental, Social and Governance

In 2024, the Company engaged with EcoVadis, a globally recognised provider of sustainability ratings for supply chains and corporate ESG performance.

This engagement reflects the Group's proactive approach to ESG and its commitment to continuous improvement in these areas. The insights derived from EcoVadis will inform the Group's strategic planning, stakeholder engagement, and operational practices to ensure long-term sustainability and accountability.

People and Culture

The Group has continued to strengthen its teams across all disciplines and remains science led with over 80% of its workforce holding scientific degrees. The team has expanded geographically with staff now in the USA and Dubai, alongside long standing teams in the UK and Spain. 4basebio seeks to attract the right skills into the organisation and welcomes 22 nationalities across its various locations.

The Group maintains a relatively flat organisational structure and strives to maintain an open, informal and supportive culture. There is an emphasis on staff welfare and development with resultant strong staff retention.

The Board would like to thank all staff for their commitment and dedication over the past year which has been instrumental in 4basebio's continued progress.

Tim McCarthy
Chairman
23 May 2025

¹ Good manufacturing practice

4. Business model

Value Drivers

The Company is primarily focused on advancing and exploiting its proprietary technologies by commercialising application-specific DNA products based on its intellectual property. Although the Group's central objective is to generate commercial returns from its technology platforms, the Board also recognises the standalone value of its IP portfolio, which it views as a key value driver.

The Group anticipates building a strong contract manufacturing business, aimed at supplying synthetic DNA to customers operating in the cell & gene therapy and vaccines markets. This contract manufacturing capability is expected to scale as the business matures. Revenue growth is expected to accelerate as clients move from early-stage development towards Good Manufacturing Practice (GMP) clinical products and, ultimately, commercial products.

In-House Development

A core strategic principle for the Group has been to retain control over development by keeping all research and development functions in-house. This approach has ensured the business develops deep expertise in its products and technologies, facilitating a seamless path from innovation through to product development, manufacturing, and sales. In addition to core development teams, the Group has invested in internal teams dedicated to application validation and client onboarding. These teams have helped the Group establish a high level of technical understanding and confidence in the reliability and performance of 4basebio's products.

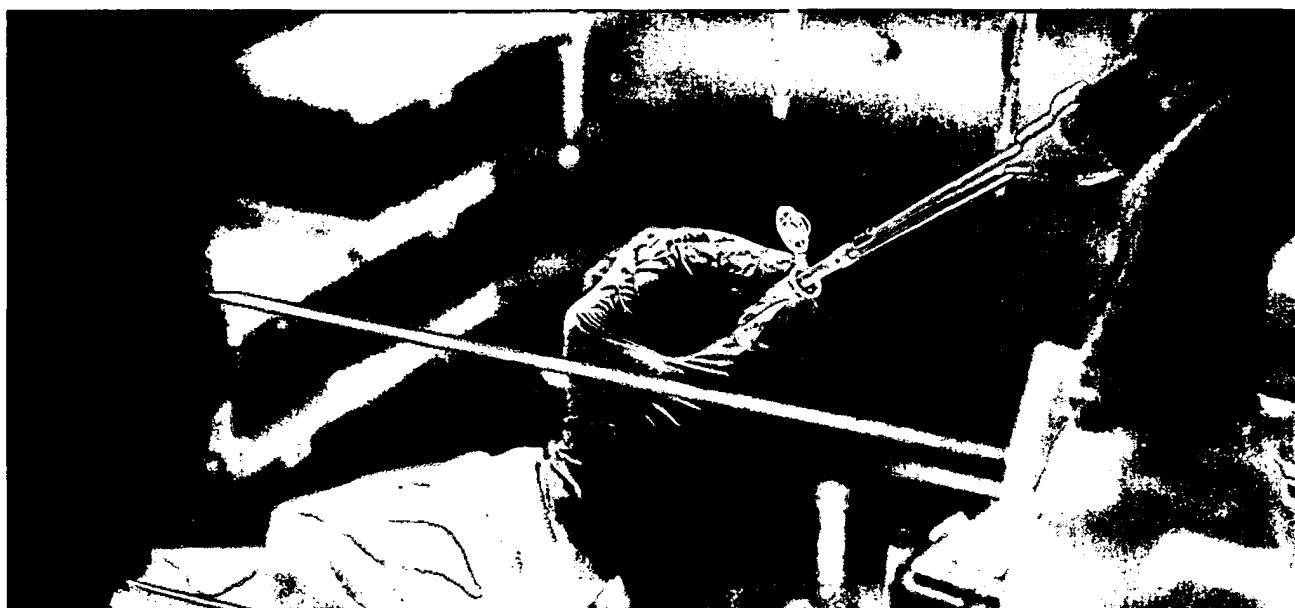
Through this vertically integrated approach, 4basebio has developed strong capabilities across all stages of its operations, from early research through to scaled production

and commercial activities. This allows the business to respond efficiently to customer needs and to continue innovating and bringing new products to market.

Technology Platforms

The Group is actively working to maximise the commercial potential of its two core and complementary technology platforms, synthetic DNA and non-viral vectors. Each platform is advancing on its own timeline with the Group's DNA solutions further advanced.

Over time, it is expected that the business models for these two segments will evolve differently. Synthetic DNA is likely to remain centred on a contract manufacturing model, with recurring revenue generated from product sales. In contrast, the non-viral delivery technologies may adopt a model based on service fees and licensing agreements.



5. Markets

4basebio operates in the cell & gene therapy and vaccines markets, supplying its synthetic DNA and delivery platform products and technologies as key components of the eventual therapy or vaccine its customers are developing.

The Group has identified several market segments where it believes its products are highly relevant:

Market	Market Scale	4basebio Offering
AAV and Lentivirus manufacture for use in gene therapies and vaccines	The viral vector manufacturing market size is estimated to be worth \$1.5 billion in 2024 and is projected to reach \$8.5 billion by 2033, growing at CAGR of 22% during the forecast period 2024-2033. ²	hpDNA™, double stranded linear DNA, covalently closed with single strand hairpins at the 5' and 3' ends. This product format is ideally suited for viral and non-viral vector applications.
mRNA manufacture for use in gene therapies and vaccines	The global mRNA vaccines and therapeutics market was estimated to be USD 37 billion in 2022, growing to USD 59 billion by 2031, a CAGR of 13.3%. ³	opDNA™ is a partially opened, linear, double stranded DNA product. A 3' open end DNA template is ideally suited for in vitro transcription processes for the production of mRNA for use in vaccines and therapeutics.
Gene editing	The global gene editing market size is estimated to reach around USD 40.1 billion by 2034, increasing from USD 9.3 billion in 2024. ⁴	oeDNA™, or open ended DNA, is a linear, double stranded DNA product ideal for genome editing.
DNA Vaccines	The global DNA vaccine industry generated \$433 million in 2021 and is expected to grow at a CAGR of 6.18% during 2022-2028 to reach US\$ ~654 million in 2028. ⁵	hpDNA™, described above is highly suitable for this application, along with osDNA™, or open stabilized DNA, a product incorporating nucleotide modifications within the DNA backbone. This feature not only provides resistance to exonuclease degradation but enables tuning of the immunostimulatory properties of the construct, making osDNA™ ideally suited for DNA vaccine applications.
Non-Viral Gene Delivery Technologies	The global non-viral gene delivery technologies market size was valued at USD 3.7 billion in 2024 and is projected to grow at a CAGR of 12.29% from 2025 to 2030. ⁶	The Hermes® proprietary delivery platform for nucleic acid and protein payloads appears to offer an enhanced thermo-stable alternative to traditional lipid based delivery systems presently used. Like that lipid based systems, the particles have low immunogenicity, enabling repeat dosing strategies, unlike viral vectors.

² imarc, "Viral Vector Manufacturing Market Size"

³ Straits research, "mRNA Vaccines and Therapeutics Market Size..."

⁴ Precedence Research, "Gene editing market size by 2034"

⁵ Stratview Research, "DNA Vaccines Market Size...: 2022-2028"

⁶ Grandview Research, "Non-viral Gene Delivery Technologies Market Size..2025 - 2030"



Strategic Report



6. Strategic goals

4basebio's overall strategic objective is to become a leading supplier of synthetic DNA for the cell & gene therapy and vaccines markets and secure wide adoption of this technology and products in favour of plasmid DNA across these markets. Alongside this, it will continue to develop its nano-particle delivery platform, Hermes®.

A key objective for the Group previously has been to secure GMP certification which has now been achieved. As a result, its immediate focus is to scale revenues particularly focussed on the provision of HQ and GMP products.

The Group will also continue to invest in the development of its technology platforms, developing new products, technologies and processes with the objective of being able to offer its clients a unique product solution, enhancing its patent portfolio, and continuing to enhance its competitive position.

Over time, the Group expects to reach break-even and subsequent profitability; the timing of this is dependent on revenue growth as well as discretionary decisions around levels of research and development spend which the Group will continue to make.

7. Key performance indicators

The Board monitors the progress towards the Group’s objectives through the assessment and review of operational plans, achievement of internal development milestones and results from activities undertaken with customers and partners.

Key indicators for the business are as follows:

Loss for the year: £12.3 million (2023: £7.7 million) Description: The Group's loss for the financial year measures its overall financial performance during the period. Revenues: £0.9 million (2023: £0.5 million) Description: Group revenues measure its progress in customer acquisition as well as the scale and value of projects undertaken by the Group and it progresses with clients into HQ and GMP manufacture Intellectual Property: Description: Patent applications offer an indication of the progress in research and development activities of the Group and the value inherent in its technology platforms. Cash flows: £31.6 million inflow (2023: £1.2 million outflow) Description: Given the funding requirements of the business to ensure successful commercialisation, the availability of cash is a key metric. Employees: 110 year end (2023: 84 year end) Description: The Group uses headcount as a measure of investment in its activities and its underlying operational and commercial capabilities.	Performance: The Group expects to incur losses whilst investment in the business outpaces revenues. The Group expects to reach break- even and profitability as revenues scale. Performance: The Group expects strong revenue growth in 2025 compared to 2024. The expectation is to onboard more projects while also producing more HQ and GMP grade material than the previous year. Performance: The Group now maintains 29 patent families, with further filings anticipated during 2025. Performance: The Group closely monitors its cash position to ensure that its activities are developing as expected and that 4basebio continues to have available funding for the foreseeable future. The Group budgets carefully and is mindful of the available cash resources. Performance: Following the recent investment in the Group, 4basebio will continue to build out its headcount during 2025, with headcount expansion expected to slow from 2026 onwards.
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8. Principal risks and uncertainties and risk management

8.1. Risk management framework

The management of risk is a key responsibility of the Board of Directors. The Board ensures that the key risks are understood and appropriately managed in light of the Group's strategy and objectives, and that an effective internal risk management process, including internal controls, is in place to identify, assess, minimise and manage significant risks.

The Audit Committee oversees risk management on behalf of the Board and the Group's risk management policy and procedures to ensure they remain relevant. The key policy objectives include:

- establishing the importance of risk management in the successful operation of the business;
- ensuring that the risk tolerances of the Board are fully understood by senior executives;
- understanding the business risks that the Group faces and ensuring that they are appropriately managed or mitigated in line with the risk tolerances of the Board.

8.2. Principal risks

Risk description	Potential impact	Mitigation
Failure to protect intellectual property	If the Group's patents are successfully challenged or the patent portfolio is insufficient to protect the key commercial benefits of its products, this may significantly diminish the protection the Group's intellectual property affords its proprietary products and as a result significantly impair the valuation of the Group.	The Group constantly monitors its patents and potential challenges and retains patent lawyers for the purpose of maintaining existing patents and filing new patents. The Group also monitors the publication of new patent applications which may directly affect its own intellectual property and has and will take action where it considers those applications conflict with 4basebio intellectual property.
Commercialisation of technology is slow or delayed	If the Group is slow in commercialising its technology, the opportunity to grow revenues or realise value may be restricted by competitors or alternative technologies which may emerge. This would diminish the value of 4basebio.	The Group constantly reviews its programs with a view to ensuring progress is as swift as possible. This includes collaborations with key partners. The Group recognises the urgency in commercialising its technology and, following further investment during 2024, has moved quickly to make several commercial team appointments, including a Chief Commercial Officer.
Access to funding to support strategic objectives	The Group continues to incur cash outflows in order to pursue its strategic objectives until such time as the Group reaches break-even or an alternative valuation event occurs.	The Group has available cash balances on hand following the recent investment in November 2024, and it continues to monitor its cash position very closely.

9. Chief Executive Officer's statement

9.1. Synthetic DNA platform

2024 has been a transformational year of growth for 4basebio, as synthetic DNA is becoming more widely adopted across multiple applications and where its benefits over traditional plasmid DNA manufacture are becoming increasingly recognised. As the industry evolves, 4basebio remains focused on delivering high-quality, innovative solutions that meet the growing needs of cell and gene therapy developers, vaccine manufacturers, and other advanced therapy sectors.

In August 2024, 4basebio closed a £70m strategic investment comprising a £40m primary and £30m secondary share offering, with investors Elevage Medical Technologies (a Patient Square Capital platform) and M&G Investment Management Limited; with the deal closing in November 2024. The investment demonstrates significant validation in the Group's future growth prospects and the wider field of synthetic DNA. This significant capital injection allows 4basebio to heavily invest in rapid commercial and operational expansion.

The Group has significantly expanded its Commercial team in January 2025, with Sales teams responsible for Americas, EU and APAC. The Group has also bolstered its marketing department.

Over the course of 2024, 4basebio continued to expand its client base, both for research grade synthetic DNA and HQ/GMP grade. Significant milestones include the use of 4basebio's opDNA product for a phase I clinical trial by Helixnano Technologies in March 2024; and the group continues to supply HQ and GMP-grade material DNA to a Tier 1 pharmaceutical company for their mRNA vaccine programmes; 4basebio's client is anticipated to file its IND during the second quarter of 2025.

The group continues to work with several high profile clients and anticipates further regulatory filings over the course of the next 12 months.

The progression of the Group's clients from RUO projects to pre-clinical and clinical programmes further validates market adoption and acceptance of synthetic DNA.

Importantly, the Group is delighted to announce its recent receipt of its Good Manufacturing Practice (GMP) certification from the UK's Medicines and Healthcare products Regulatory Agency (MHRA). The licence authorises the supply of GMP-grade synthetic DNA to support clinical programmes in cell and gene therapy and vaccine development. Receipt of the licence cements the 4basebio's commitment to enabling next generation therapies across the cell and gene therapy and vaccine space and positions the Group at the forefront of the synthetic DNA field. The licence enables client support from research phases through to pre-clinical, clinical development.

The Group was pleased to see Touchlight also received a GMP licence. The regulatory approval of both synthetic DNA companies strengthens the credibility of enzymatically produced DNA as a reliable and superior DNA source over traditional plasmid approaches and is an important step forward for the industry as a whole.

Looking ahead to 2025, the Group expects strong revenue growth driven by increasing demand and the continued expansion of commercial partnerships. The Group is energised by the market opportunity in the year ahead and is confident in its ability to scale in response.

As 4basebio moves forward, customers and stakeholders can expect continued innovation, new product introductions, and further scaling of revenues. 4basebio is well positioned to lead in a fast-growing synthetic DNA market, supported by its proven technology, regulatory position, and expanding commercial footprint.

9.2 Non-viral delivery platform

4basebio continues to develop its Hermes® non-viral delivery system through a combination of its internal team, collaborations and grants. This includes the ongoing project funded by a grant from the Bill and Melinda Gates Foundation as well as a new grant funding received from Innovate UK to apply the platform to a novel broad spectrum influenza vaccine due to commence in April 2025, in collaboration with ConserV Bioscience.

4basebio has also established a Hermes® partnership with Neomatrix S.r.l on its personalised cancer vaccine pipeline during the year. The Group continues to see significant commercial opportunity in the Hermes® platform and expects continued progress in the year ahead.

9.3 Outlook

Revenue growth is now a priority for 4basebio. While commercial visibility continues to improve, the timing and quantum of near-term revenue can be uncertain as the Group continues to build its customer pipeline. In particular, customer projects entering late pre-clinical and clinical stages are dependent on client internal timetables.

For a number of clients, the biotech fund raising market is challenging and can affect the timing of their internal projects. At the time of writing uncertainty also exists around US government policy towards the cell and gene therapy and vaccines sectors which may influence the timing of customer projects. Despite these variables, the Group expects strong growth in its revenues in 2025, primarily through the sale of synthetic DNA.

Alongside the anticipated commercial progression, 4basebio will continue to invest in its technologies and commercial development during 2025. The Group expects to continue to incur operating losses and cash outflows over the coming year; the Board remains confident these steps will provide strong growth in overall shareholder and stakeholder value.

10. Financial Review



10.1. Introduction

The Group recorded a loss for the year of £12.3 million (2023: £7.7 million), consistent with its internal budgeting and closed the year with £34.6 million cash on hand, following the equity investment in November 2024.

10.2. Revenues

Revenues were £933k for the year (2023: £506k), with a doubling of DNA and Hermes® sales against the previous year; legacy revenue sales from Spain represent less than £100k of overall revenues in the year.

10.3. Cost of sales

Cost of sales for the year was £303k (2023: £166k) and comprises primarily labour, materials and overheads associated with sales of synthetic DNA and non-viral vectors, along with the amortisation of previously capitalised development costs.

10.4. Administration

Administration expenditure was £13.9m million for the year (2023: £8.8 million). This reflected a general scaling of activities across the

Group. Staff Costs rose to £6.2 million (2023: £4.6 million), while other expenditure on Operations, Research and Development rose to £4.7 million from £2.2 million in the previous year associated with increasing headcount and the scaling of manufacturing capabilities. Other major expenditure items included Corporate expenditure of £1.4 million (2023: £0.8 million) and depreciation and amortisation of £0.9 million (2023: £0.7 million).

10.5. Other Operating Income and Expenditure

Other Operating Income increased to £1.3 million in the year (2023: £0.5 million) primarily due to increased grant income of £0.4 million and non-cash foreign exchange gains of £0.8 million on Group financial liabilities denominated in Euros.

Other Operating Expenditure was £0.1 million (2023: £0.1 million).

10.6. Financial Income and Expense

The Group recorded £0.1m of interest income on cash balances (2023: £0), while accrued interest on

financial liabilities and lease liabilities were £0.8m during the period (2023: £0.3 million).

10.7. Tax

The Group is loss making and no deferred tax assets have been recognised in respect of tax loss carry forwards due to the inherent uncertainty of recovery. The net claim for tax credits in the UK and Spain for year was £0.3 million (2023: £0.7 million), including a reduction in the anticipated recovery for 2023 of £0.2 million as the Group did not qualify under the SME R&D scheme due to its shareholder structure for a brief period during the year.

10.8. Balance Sheet

Total assets stood at £44.7 million (2023: £11.9 million) following the November 2024 equity investment. Cash on hand was £34.6 million, up from £3.1 million in 2023. Total non-current assets increased to £7.8 million from £6.9 million reflecting additions in property and equipment and intangible assets. Current assets were £36.9 million (2023: £5.0 million),

reflecting primarily the cash investment during the year; this includes other assets of £1.6 million (2023: £1.5 million) comprising primarily R&D tax credits and short term deposits. Total liabilities were £18.3 million (2023: £12.4 million), reflecting primarily the funding of business operations prior to the November 2024 investment through net drawdowns under the 2Invest AG loan facility of £5.0 million. (The terms of this facility are shown in note 23 to the financial statements.)

10.9. Cashflow

Net change in cash was an inflow of £31.6 million for the year (2023: outflow of £1.2 million). Operating cash outflows increased to £10.7 million in the year (2023: £6.2 million), reflecting the increase in the net loss for the year.

The Group's investment in capital expenditure, capitalised development expenditure and intangible assets was flat against the previous year at £1.6 million (2023: £1.5 million) in part due to the timing of expenditure of approximately £0.4 million captured in end of year payables.

Cash inflows from financing activities was £43.9 million (2023: inflow of £6.4 million), reflecting primarily the net proceeds from the November 2024 equity investment of £38.5 million and the exercise of share options in February 2024 of £0.7 million. In addition, 4basebio made net drawdowns under the 2Invest AG loan facility of £5.0 million. This comprised drawdowns of £8.8 million prior to the November investment, followed by repayments under that facility of £3.8m following the investment.

10.10. Going Concern

As the Group continues to invest in its activities and sustain cash outflows, the Board has considered the adequacy of available funds to meet the needs of the business for at least 12 months from the date of approval of the financial statements. The Board of Directors is satisfied that the Group has adequate cash resources through a combination of cash on hand and revenues.

10.11. Financial Outlook

During the course of 2025, the Group expects to significantly improve revenues in comparison with 2024 primarily from synthetic DNA product sales. Nevertheless the Group expects to continue to incur operating losses for the year and will draw on cash on hand to fund those losses.

Heikki Lanckriet
Chief Executive Officer
23 May 2025

11. Section 172 statement

The Directors of the Company acknowledge their duty under Section 172(1) of the Companies Act 2006 to act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In fulfilling this duty during the year ended 31 December 2024, the Directors considered a broad range of factors, including:

- The likely long-term impact of decisions;
- The interests and engagement of the Company's employees;
- The need to build strong relationships with suppliers, customers and key stakeholders;
- The impact of the Company's operations on the environment and the wider community;
- The importance of maintaining a reputation for high standards of business conduct; and
- The need to act fairly between members of the Company.

Board Activity and Decision-Making in 2024

Key decisions taken by the Board during the year focused on ensuring the Company's continued development and commercialisation. These included:

- Securing additional capital through an equity investment;
- Focussing investment across research and development, operational capabilities, and commercial initiatives.

All decisions were made with a view to delivering long-term value and in line with the Company's strategic priorities, stakeholder expectations, and responsible business practices.

Shareholder Engagement

Approximately 73% of the Company's issued share capital is held by five significant investors, including the Chief Executive Officer. The Executive Directors and Board maintain regular engagement with both institutional and private shareholders, fostering

open dialogue on strategic direction, performance, and corporate governance.

This ongoing communication helps the Board ensure that the interests of all shareholders, including minority shareholders, are understood and taken into account. The Board remains committed to acting fairly between all members of the Company.

Employee Engagement and Culture

The Company employed between 84 and 110 individuals during 2024. Executive Directors maintain direct and daily engagement with employees, enabling close alignment between leadership and workforce. The Group has implemented policies and procedures appropriate for its size, with a focus on supporting employee well-being, professional development, and an inclusive company culture.

This employee-centric approach supports retention, productivity, and alignment with the Company's values.

Supplier Engagement

The Company recognises the critical role that suppliers play in delivering high-quality, regulatory compliant and sustainable business activities. The Company is committed to responsible procurement and strong commercial relationships and engages actively with its supply chain including supplier due diligence.

Environmental, Social and Governance (ESG) Commitment

The Group is committed to embedding Environmental, Social and Governance (ESG) principles into its operations and decision-making processes. In 2024, the Company engaged with EcoVadis, a globally recognised provider of sustainability ratings for supply chains and corporate ESG performance.

This engagement reflects the Group's proactive approach to ESG and its commitment to continuous improvement in these areas. The insights derived from EcoVadis will inform the Group's strategic planning, stakeholder engagement, and

operational practices to ensure long-term sustainability and accountability.

The strategic report was approved on 23 May 2025 by order of the Board.

Heikki Lanckriet
Chief Executive Officer
23 May 2025

Corporate Governance

The Board of Directors recognises the importance of sound corporate governance. As an AIM-quoted Company, the Board has concluded that the Quoted Companies Alliance Corporate Governance Code ("the QCA Code") is an appropriate code for the Company.

The Board, through its adoption of the QCA Code, believes in the value of putting the necessary systems and processes in place to support the medium to long-term delivery of the Company's strategic objectives. The Board is aware of the importance of communicating these strategic objectives to stakeholders and in reporting performance in a manner that encourages constructive dialogue to support the production of sustainable value in the long term. The Board recognises its role in setting the strategic direction of the business as well as in managing the organisation's risk profile. Further, the Board is cognisant of the key role it plays in setting the tone and culture of the entire group.

The Board comprises eight Directors, three of which are executive and five are non-executive.

The Board has considered each of the 10 principles contained within the QCA Code and implemented the actions appropriate

to a Company of 4basebio's size and complexity. This information included on the Company website at <https://www.4basebio.com/investors/corporate-governance/>.

In addition, the Company has implemented a code of conduct for dealing in the shares of the Company by Directors and employees and has established sub-committees as would be expected of an AIM Company.

Following the equity investment in November 2024, a number of changes were made to the board reflecting the new shareholder structure. As a result, Pilar de la Huerta and Joe Fernández stepped back from the Board on 13 November 2024. The Board expresses its gratitude for their service to the Company since 2020.

New appointments were made as shown below. This included four appointments following the new investment of Dr Michael Wasserman, Hansjörg Plaggemars and Alexander Link on 13 November 2024; and Alan Malus on 16 December 2024. Hansjörg Plaggemars rejoins the board having previously stepped down at the Annual General Meeting on 28 June 2024. In addition, Dr Amy Walker joined the board as Chief Operating Officer on 5 August 2024:

1. Board of Directors



HEIKKI LANCKRIET – Chief Executive Officer

Tenure
December 2020 – current

Skills and experience
Heikki holds a PhD. in Biochemical Engineering from the University of Cambridge. He has over 20 years commercial & scientific experience in life sciences and has a track record of developing high growth technology businesses. Heikki has published scientific papers and is named inventor on a multitude of patents. Heikki is a Director of i2i Capital Limited and holds non-executive Director positions at Biofrontera AG, Biofrontera Inc., Neophore Limited and Kither Biotech s.r.l.



AMY WALKER – Chief Operating Officer

Tenure
August 2024 – current

Skills and experience
Amy holds a PhD. and has a background in molecular biology and gene editing technologies, along with associated nucleic acid nanoparticle delivery platforms. She has many years scientific and commercial experience in life sciences, has published scientific papers and is named inventor on numerous multidisciplinary patents. Amy currently holds non-executive Director Board positions at Heqet Therapeutics s.r.l. and Neomatrix s.r.l.

Corporate Governance (continued)



DAVID ROTH – Chief Financial Officer

Tenure

December 2020 – current

Skills and experience

David is a chartered accountant with a background in both private equity and listed companies, where he has held senior positions over the past 20 years. He has been focussed on growth companies, with experience in operational execution. David holds a BA from the University of Hertfordshire. David holds non-executive Director positions at Heqet Therapeutics s.r.l. and Neomatrix s.r.l..



TIM MCCARTHY – Non-Executive Chairman

Tenure

December 2020 – 2027 AGM

Skills and experience

Tim has over 40 years' international senior level business experience in the healthcare, biotech and technology sectors. He is also the Chairman of Incanthera plc and CEO of ImmuPharma plc and a former CEO and Finance Director of public and private companies, including Alizyme plc and Peptide Therapeutics Group plc. Tim is a Fellow of the Association of Chartered Certified Accountants and also holds an MBA from

Cranfield School of Management.

Committee membership

Chair of the Audit Committee



MICHAEL WASSERMAN – Non-Executive Director

Tenure

November 2024 – current

Skills and experience

Michael, Ph.D., is a Partner and COO of Elevage Medical Technologies, with over 30 years of experience in healthcare. Previously, he served as Managing Partner of Maverix Private Equity and spent 17 years at H.I.G. Capital, where he was Managing Director of the BioHealth platform, overseeing a diverse healthcare investment portfolio across stages and sectors.

Dr. Wasserman is a dedicated board member, currently serving on the Board of Trustees for the

Holland Bloorview Kids Rehabilitation Hospital, Toronto Innovation Acceleration Partners (TIAP), ORT Canada, and the Faculty of Science Advisory Board at McGill University. Since 2024, he has been a Director at Nuclera Ltd and Moximed Inc.

He holds a B.Sc. in Physiology and Business Administration from McGill University and a Ph.D. in Pharmacology and Neuroscience from the University of Toronto.

Committee memberships

Remuneration Committee



ALAN MALUS – Non-Executive Director

Tenure

December 2024 – current

Skills and experience

Alan has over 18 years of experience in life sciences and diagnostics, having most recently served as Corporate Executive Vice President and President of the Laboratory Products and Services Segment at Thermo Fisher Scientific. He joined Thermo Fisher in 1998, holding numerous executive positions including President Analytical Technologies Group, President Lab Products Group, and President Customer Channels Group. Prior to this, Mr. Malus spent nearly 15 years in the automotive industry, working with Ford, Chrysler,

and Textron Inc., where he served as Vice President of Finance.

Since 2023, Alan has been a Director at Industrial Physics Inc. He also serves as Director at Azenta Life Sciences. Previously, he served as a Director at PHC Holdings Corporation in Japan (2021 to 2022).

Alan graduated from the University of Michigan in 1981, starting his career as a financial analyst at Ford in 1984 and moving to Chrysler in 1986.

Committee memberships

Chair of the Remuneration Committee
Audit Committee



ALEXANDER LINK – Non-Executive Director

Tenure
November 2024 – current

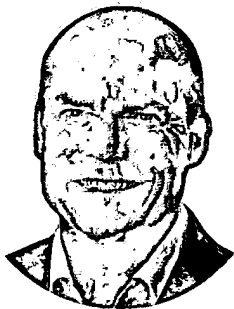
Skills and experience
Alexander has extensive experience in banking and management consulting, with a strong background in finance, risk management, restructuring, portfolio management, and mergers and acquisitions. He has successfully established, managed, and restructured operations across Germany, Europe, and Asia.

Currently, Alexander is a Director and CFO at Deutsche Balaton AG (since 2020) and serves on

the boards of several of its subsidiaries. Previously, he held senior roles at Commerzbank and Hypothekenbank Frankfurt from (2004-2019) Prior to this, he worked as a management consultant at Booz Allen Hamilton (2001-2004).

Alexander earned a law degree from the Albert Ludwig University of Freiburg in 2000 and was admitted to the Frankfurt Bar in 2005.

Committee memberships
Remuneration Committee



HANSJÖRG PLAGGEMARS – Non-Executive Director

Tenure
November 2024 – current

Skills and experience
Hansjörg is an independent consultant and has been the Managing Director of a number of companies, including 2invest AG, since December 2020, and Delphi Unternehmensberatung AG since December 2023. He has run the consulting firm Value Consult since 2017.

Amongst his projects, Hansjörg also sits on a number of boards as non-executive Director or

supervisory member, including several listed and private companies, such as Biofrontera AG, GeoPacific Resources Ltd, Altech Chemicals Limited and Patronus Resources Ltd.

Hansjörg holds a degree in Business Administration from the University of Bamberg.

Committee memberships
Audit Committee

2. Corporate Governance Report (continued)

2.1. Leadership

2.1.1. The role of the Board

The Board is responsible for leading and controlling the activities of the Group, with overall authority for the management and conduct of the Group's business, together with its strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal control and risk management (including financial, operational and compliance controls), reviewing the overall effectiveness of controls and systems in place, the approval of the budget and the approval of any changes to the capital, corporate and/or management structure of the Group.

In 2024 the Board held five formal Board meetings with additional ad hoc meetings as required. A full briefing pack is circulated to the Board for review prior to each meeting. The Board delegates authority as appropriate to its committees and members of the Group's management team.

AIM-quoted companies are required to apply a recognised corporate governance code. The Company has adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code").

2.2. Accountability

2.2.1. Composition of the Audit Committee

Prior to 28 June 2024, the Audit Committee comprised of Tim McCarthy, Pilar de la Huerta, Hansjörg Plaggemars and Joe Fernandez. At the Annual General Meeting, Hansjörg Plaggemars stepped down from the Board, with the Audit Committee consisting of the remaining non-executive board members.

Both Tim McCarthy and Pilar de la Huerta were considered to be independent Non-Executive Directors. Hansjörg Plaggemars was and is the CEO of 2Invest AG, a significant shareholder in 4basebio PLC and hence was not considered independent. Joe Fernandez was and is a significant shareholder in 4basebio PLC and hence was not considered independent.

Following the equity investment in November 2024 and the departure of Joe Fernandez and Pilar de la Huerta from the Board, Hansjörg Plaggemars stepped back on to the board and the Audit Committee was reconstituted and comprises Tim McCarthy, Hansjörg Plaggemars and Alan Malus. Both Tim McCarthy and Alan Malus are considered independent.

Tim McCarthy is Chair of the Committee and is considered to have recent relevant financial experience being a qualified accountant and having previously held the role of CFO in both private and listed companies. The Committee has written terms of reference, which are available for inspection on request to the Company Secretary. The activities of the Audit Committee, including those in relation to the Group's external auditor, are described in the audit and risk report on page 19.

2.2.2. Risk management and internal control

The Board has overall responsibility for the adequacy of the Group's internal control arrangements and consideration of its exposure to risk. It approves and adopts the annual update to the Group's risk management plan, following recommendations made by the Audit Committee. The Directors have assessed the principal risks facing the Company and actions taken to mitigate them on page 10 of the annual report.

2.3. Remuneration

The role of the Board and its Remuneration Committee in establishing a policy on Executive remuneration and an explanation of the level and components of remuneration are provided in the Directors' remuneration report on pages 20 and 21.

2.3.1 Composition of Remuneration Committee

Prior to 28 June 2024, the Remuneration Committee comprised of Tim McCarthy, Pilar de la Huerta, Hansjörg Plaggemars and Joe Fernandez.

Following the equity investment in November 2024 and the departure of Joe Fernandez and Pilar de la Huerta from the Board, the Remuneration Committee was reconstituted and comprises Alan Malus, Michael Wasserman and Alexander Link. Alan Malus is considered independent and is the Chair of the Committee.

2.4. Engagement with shareholders

The Company endeavours to communicate with stakeholders through a number of channels. Senior management and, if required, the Non-Executive Directors meet major shareholders on a regular basis. Management also frequently holds one-to-one meetings with institutional investors, including non-shareholders. In addition, management prepares presentations and recordings from time to time. Links to the Company's presentations and recordings are published on the Company's website. Further, RBC Capital Markets and Cavendish, the Group's joint brokers, provide research coverage with research notes widely available to shareholders and potential investors.

2.4.1. General meetings

Details of the Annual General Meeting, which allows shareholders the opportunity to raise questions with the Company's Directors, are provided in the Directors' report on page 23. Separate resolutions are proposed at the Annual General Meeting for each substantially separate issue and a resolution is proposed for approval of the annual report. Proxy voting is available for general meetings of the Company.

Tim McCarthy
Chairman
23 May 2025

3. Audit and Risk Report

3.1. The Audit Committee

The Audit Committee's responsibilities include:

- Oversight of the risk management framework and regular risk reviews.
- Monitoring of the financial integrity of the financial statements of the Group and the involvement of the Group's auditor in that process.
- Reviewing the effectiveness of the Group's internal controls and risk management systems and overseeing the process for managing risks across the Group, including review of the Group's corporate risk profile; and
- Oversight of the Group's compliance with legal requirements and accounting standards and ensuring that an effective system of internal financial control is maintained.

The Audit Committee met twice times during the year with all members in attendance.

3.2. Activities of the Audit Committee

In December 2024, the Committee reviewed the latest risk register which had been prepared by management and circulated to the full Board.

The Audit Committee also reviewed and approved for publication the Annual Report for the year ended 31 December 2023 and the Interim Report for the half year ended 30 June 2024.

3.3. External audit

The Group's external auditor, Crowe LLP, is engaged to provide its independent opinion on the Group's financial statements. The Senior Statutory Auditor for 2024 was Mr John Charlton. The Audit Committee approves any non-audit services provided by the external auditor, with consideration to the threats posed to independence and safeguards in place.

3.4. Internal audit

The Committee is of the opinion that an internal audit function is not currently appropriate for the Group given its stage of development. The Committee will continue to review the appropriateness of these arrangements.

Tim McCarthy
Audit Committee Chair
23 May 2025

4. Directors' Remuneration Report

I am pleased to present the Directors' remuneration report for the year ended 31 December 2024. The Remuneration Committee recognises the importance of shareholder engagement in relation to Executive remuneration. Accordingly, the Committee has prepared this report as a matter of best practice and has taken account of those regulations in doing so.

4.1. Remuneration Committee membership and activities

The members of the Remuneration Committee are Alan Malus, Michael Wasserman and Alexander Link. Alan Malus is the Committee Chair. The Committee is responsible for:

- Maintaining the remuneration policy;

- Reviewing and determining the remuneration packages of the Executive Directors;
- Monitoring the level and structure of remuneration of senior management, including share options and bonus awards; and
- Production of the Directors' remuneration report

The Remuneration Committee met twice during the year with all members in attendance.

4.2. Key remuneration principles

The group's remuneration arrangements for Executive Directors are based on the key principles set out below. The group has articulated how those principles are addressed within the remuneration policy.

Key principle	How this reflects in the policy
To promote the long-term success of the Company.	The Executive Directors' remuneration opportunity is a balance of fixed and performance based which is earned only subject to the satisfaction of performance conditions.
To provide appropriate alignment with investors' expectations in relation to the Company's strategy and outcomes.	Performance conditions for the annual bonus and any share option schemes are set such as to align with shareholders' interests.

4.3. Executive remuneration in 2024

Executive Director remuneration was approved by the Remuneration Committee. The base salary for each executive is shown in the table below. A performance related bonus of up to 60% of basic salary is available for the Chief Executive Officer (CEO), Chief Operating Officer (COO) and Chief Financial Officer (CFO) consistent with 2023.

On 25 January 2021, Heikki Lanckriet was awarded 238,000 share options at market price; David Roth was awarded 179,000 share options at market price. On 1 February 2024, Heikki Lanckriet exercised his rights over 211,863 share options. On the same date, David Roth exercised his rights over 179,000 share options. At the time of joining the board, Amy Walker held 42,128 share options.

On 1 February 2024, the Remuneration Committee resolved that the long-term incentivisation for senior management in the event of a future sale of the Company will include a cash bonus calculated as to a percentage of any future sale price achieved for the Company that exceeds £85 million. The quantum that would be awarded to Heikki Lanckriet, Amy Walker and David Roth in the event of a sale of the Company is 0.52 per cent., 0.48 per cent. and 0.44 per cent. of the sale price in excess of £85 million, respectively.

The table below details total remuneration earned by each Director in respect of the year. The table shows remuneration for Amy Walker from the time of her appointment as Chief Operating Officer and includes amounts awarded since her appointment but in relation to the period prior to her joining the board:

[£'000] Name	2024				2023			
	Salary or fees	Bonus	Benefits in kind	Total	Salary or fees	Bonus	Benefits in kind	Total
Executive								
Heikki Lanckriet	340.2	183.7	2.3	526.2	314.6	116.6	10.0	441.2
David Roth	244.9	132.3	0.6	377.8	233.3	84.0	0.6	317.9
Amy Walker*	81.1	108.0	0.2	189.3	–	–	–	–
	666.2	424.0	3.1	1,093.3	547.9	200.6	10.6	759.1

* Since 5 August 2024.

4.4. Non-Executive remuneration 2024

The remuneration policy for the Chairman and Non-Executive Directors is to pay fees necessary to attract and retain individuals of the calibre required, taking into account the size and complexity of the business and the market in which it operates. The fees of the Non-Executive Directors are agreed by the Chairman and the CEO and the fees of the Chairman are determined by the Board as a whole. Fees are

paid as a base fee as a member of the Board, together with additional fees for chairmanship of a Board Committee. All Non-Executive Directors may be reimbursed for expenses reasonably incurred in the performance of their duties. Neither the Chairman nor the Non-Executive Directors are eligible to participate in the Group's incentive arrangements for 2024.

The table below details total remuneration earned by each Director in respect of the year:

[£'000] Name	2024			2023		
	Salary or fees	Other	Total	Salary or fees	Other	Total
Tim McCarthy	40.0	–	40.0	40.0	–	40.0
Pilar de la Huerta*	26.1	8.7	34.8	30.0	10.0	40.0
Joe Fernandez	17.4	–	17.4	20.0	–	20.0
Hansjörg Plaggemars	12.8	–	12.8	20.0	–	20.0
Alexander Link**	2.8	–	2.8			
Alan Malus***	2.8	–	2.8			
Michael Wasserman	0.9	–	0.9			
	102.8	8.7	111.5	110.0	10.0	120.0

* Mrs de la Huerta provides support and advice from time to time in Spain to 4basebio S.L.U. in relation to domestic matters which benefit from application of Spanish language as well as knowledge of legal processes. Fees in respect of this advice were £8.7k.

** Fees received by Mr Link are paid directly to Deutsche Balaton AG.

*** In addition, the Company has undertaken to grant 80,000 Share Options to Mr Malus. The initial grant is expected to occur during 2025.

4.5. Directors' service contracts

Details of the service contracts of Directors in office at the date of approval of this report are set out below.

Name	Position	Notice Period	Term of appointment
Heikki Lanckriet	CEO, CSO	One year	Open
Amy Walker	COO	One year	Open
David Roth	CFO	One year	Open
Tim McCarthy	Non-executive Director (Chairman and Chair of Audit Committee)	Three months	End of the Annual General Meeting occurring approximately six years after 22 December 2020
Hansjörg Plaggemars	Non-executive Director, member of the Audit Committee	None	Open
Alexander Link	Non-executive Director, member of the Remuneration Committee	None	Open
Alan Malus	Non-executive Director, Chair of the Remuneration Committee	None	Open
Michael Wasserman	Non-executive Director, member of the Remuneration Committee	None	Open

Alan Malus

Remuneration Committee Chair

23 May 2025

5. Directors' Report

The Directors present their annual report on the affairs of the Group, together with the financial statements and auditor's report, for the year ended 31 December 2024.

5.1. Principal activities

4basebio is engaged in the development, manufacture and sale of synthetic DNA and RNA products and non-viral vector solutions.

5.2. Strategic report

The strategic report is set out on pages 1 to 14. The Directors consider that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable.

5.3. Future development

Disclosures relating to future developments are included in the Chief Executive Officer's statement and financial review.

5.4. Capital structure

Details of the Company's share capital including shares issued during the year are provided in note 22 of the financial statements. The Company has one class of Ordinary Shares listed on the AIM market of London Stock Exchange with a nominal value of €1.00. Each Ordinary Share carries the right to one vote at general meetings of the Company and carries no right to fixed income.

5.5. Results and dividend

The consolidated statement of profit or loss and other comprehensive income is set out on page 29. The Group's loss after taxation for the year was £12.3 million. The Directors are unable to recommend the payment of a dividend in respect of the year ended 31 December 2024.

5.6. Directors

The Directors of the Company during the year and up to the date of approval of the annual report were as follows:

- Heikki Lanckriet
- David Roth
- Amy Walker (appointed 5 August 2024)
- Tim McCarthy
- Pilar de la Huerta (resigned 13 November 2024)
- Joe Fernandez (resigned 13 November 2024)
- Hansjörg Plaggemars (resigned on 28 June 2024 and re-appointed on 13 November 2024)
- Alexander Link (appointed 13 November 2024)
- Alan Malus (appointed 16 December 2024)
- Michael Wasserman (appointed 13 November 2024)

David Roth undertakes the role of Company Secretary.

Directors' remuneration is shown in the Directors' Remuneration Report in the previous section 4.

5.7. Re-election of Directors

The Articles of the Company provide for one third of the Directors to stand for re-election at the Annual General Meeting to be held on 27 June 2025.

5.8. Directors' indemnities

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors, which remain in force at the date of this report.

5.9. Post balance sheet events

These are described in note 31 to the financial statements.

5.10. Research and development

The Group undertakes research and development activities relating to the development, validation and scaling of its technologies. Details of the expenditure charge to the consolidated statement of profit and loss, expenditure capitalised during the year and the accounting policy for capitalising development expenditure are provided in the financial statements.

5.11. Political donations

The Group made no political donations during the course of the current and prior year.

5.12. Financial instruments

The Company's financial risk management objectives and policies and disclosures regarding its exposure to foreign currency risk, credit risk and liquidity risk are provided in Note 27 to the financial statements.

5.13. Corporate governance report

The Company's corporate governance report can be found on pages 15 to 18 of the annual report. The corporate governance report forms part of this Directors' report and is incorporated into it by cross-reference.

5.14. Major interests

As at the date of this report, the Company had been notified of the following shareholders with major interests in the shares of 4basebio PLC:

- Deutsche Balaton Group, 32.86%
- Elevage Medical Technologies Holdings, LLC and M&G Investment Management Limited, together 29.86%
- Heikki Lanckriet (CEO), 7.20%
- Franciscus De Busschere 3.47%

The Deutsche Balaton Group shareholding is held through 2Invest AG, Sparta Invest AG, Deutsche Balaton AG, Latonba AG and Delphi Unternehmensberatung AG.

5.15. Power to allot shares

The Annual General Meeting of 28 June 2024 conferred authority on the board of directors to issue up to an additional 9,817,324 ordinary shares of €1 each respectively, with such authority to expire on the earlier date of (i) the next Annual General Meeting or (ii) the date falling 15 months from the date of the relevant Annual General Meeting.

In 2024, 4,268,402 of those shares were generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006; a further 5,548,922 of those shares were generally and unconditionally authorised in respect of either a rights issue (4,268,402 shares) or as part of an acquisition or other specified capital investment (1,280,520 shares).

As part of such authorities totalling 9,817,324 shares, 4,268,402 shares were authorised to be issued pursuant to section 570 of the Companies Act 2006 for cash consideration, and 1,280,520 shares as part of an acquisition or other specified capital investment.

5.16. Auditor

Each person who is a Director at the date of approval of this annual report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- The Director has taken all reasonable steps as a Director in order to make him or herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. Crowe UK LLP have expressed their willingness to continue as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

5.17. Annual General Meeting

The Annual General Meeting of the Company will be held at 09:00 a.m. on Friday 27 June 2025 at 25 Norman Way, Over, CB24 5QE. By order of the Board

Heikki Lanckriet
Chief Executive Officer
23 May 2025

6. Statement of Directors' Responsibilities in respect of the annual report and the financial statements

The Directors are responsible for preparing the annual report and the Group and parent Company financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Group and parent Company financial statements for each financial year.

Under the AIM Rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the United Kingdom (IFRSs as adopted by the UK) and applicable law and they have elected to prepare the parent Company financial statements on the same basis.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period.

In preparing the parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial and parent Company financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. Each of the serving Directors, whose names and functions are set out on pages 15 to 17, confirm that, to the best of their knowledge:

- the Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

By order of the Board

David Roth
Company Secretary
23 May 2025

Independent Auditor's Report to the Members of 4basebio Plc

Opinion

We have audited the financial statements 4basebio Plc (the "parent company") and its subsidiaries ("the group") for the year ended 31 December 2024 which comprise the consolidated statement of profit or loss and other comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards ('UK IFRS'). The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosures Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of group's and of the company's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability

to continue to adopt the going concern basis of accounting included:

- discussions with management in relation to the future plans of the group and company;
- reviewing activity after the year end to the date of signing of the financial statements;
- reviewing the directors' going concern assessment including the worst-case scenario cashflow forecasts that covers at least 12 months from the date of approval of the financial statements;
- evaluating the reliability of the data underpinning the cashflow forecasts;
- assessing the cashflow requirements of the group based on forecasted capital and administrative expenditures;
- understanding what forecast expenditure is committed and what could be discretionary;
- considering the options available to management for further fundraising or additional sources of finance;
- considering potential downside scenarios and the resulting impact on funding requirements and the group's ability to raise such funds; and
- assessing the completeness and accuracy of the disclosures made on going concern in the annual report and financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

- £540,000 (2023: £450,000) is the group level of materiality determined for the financial statements as a whole, this has been determined based on approximately 7% of average loss before tax for FY22, FY23 and FY24. The objective of the group is to generate profit/loss, we determined that a profit-based metric was the most appropriate to use for determining materiality.
- £378,000 (2023: £315,000) is the group level of performance materiality. Performance materiality is

Independent Auditor's Report to the Members of 4basebio Plc (continued)

used to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

- £27,000 (2023: £22,500) is the group level of triviality agreed with the Audit Committee. Errors above this threshold are reported to the Audit Committee, errors below this threshold would also be reported to the Audit Committee if, in our opinion as auditor, disclosure was required on qualitative grounds.

The parent company materiality was assessed as £55,000 (2023: £250,000) based on approximately 5% loss for the year. As the parent company does not trade in its own right, we determined that the majority of the balances were expenses and intercompany transactions. We therefore believe that loss is the most appropriate benchmark for determining materiality. Parent company performance materiality was £38,500 (2023: £200,000) and triviality was £2,750 (2023: £12,500).

Overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the group and its environment, including the group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

In establishing our overall approach to the group audit, we determined the type of work that needed to be undertaken at each of the components. The parent company, 4basebio UK Limited & 4basebio Discovery Limited was subject to a full scope audit and our audit was conducted from the UK. The consolidation was also subject to a full scope audit. 4basebio S.L.U. audit was carried out by a component auditor based in Spain. We engaged with the component auditor at all stages during the audit process and directed the audit work on the non-UK subsidiary undertaking. We directed the component auditors regarding the audit approach at the planning stage, issued instructions that detailed the significant risks to be addressed through the audit procedures and indicated the information we required to be reported. We reviewed the work of the component auditor.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the

allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified going concern as a key audit matter and have detailed our response in the conclusions relating to going concern section above.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we

have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 24, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and company and the procedures in place for ensuring compliance in the jurisdiction where the group and company operate, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and relevant tax legislation.

We assessed the nature of the group's business, the control environment and performance to date when evaluating the incentives and opportunities to commit fraud.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management to manipulate financial reporting and misappropriate funds. Our procedures to address the risk of management override included:

- enquiries of management about their own identification and assessment of the risks of irregularities, including any non-compliance with laws or regulations, or any potential claims of fraud;
- reviewing minutes of board meetings throughout the period;
- reviewing the system for the generation, authorisation and posting of journal entries;
- obtaining supporting evidence for a risk-based sample of journals, derived using a data analytics tool;
- considering significant estimates and judgements made by management for evidence of bias, and performing retrospective reviews where applicable;
- considering audit adjustments identified from our audit work for evidence of bias in reporting;
- audit of significant transactions outside the normal course of business, or those that appear to be unusual; and
- reviewing the other information presented in the annual report for fair presentation and consistency with the audited financial statements and the information available to us as the auditors.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of 4basebio Plc (continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

John Charlton
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

23 May 2025

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024

(in £'000)	Note	2024	2023
Revenues	5	933	506
Cost of goods sold		(303)	(166)
Gross profit		630	340
Administration expenses	6	(13,866)	(8,813)
Other operating expenses	8	(114)	(85)
Other operating income	9	1,308	506
Loss from operations		(12,042)	(8,052)
Finance income	10	140	0
Finance expense	11	(752)	(302)
Financial result		(612)	(302)
Loss before tax		(12,654)	(8,354)
Income tax income	12	321	689
Loss for the year		(12,333)	(7,665)
Loss per share			
– Basic and diluted (in £/share)	13	(0.94)	(0.62)
Items that may be reclassified to the income statement in subsequent periods			
Exchange differences on translation of foreign operations		(313)	(172)
Total comprehensive income		(12,646)	(7,837)

All of the loss for the year is from continuing operations.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

31 December 2024

[in €'000]	Note	2024	2023
Assets			
Intangible assets	14	3,480	2,669
Property, plant and equipment	16	4,326	4,197
Other non-current assets	20	33	34
Non-current assets		7,839	6,900
Inventories	18	374	332
Trade receivables	19	283	107
Other current assets	20	1,627	1,514
Cash and cash equivalents	21	34,604	3,069
Current assets		36,888	5,022
Total assets		44,727	11,922
Liabilities			
Financial liabilities	23	(188)	(392)
Trade payables		(1,694)	(694)
Other current liabilities	24	(1,383)	(1,191)
Current liabilities		(3,265)	(2,277)
Financial liabilities	23	(15,028)	(10,065)
Other liabilities	24	(54)	(72)
Non-current liabilities		(15,082)	(10,137)
Total liabilities		(18,347)	(12,414)
Net (liabilities) / assets		26,380	(492)
Equity			
Share capital	22	13,772	11,132
Share premium	22	37,250	706
Merger reserve	22	688	688
Capital reserve	22	13,864	13,530
Foreign exchange reserve	22	(471)	(158)
Profit and loss reserve	22	(38,723)	(26,390)
Total Equity		26,380	(492)

The above statement of financial position should be read in conjunction with the accompanying notes.

The Financial Statements were approved by the Board of Directors on 23 May 2025 and were signed by Heikki Lanckriet and David Roth.



HEIKKI LANCKRIET
23 MAY 2025

Company statement of financial position

31 December 2024

[in £'000]	Note	2024	2023
Assets			
Investments	15	7,817	7,817
Intangible assets		36	–
Property, plant and equipment		1	–
Amounts due from subsidiary undertaking		42,216	9,057
Non-current assets		50,070	16,874
Other current assets		138	43
Cash and cash equivalents		10,984	1,123
Current assets		11,122	1,166
Total assets		61,192	18,040
Liabilities			
Current liabilities		(870)	(437)
Non-current liabilities		(14,051)	(8,896)
Total liabilities		(14,921)	(9,333)
Net assets		46,271	8,702
Share capital	22	13,772	11,132
Share premium	22	37,250	706
Capital reserve	22	765	431
Profit and loss reserve		(5,516)	(3,562)
Total Equity		46,271	8,707

The loss for the year to 31 December 2024 for the Company was £2.0 million (result for the year to 31 December 2023: loss of £1.3 million). The above statement of financial position should be read in conjunction with the accompanying notes.

The Financial Statements of 4basebio PLC (company number 13519889) were approved by the Board of Directors on 23 May 2025 and were signed by Heikki Lanckriet and David Roth.

Consolidated statement of changes in equity for the year ended 31 December 2024

[in £'000]	Share capital	Share premium	Merger reserve	Capital reserve	Foreign exchange reserve	Profit and loss reserve	Total equity
Balance at 1 January 2024	11,132	706	688	13,530	(158)	(26,390)	(492)
Loss for the year	—	—	—	—	—	(12,333)	(12,333)
Shares issued in period	2,640	36,544	—	—	—	—	39,184
Foreign Exchange difference arising on translation of 4basebio S.L.U.	—	—	—	—	(313)	—	(313)
Share based payments	—	—	—	334	—	—	334
Balance at 31 December 2024	13,772	37,250	688	13,864	(471)	(38,723)	26,380

[in £'000]	Share capital	Share premium	Merger reserve	Capital reserve	Foreign exchange reserve	Profit and loss reserve	Total equity
Balance at 1 January 2023	11,130	706	688	13,307	14	(18,725)	7,120
Loss for the year	—	—	—	—	—	(7,665)	(7,665)
Shares issued in period	2	—	—	—	—	—	2
Foreign Exchange difference arising on translation of 4basebio S.L.U.	—	—	—	—	(172)	—	(172)
Share based payments	—	—	—	223	—	—	223
Balance at 31 December 2023	11,132	706	688	13,530	(158)	(26,390)	(492)

For further information on the composition of equity see note 22 in the notes to the consolidated financial statements.

Company statement of changes in equity for the year ended 31 December 2024

[in £'000]	Share capital	Share premium	Capital reserve	Profit and loss reserve	Total equity
Balance at 1 January 2024	11,132	706	431	(3,562)	8,707
Loss for the year	—	—	—	(1,954)	(1,954)
Shares issued in period	2,640	36,544	—	—	39,184
Share based payments	—	—	334	—	334
Balance at 31 December 2024	13,772	37,250	765	(5,516)	46,271

[in £'000]	Share capital	Share premium	Capital reserve	Profit and loss reserve	Total equity
Balance at 1 January 2023	11,130	706	208	(2,272)	9,772
Loss for the year	—	—	—	(1,290)	(1,290)
Shares issued in period	2	—	—	—	2
Share based payments	—	—	223	—	223
Balance at 31 December 2023	11,132	706	431	(3,562)	8,707

For further information on the composition of equity see note 22 in the notes to the consolidated financial statements.

Consolidated statement of cash flows

for the year ended 31 December 2024

[in £'000]	2024	2023
Net loss for the period	(12,333)	(7,665)
<i>Adjustments to reconcile net loss for the period to net cashflows</i>		
Income taxes	(321)	(689)
Interest income	(140)	0
Interest expense	752	302
Depreciation of property, plant and equipment	800	676
Amortisation and impairment of intangible assets	133	33
Other non-cash items	(375)	220
Working capital changes:		
(Increase)/decrease in trade receivables and other current assets	(76)	(109)
Increase/(decrease) in trade payables and other current liabilities	748	695
(Increase)/decrease in inventories	(49)	(202)
Tax receipt	117	561
Net Cash flows from operating activities	(10,744)	(6,178)
Investments in property, plant and equipment	(697)	(871)
Investments in capitalised development and intangible assets	(874)	(619)
Cash flows from investing activities	(1,571)	(1,490)
Net receipt/(payment) of loans	4,812	6,584
Shares issued	39,184	2
Interest received	72	0
Interest paid	(86)	(67)
Capital lease payments	(115)	(94)
Cash flows from financing activities	43,867	6,425
Net change in cash and cash equivalents	31,552	(1,243)
Exchange differences	(17)	(39)
Cash and cash equivalents at the beginning of the period	3,069	4,351
Cash and cash equivalents at the end of the period	34,604	3,069

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 31 December 2024

1. General information

4basebio PLC (the "Company" or "4basebio") is registered in England and Wales with company number 13519889.

The Company is domiciled in England and the registered office of the Company is 25 Norman Way, Over, Cambridge CB24 5QE. 4basebio PLC is the parent of a group of companies (together, "the Group"). The Group focusses on life sciences and in particular the development of synthetic DNA and nanoparticles suitable for inclusion in, or delivery of, therapeutic payloads for gene therapies and gene vaccines.

The Company trades on London Stock Exchange's AIM market. The international securities number (ISIN) number for its AIM traded shares is GB00BMCLYF79; its ticker symbol is 4bb.l.

The consolidated financial statements of 4basebio PLC and its subsidiaries for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 23 May 2025.

2. Accounting policies

2.1 Company

Basis of preparation

The Company's financial statements of 4basebio PLC for the financial year ending 31 December 2024 have been prepared in accordance with the historical cost convention and in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework (FRS 101) and the Companies Act 2006. Those financial statements present information about the Company as an individual entity. Accounting policies have been applied consistently throughout the year.

In preparing its financial statements the Company has taken advantage of certain disclosure exemptions conferred by FRS 101.

Therefore, these financial statements do not include:

- certain comparative information as otherwise required by international accounting standards;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of intercompany transactions with wholly owned subsidiary companies.

In addition, and in accordance with FRS101 further disclosure exemptions have been adopted because equivalent disclosures are included in these consolidated financial statements and hence do not include Company only disclosures in respect of:

- financial instruments;
- fair value measurement

As permitted by Section 408 of the Companies Act 2006, the Company has not presented its own income statement. The loss for the financial year per the accounts of the Company was £2.0 million. The principal accounting policies adopted are set out below.

Investments in subsidiaries

Investments in subsidiaries and joint ventures are stated at cost less, where appropriate, provisions for impairment. The Company tests the investment balances for impairment annually or when there are indicators of impairment.

Share-based payments

The fair value of employee share option plans is calculated at the grant date using the Black-Scholes model. The resulting cost is charged to the Company income statement over the vesting period. The value of the charge is adjusted to reflect expected and actual levels of vesting.

Financial instruments

Financial assets and financial liabilities are recognised in the Company balance sheet when the Company becomes party to the contractual provisions of the instrument.

Notes to the financial statements (continued)

2.2 Group

Basis of preparation

The consolidated financial statements of 4basebio UK PLC (or "the Group") for the financial year ending 31 December 2024 have been prepared using UK adopted international accounting standards.

The consolidated financial statements comprise the results of 4basebio PLC, 4basebio S.L.U., 4basebio UK Limited and 4basebio Discovery Limited for the whole year.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. For calculation reasons, rounding differences of +/- one unit (£'000, % etc.) may occur in the information presented in these financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16.

The principal accounting policies adopted are set out below.

Going concern

The directors have, at the time of approving the financial statements, made a thorough assessment of the Group's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements.

In assessing the Group's going concern status, the Directors have considered the Group's current financial position, including available cash resources as well as projected cash flows and funding requirements going forward. The Directors are confident that the Group has sufficient liquidity available to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'), the board of directors. The CODM are responsible for the allocation of resources to operating segments and assessing their performance. For the years ended 31 December 2024 and 31 December 2023, the Group comprised one operating segment.

Business combinations

The consolidated financial statements include 4basebio PLC and its subsidiaries over which the Company can exercise control. Control exists if 4basebio has a risk burden from or is entitled to fluctuating returns from its involvement in a company and it can also use its power of disposal over the associated company to influence these returns. In general, ownership of a majority of voting rights (direct or indirect) is presumed to result in control. The financial statements of subsidiaries to be included in the consolidated financial statements are included in the consolidated financial statements from the date on which the possibility of exercising control begins until the date on which the possibility of exercising control ends.

Revenue recognition

Revenue from contracts with customers is recognised at the point that control of the goods is transferred to the customer. This is generally the point of delivery. Recognition amount is the amount of the consideration that the Group will likely receive in exchange for these goods or services. The usual payment profile comprises an upfront payment at the time an order is placed with the balance settled 30 to 90 days following delivery. The Group has concluded that it acts as a principal in its sales transactions, as the Group usually has control over the goods or services before they are transferred to the customer.

The Group checks contracts with customers to see whether the contracts contain other commitments which represent separate performance obligations to which a part of the transaction price must be allocated (e.g. warranties).

Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal

Notes to the financial statements (continued)

computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in note 23.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Foreign currencies

The functional currency of the Group is British Pounds.

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (4basebio S.L.U.) are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

Notes to the financial statements (continued)

The principal currency rates of the Group have developed as follows in relation to the British Pound (GBP/£):

[in GBP]	Closing exchange rate		Average exchange rate	
	31.12.2024	31.12.2023	2024	2023
Euro	0.8292	0.8691	0.8466	0.8698
US Dollar	0.7990	0.7856	0.7825	0.8040

Grants

Grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Where grant funds are received in advance of satisfying conditions for recognising grant income, the grant is recognised as a short term liability. Grant income is recognised in other operating income.

On government loans advanced at a below-market rate of interest, the benefit is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Retirement and termination benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The fair value of options granted is recognised as an expense of employment in the statement of comprehensive income with a corresponding increase in equity.

The fair value is measured at the date of grant and spread over the period during which the employees become unconditionally entitled to the options. The fair value of options granted under the share option schemes is measured using a Black Scholes model taking into account the performance conditions under which such options were granted. At each financial year end, the Group revises its estimate of the number of options that are expected to become exercisable based on forfeiture such that at the end of the vesting period the cumulative charge reflects the actual options that have vested, with no charge for those options which were forfeit prior to vesting. When share options are exercised the proceeds received are credited to equity.

Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on any taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of accounting professionals and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets

Notes to the financial statements (continued)

are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in the profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services or for administrative purposes, are stated in the statement of financial position at cost less any accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Plant, machinery, fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method, on the following bases:

Buildings	5 per cent per annum
Plant and machinery	10 per cent – 25 per cent per annum
Fixtures and fittings	10 per cent – 30 per cent per annum

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Internally-generated intangible assets – research and development expenditure

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed below. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets are generally recognised initially at cost. The cost of intangible assets acquired in business combinations is the fair value at the time of acquisition. With the exception of capitalised development costs and internally generated patents, no

Notes to the financial statements (continued)

internally generated intangible assets are recognised in the consolidated statement of financial position of the Group. Instead, the corresponding expenses are recognised as expenses in the consolidated income statement in the period in which they were incurred. Development costs are only capitalised as intangible assets if the Group can demonstrate that the specific recognition criteria according to IAS 38.57 are met.

Research and non-capitalisable development costs are recorded as expenses in the period in which they are incurred and reported in a separate line in the consolidated income statement ("Research and non-capitalised development costs").

For the purposes of subsequent measurement of intangible assets, IFRSs distinguish between intangible assets with finite and indefinite useful lives. The consolidated financial statements of the 4basebio Group only contain intangible assets with a finite useful life. These are amortised over their useful economic life and tested for possible impairment if there are indications that the intangible asset may be impaired. In the case of capitalised development costs, amortisation begins upon completion of the development phase and from the point at which the asset can be used. During the development phase, an annual impairment test is carried out. Amortisation is recognised for capitalised development costs within cost of sales and for all other intangible assets within the expense category that corresponds to the function of the intangible asset in the 4basebio Group. Depreciation periods and methods are reviewed at least at the end of each reporting period. If changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in an intangible asset necessitate changes in the amortisation method or amortisation period, these changes are treated as changes in accounting estimates and recognised prospectively in profit or loss for the period.

An intangible asset is derecognised either upon disposal or when no further economic benefit is expected from the continued use or sale of the recognised asset. Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period in which the intangible asset is derecognised.

The accounting and valuation methods applied to the intangible assets of the Group are summarised as follows:

	Patents and Licences	Capitalised development costs
Useful life	Finite	Finite
Amortisation method	Amortised on a straight-line basis over the term of the licence	Amortised on a straight-line basis over the period of expected future sales from the related project
Type of asset	Acquired	Internally generated

Patents and licences

The expenditure associated with the granting of a patent or licence is measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

Impairment of property, plant and equipment and intangible assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its' carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Notes to the financial statements (continued)

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. Adoption of new and revised standards

The following new standards and amendments were mandatory for adoption for periods ending 31 December 2024. Changes to disclosure of accounting policies requiring disclosure of material policies has been reflected in note 2 to these financial statements. The remaining standards and amendments do not affect the Group:

- IAS 1 – Classification of Liabilities as Current or Non-current (Amendments)

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. Critical accounting judgements, estimates and assumptions

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Capitalisation of development expenditure

The Group capitalises the costs of product development projects if the recognition criteria according to IAS 38.57 are met. The capitalisation of development costs is based on management's assessment that the technical and economic feasibility has been demonstrated. This is generally the case when a product development project has reached a certain milestone in an existing

Notes to the financial statements (continued)

project management model. For determining the amounts to be capitalised, management makes assumptions about the amount of expected future cash flows from the project, the discount rates to be applied and the timing of inflow of the expected future benefit. As at 31 December 2024 the carrying amount of capitalised development costs amounted to £2.4 million (31 December 2023: £2.1 million).

5. Revenues

Revenue by type (in £'000)	2024	2023
Revenue from sales of products	911	491
Revenue from licences and royalties	22	15
Total revenue	933	506

Geographic markets (in £'000)	2024	2023
Europe	354	176
USA	561	320
Rest of World	18	10
Total revenue	933	506

Timing of revenue recognition (in £'000)	2024	2023
At a point in time	933	506
Total revenue	933	506

Information on significant customers (in £'000)	2024	2023
Revenues from significant customers (customers which represent at least 10% of Group revenue)	452	269
Other revenues	481	237
Total revenue	933	506

6. Administrative Expenses

Loss for the year before income tax includes the following specific expenses:

(in £'000)	2024	2023
Employee benefits expense	6,150	4,562
Selling and marketing expense	353	280
Operations, Research and Development expense	4,684	2,224
Corporate expense	1,412	815
Share based payments	334	223
Depreciation and amortisation	933	709
Administrative expenses	13,866	8,813

Notes to the financial statements (continued)

7. Staff numbers and costs

[in £'000]	2024	2023
Salaries	5,303	3,900
Social security costs	680	544
Pension costs	167	118
Staff costs	6,150	4,562

Average employee numbers by function	2024	2023
Sales and marketing	6.0	3.4
GF&A	11.6	12.0
Operations, Research and Development	82.2	61.5
Total	99.8	76.9

8. Other operating expenses

[in £'000]	2024	2023
Foreign Exchange	35	53
Other	79	32
Other operating expenses	114	85

9. Other operating income

[in £'000]	2024	2023
Grant income	487	229
Foreign Exchange	786	167
Other	35	110
Other operating income	1,308	506

Included in grant income are public loans received by 4basebio S.L.U which carry either a minimal or nil interest rate and are hence also referred to as soft loans. The benefit accruing to the Company from low interest loans has been accounted for as grant income. The fair value of loans received has been calculated on the basis of an arm's length rate of interest of 4%, with imputed interest charges being recognised over the period of the loans.

The consequential difference between funds received and the underlying fair value of the loans has been recognised as deferred grant income within financial liabilities. This benefit is amortised over the life of each loan giving rise to grant income recorded in other operating income.

Foreign exchange differences have arisen primarily in relation to financial liabilities denominated in Euros.

10. Financial income

[in £'000]	2024	2023
Interest income	140	–
Financial income	140	–

Notes to the financial statements (continued)

11. Financial expense

[in £'000]	2024	2023
Interest expense on loans	701	236
Interest on lease liabilities	51	66
Finance expenses	752	302

12. Income taxes

[in £'000]	2024	2023
Current tax expense (-) or income (+)	321	689
Deferred tax expense (-) or income (+)	–	–
Total income tax	321	689

Tax reconciliation statement

The difference between the expected income tax expense and the income tax expense actually reported is shown in the following reconciliation. To determine the expected tax expenses, a weighted average UK and Spain tax rate of 25% was used for 2024 (2023: 23.7%) and was multiplied by the loss before taxes.

[in £'000]	2024	2023
Loss before tax	(12,654)	(8,354)
Expected tax expense (-) or income (+)	+3,164	+1,985
Adjustments:		
Losses where no deferred tax asset recognised	(2,674)	(1,296)
Adjustment in relation to prior periods	(169)	–
Total adjustments	(2,843)	(1,296)
Income tax credit arising from R&D tax claims	321	689

13. Earnings per share

	2024	2023
Numerator [in £'000]		
Result for the period	(12,333)	(7,665)
Denominator [number of shares]		
Weighted average number of registered shares in circulation (ordinary shares) for calculating the undiluted earnings per share	13,116,570	12,319,270
Basic and diluted earnings per share (£)	(0.94)	(0.62)

The calculation of the basic and diluted earnings per share for continuing operations was based on the weighted average number of shares as determined above. The numerator is defined as result after tax from continuing operations. The average number of share options outstanding during the period was 404,973 (2023: 653,771) which have not been included in the calculation of the diluted Earnings per share because they would be anti-dilutive since the business is loss making.

Notes to the financial statements (continued)

14. Intangible assets

(in £'000)	Development costs	Patents and licences	Total
Cost or acquisition value			
01.01.2024	3,424	669	4,093
Additions	474	594	1,068
Exchange differences	(167)	(25)	(192)
31.12.2024	3,731	1,238	4,969
01.01.2023	3,040	504	3,544
Additions	446	173	619
Exchange differences	(62)	(8)	(70)
31.12.2023	3,424	669	4,093
Cumulative amortisation and impairment			
01.01.2024	1,343	81	1,424
Amortisation	48	85	133
Exchange differences	(63)	(5)	(68)
31.12.2024	1,328	161	1,489
01.01.2023	1,367	53	1,420
Amortisation	4	29	33
Exchange differences	(28)	(1)	(29)
31.12.2023	1,343	81	1,424
Net book value			
31.12.2024	2,403	1,077	3,480
31.12.2023	2,081	588	2,669

Development costs

The development costs relate to development work undertaken by 4basebio S.L.U. in relation to enzyme formulation, application and DNA synthesis platform development.

15. Investments

Company

(in £'000)	2024	2023
Cost		
1 January and 31 December	7,817	7,817

In addition to the Company, the Group comprises the following subsidiaries:

Company name	Principal activities	Place of incorporation	Equity held (in %)	
			31.12.2024	31.12.2023
4basebio S.L.U.	R&D and manufacturing	Madrid, Spain	100	100
4basebio UK Limited	Manufacturing	Cambridge, UK	100	100
4basebio Discovery Limited	R&D & manufacturing	Cambridge, UK	100	100

Both 4basebio UK Limited and 4basebio Discovery Limited have elected to make use of the audit exemption, for non-dormant subsidiaries, under section 479A of the Companies Act 2006. In order to fulfil the conditions, set out in the regulations, the Company has given a statutory guarantee of all outstanding liabilities to which the subsidiaries are subject at the end of the financial year to 31 December 2024.

Notes to the financial statements (continued)

16. Property, plant and equipment

[in £'000]	Operating equipment	Land and buildings	Usage rights from leases	Total
Cost or acquisition value				
01.01.2024	3,666	1,040	1,012	5,718
Additions	941	–	–	941
Disposals	(5)	–	(143)	(148)
Exchange differences	(21)	–	(4)	(25)
31.12.2024	4,581	1,040	865	6,486
01.01.2023	2,803	1,040	643	4,486
Additions	895	–	372	1,267
Disposals	(24)	–	–	(24)
Exchange differences	(8)	–	(3)	(11)
31.12.2023	3,666	1,040	1,012	5,718
Depreciation and impairment				
01.01.2024	1,154	187	180	1,521
Depreciation	623	47	130	800
Disposals	(1)	–	(143)	(144)
Exchange differences	(15)	–	(2)	(17)
31.12.2024	1,761	234	165	2,160
01.01.2023	670	140	43	853
Depreciation	493	47	137	677
Disposals	(4)	–	–	(4)
Exchange differences	(5)	–	–	(5)
31.12.2023	1,154	187	180	1,521
Net book value				
31.12.2024	2,820	806	700	4,326
31.12.2023	2,512	853	832	4,197

17. Deferred tax assets and liabilities

The 4basebio Group recognises deferred tax assets if it is probable that these tax benefits will be realised in future years. Deferred tax assets are not recognised if it is not sufficiently probable that the expected benefits from the deferred taxes will be realised.

The tax loss carry forwards for which no deferred tax assets were recognised across the Group amounted to approximately £43.0 million (31 December 2023: £31.3 million). Tax loss estimates for the year 2024 included in this amount remain subject to the agreement by tax authorities.

Losses for the year included approximately £13.4 million in respect of 4basebio SLU (2023: 12.7million), with the remainder of £29.6 million for 2024 (2023: £18.6 million) relating to the UK Group. Under Spanish tax regulations €1 million of losses can be offset in any tax year without restriction, with claims in excess of €1 million subject to a 70% restriction of the taxable base.

18. Inventories

[in £'000]	31.12.2024	31.12.2023
Raw materials	316	261
Finished goods	58	71
Inventories	374	332

Notes to the financial statements (continued)

19. Trade receivables

Trade receivables do not bear interest and generally fall due within 30 to 90 days. An impairment on trade receivables for expected credit losses of £2k (2023: £2k) was recognised in 2024.

The default risk from receivables from customers is managed based on the guidelines, procedures and controls of the 4basebio Group for default risk management for customers. Outstanding receivables from customers are monitored regularly.

The need for impairment is analysed at each balance sheet date using an impairment matrix to determine the expected credit losses. The impairment rates are determined on the basis of the number of days past due for various customer segments (grouped together according to criteria such as geographic region, product type, customer type, and credit rating) with similar default patterns. The calculation includes the probability-weighted result, taking into account the interest effect as well as appropriate and reliable information on past events, current circumstances and expected future economic conditions available at the balance sheet date. Trade receivables are generally impaired if they are more than one year overdue and not subject to enforcement action.

The maximum default risk at the balance sheet date corresponds to the carrying amount of each class of financial assets reported. The 4basebio Group holds no collateral.

Information on the credit risk of trade receivables and contract assets of the 4basebio Group using an impairment matrix is shown below:

Impairment matrix (simplified approach)		Trade receivables					
[in £'000]	31.12.2024	Contract assets	Not overdue	< 30 days overdue	30 to 60 days overdue	61 to 90 days overdue	> 90 days overdue
Expected credit loss rate		0.03%	0.03%	0.03%	0.03%	2.00%	5.00%
Net book value	283	–	40	203	7	28	5
Expected credit loss	2	–	–	1	–	1	–

Impairment matrix (simplified approach)		Trade receivables					
[in £'000]	31.12.2023	Contract assets	Not overdue	< 30 days overdue	30 to 60 days overdue	61 to 90 days overdue	> 90 days overdue
Expected credit loss rate		0.03%	0.03%	0.03%	0.03%	2.00%	5.00%
Net book value	107	–	21	26	16	9	35
Expected credit loss	2	–	–	–	–	–	2

20. Other assets

[in £'000]	31.12.2024	31.12.2023
Short term deposit	225	236
Income tax receivable	916	821
VAT recoverable	150	250
Other	336	207
Other current assets	1,627	1,514
Long term deposit	33	34
Other non-current assets	33	34

21. Cash and cash equivalents

[in £'000]	31.12.2024	31.12.2023
Bank balances and cash in hand	34,604	3,069
Cash and cash equivalents	34,604	3,069

Bank balances bear interest at variable rates for daily callable deposits.

Notes to the financial statements (continued)

22. Equity

The share capital of 4basebio PLC as of 31 December 2024 amounts to a total of €15,477,395 (31 December 2023: €12,319,473), divided into 15,477,395 (31 December 2023: 12,319,473) €1 shares. These are all registered ordinary shares for both periods. There are no shares with special rights or other restrictions on voting rights. In February 2024, 485,735 shares were issued following exercise of share option awards, followed by a further 5,520 shares issued in August 2024 in relation to a UK employee share incentive plan, followed by a further 2,666,667 shares issued in November 2024 in relation to an equity investment in the Company of £40 million. Subsequent to year end, a further 18,998 shares were issued on 20 March 2025 in relation to the UK employee share incentive plan which brought total issued share capital to €15,496,393.

Share Capital

[in £'000]	31.12.2024 Number	31.12.2023 Number
	Number	Number
Authorised: ordinary shares of €1 each	20,529,121	20,529,121
Issued and fully paid:		
At 1 January (€1 each)	12,319,473	12,317,473
Shares issued during the period	3,157,922	2,000
and 31 December (€1 each)	15,477,395	12,319,473

Authorised Share Capital

The Annual General Meetings of 28 June 2024 and 14 June 2023 conferred authority on the board of directors to issue up to an additional 9,817,324 and 8,623,629 ordinary shares of €1 each respectively, with such authority to expire on the earlier date of (i) the next Annual General Meeting or (ii) the date falling 15 months from the date of the relevant Annual General Meeting.

In 2024, 4,268,402 of those shares (2023: 3,695,841) were generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006; a further 5,548,922 of those shares (2023: 4,927,788) were generally and unconditionally authorised in respect of either a rights issue (2024: 4,268,402; 2023: 3,695,841) or as part of an acquisition or other specified capital investment (2024: 1,280,520; 2023: 1,231,947).

As part of such authorities totalling 9,817,324 shares (2023: 8,623,629), 4,268,402 shares (2023: 3,695,841) were authorised to be issued pursuant to section 570 of the Companies Act 2006 for cash consideration, and 1,280,520 shares (2023: 1,231,947) as part of an acquisition or other specified capital investment.

Share Premium

The share premium represents the excess of the capital contributions over and above the number of €1 par value shares issued to date.

Merger Reserve

The merger reserve arises from the spin out accounting as described in note 13 of the 2021 financial statements and in relation to the acquisition of 4basebio S.L.U. and 4basebio Limited (now 4basebio UK Limited) by 4basebio UK Societas (now 4basebio PLC). The merger reserve represents the difference between the net equity of 4basebio UK Societas (now 4basebio PLC), the legal acquiror, and the net equity of 4basebio S.L.U. on the date of the reverse acquisition, 8 December 2020 as well as the net assets acquired of 4basebio Limited (now 4basebio UK Limited).

Capital Reserve

The capital reserve represents the capital contribution from 4basebio AG (now 2Invest AG) of £11.7million in 2020 along with the share-based payments accounting arising in 2024 and previous periods.

Foreign Exchange translation reserve

The reserve represents the movement in pounds arising on the translation of 4basebio S.L.U. from its functional currency, the Euro.

As disclosed in note 2, for the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (4basebio S.L.U.) are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve.

Notes to the financial statements (continued)

Profit and Loss reserve

The reserve represents historic losses from 4basebio S.L.U. prior to the 2020 spin out as explained in note 3 to the 2021 financial statements, along with consolidated losses arising since that date.

23. Financial liabilities

(in £'000)	31.12.2024			31.12.2023		
	Current	Non-current	Total	Current	Non-current	Total
Soft loans	147	243	390	263	408	671
Loan from 2Invest AG	–	14,051	14,051	–	8,896	8,896
Lease Liability (IFRS16)	41	734	775	129	761	890
Financial liabilities	188	15,028	15,216	392	10,065	10,457

Soft loans are public loans received by 4basebio S.L.U. which carry either a minimal or nil interest rate and are hence also referred to as soft loans. The benefit accruing to the Company from low interest loans has been accounted for as grant income. The fair value of loans received has been calculated on the basis of an arm's length rate of interest of 4%, with imputed interest charges being recognised over the period of the loans.

The consequential difference between funds received and the underlying fair value of the loans has been recognised as deferred grant income within financial liabilities. This benefit is amortised over the life of each loan giving rise to grant income recorded in other operating income.

The loan facility with 2Invest is denominated in Euros and is for up to €23 million which can be drawn, with notice, at the discretion of 4basebio PLC until 31 October 2026. Interest is charged at 5% per annum on all loan amounts outstanding and compounds annually on all loan tranches outstanding. The capital and interest are due to be repaid in a single payment on 31 October 2028. Early repayment is permitted. On 19 November 2024, capital amounts totalling €4.5 million as well as interest of €40,625 were repaid. No other fees are due under this facility.

24. Other liabilities

(in £'000)	31.12.2024	31.12.2023
Payroll accruals	593	420
Audit costs	55	40
Professional services	7	50
Other accruals and provisions	728	681
Other current liabilities	1,383	1,191
Grant income not yet recognised	54	72
Other long term liabilities	54	72

Retirement benefit plans

Defined contribution plans

The Group operates a voluntary defined contribution retirement benefit plans for all qualifying employees of its UK companies. The assets of the plans are held separately from those of the Group in funds under the control of trustees.

The employees of the 4basebio S.L.U. are members of a state-managed retirement benefit plan operated by the government of Spain. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit plan to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in profit or loss of £333k (2023: £259k) represents contributions payable to these plans by the Group at rates specified in the rules of the plans. As at 31 December 2023, contributions of £35k (2023: £21k) due in respect of the current reporting period had not been paid over to the plans.

Notes to the financial statements (continued)

25. Share based payments

The Group operates a share option scheme under which it grants and has granted share options in share capital to eligible employees of Group companies. These are accounted for as equity settled in the consolidated financial statements. The scheme was recognised as an Enterprise Management Incentive Scheme in the UK for tax purposes. Under the scheme both HMRC-approved and unapproved options were issued to employees.

On 18 December 2023, the Enterprise Management Incentive Scheme ceased to qualify as a tax efficient scheme for UK purposes, following transactions between shareholders in 4basebio PLC which meant that a single shareholding group exercised control over more than 50% of the voting shares in 4basebio PLC at that date and as reported on 1 February 2024. From that date, all share options awards by the Company will be treated as unapproved share options.

Multiple share option awards were made between 25 January 2021 and 20 February 2024, with 369,761 outstanding at the end of 2024, as follows:

Grant Date	Number of options awarded	Number of options exercised	Number of options which have lapsed	Number of options outstanding at 31 December 2024
25 January 2021	597,500	435,863	68,500	93,137
30 April 2021	42,500	24,000	–	18,500
11 January 2022	48,000	–	23,000	25,000
2 February 2022	5,000	–	–	5,000
29 September 2022	60,000	27,872	20,000	12,128
1 November 2022	28,000	–	23,000	5,000
25 May 2023	50,000	–	–	50,000
5 July 2023	12,000	–	4,000	8,000
1 November 2023	50,000	–	–	50,000
2 February 2024	98,996	–	–	98,996
20 February 2024	4,000	–	–	4,000
	995,996	487,735	138,500	369,761

Options awards are typically vest equally on the first, second, third and fourth anniversary of the award.

Option awards are granted at market price, except for awards of 78,996 options on 2 February 2024 which were made at nominal value of €1 (£0.85) in recognition of the EMI scheme disqualification noted above. The following table summarises the valuation of each option award using a Black Scholes valuation model:

Grant Date	Share price on grant £	Expected volatility	Risk-free interest rate	Fair value of option £
25 January 2021	1.18	50%	1.0%	0.351
30 April 2021	3.65	50%	1.0%	1.345
11 January 2022	5.60	69%	1.2%	2.280
2 February 2022	5.50	69%	1.3%	2.242
29 September 2022	5.10	69%	3.3%	2.152
1 November 2022	5.50	69%	3.4%	2.197
25 May 2023	5.55	69%	4.2%	2.389
5 July 2023	5.75	69%	4.2%	2.476
1 November 2023	5.15	69%	4.2%	2.391
2 February 2024	0.85	40%	3.9%	5.915
2 February 2024	6.70	40%	3.9%	2.204
20 February 2024	7.25	40%	3.9%	2.401

Notes to the financial statements (continued)

26. Notes to the consolidated statement of cash-flows

Changes in financial liabilities for which cash flows have been or will be presented in the cash flow statement as cash flows from financing activities

[in £'000]	Financial year 2024			Financial year 2023		
	short-term interest-bearing loans	non-current interest-bearing loans	leases	short-term interest-bearing loans	non-current interest-bearing loans	leases
1 January	263	9,304	890	321	2,414	615
Lease inception	–	–	–	–	–	370
Cash flows	(255)	5,067	(115)	(314)	6,898	(94)
Non-cash movements	–	612	–	–	267	–
Exchange rate differences	(8)	(542)	–	(2)	(17)	(1)
Reclassification	147	(147)	–	258	(258)	–
31 December	147	14,294	775	263	9,304	890

27. Additional information on financial instruments

Financial instruments

Management has determined that the carrying amounts in all measurement categories are reasonable approximations of the fair value of the respective financial instruments.

The financial liabilities of the 4basebio Group consist primarily of loans and trade payables. The main purpose of these financial liabilities is to finance the business activities of the 4basebio Group. The financial assets of the 4basebio Group essentially consist of trade receivables, cash and cash equivalents, and short-term deposits that result directly from its business activities.

The 4basebio Group is exposed to various financial risks in the course of its business activities. These include credit, liquidity and market risks. The management of these risks is the responsibility of the management of the 4basebio Group. The guidelines for managing the risks described below are reviewed and approved by management.

Credit risks

Credit risk is the risk that a business partner fails to meet its obligations under a financial instrument or customer contract and this leads to a financial loss. The 4basebio Group is exposed to credit risks in the course of its operating activities (in particular with regard to trade receivables) as well as risks in the course of its financing activities, including those from deposits with banks and financial institutions, foreign exchange transactions, and other financial instruments. On the basis of the positive experience to date, the 4basebio Group estimates the probability of occurrence to be low and the financial impact to be extremely low.

The credit risk from credit balances with banks and financial institutions is managed in accordance with Group guidelines which requires a distribution of Group deposits across at least two banks.

Concentrations of risk arises when several counterparties engage in similar business activities or activities in the same geographic region or have economic characteristics that cause them to be equally affected in their ability to meet their contractual obligations in the event of changes in the economic or political situation or other conditions. The Group does not consider there to be undue risk concentration presently but regularly review this position.

Notes to the financial statements (continued)

Liquidity risk

The 4basebio Group monitors the risk of a possible liquidity bottleneck using regular budget and planning measures. The aim of the 4basebio Group is to ensure adequate liquidity in order to bridge short-term liquidity bottlenecks.

The following table shows the financial liabilities by maturity class based on the remaining time to maturity at the respective balance sheet date. A reconciliation of the amounts shown in the consolidated balance sheet is not possible, as the table shows non-discounted cash flows.

[in £'000]	31.12.2024				31.12.2023			
	Maturity <1 year	Maturity >1 < 5 years	Maturity > 5 years	Total	Maturity <1 year	Maturity >1 < 5 years	Maturity > 5 years	Total
Trade payables	1,694	–	–	1,694	694	–	–	694
Soft loans	147	243	–	390	263	505	–	768
Loan from 2Invest AG	–	14,051	–	14,051	–	8,896	–	8,896
Lease liabilities	41	224	510	775	183	362	720	1,265
Other liabilities	1,383	54	–	1,437	1,191	72	–	1,263
Total	3,265	14,572	510	18,347	2,331	9,835	720	12,886

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes currency and interest rate risks.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument are exposed to fluctuations due to changes in exchange rates. Exchange rate fluctuations have an impact on the presentation of assets and liabilities in the consolidated financial statements of 4basebio PLC prepared in GBP, insofar as assets and liabilities are denominated in currencies other than GBP. To control currency risk the 4basebio Group tries to carry out foreign cash flows in and out as promptly as possible and in a manner appropriate to that currency. Hedging transactions are not currently used. The assets and liabilities of the 4basebio Group reported in foreign currency largely relate to assets and liabilities denominated euros, which essentially result from the Group's business activities. The 4basebio Group reviews currency requirements in the course of the year in order to reduce currency risk if needed.

The following table shows the effects on the result for the period before taxes and equity, which result from a five percent positive or negative development of the euro against the pound, the most important currency in which the 4basebio Group carries out transactions in addition to the pound:

Sensitivity analysis [in £'000]	EUR development against GBP			
	Exchange rate movement	Impact on loss before tax	Impact on equity	Impact on cash balances
2024	+5%	(39)	160	10
	-5%	37	(153)	(9)
2023	+5%	(43)	144	26
	-5%	42	(136)	(24)

Notes to the financial statements (continued)

Categories of financial instruments as at 31.12.2024 [in £'000]	Carrying amount per valuation category (IFRS 9)					Total
	Financial assets		Financial liabilities			
	At fair value through profit or loss	At amortised cost	At fair value through profit or loss	At amortised cost		
Current assets						
Trade receivables	–	283	–	–		283
Other financial assets	–	225	–	–		225
Cash and cash equivalents	–	34,604	–	–		34,604
Non-current liabilities						
Financial liabilities	–	–	–	14,294		14,294
Lease liabilities	–	–	–	734		734
Current liabilities						
Financial liabilities	–	–	–	147		147
Trade payables	–	–	–	1,694		1,694
Lease liabilities	–	–	–	41		41

Categories of financial instruments as at 31.12.2023 (in £'000)	Carrying amount per valuation category (IFRS 9)					Total
	Financial assets		Financial liabilities			
	At fair value through profit or loss	At amortised cost	At fair value through profit or loss	At amortised cost		
Current assets						
Trade receivables	–	107	–	–	107	
Other financial assets	–	236	–	–	236	
Cash and cash equivalents	–	3,069	–	–	3,069	
Non-current liabilities						
Financial liabilities	–	–	–	9,304	9,304	
Lease liabilities	–	–	–	761	761	
Current liabilities						
Financial liabilities	–	–	–	263	263	
Trade payables	–	–	–	694	694	
Lease liabilities	–	–	–	129	129	

All financial assets and liabilities are held at amortised cost.

Contingent liabilities and other financial obligations

4basebio SLU commenced legal proceedings in August 2022 in the Spanish Courts (Madrid and Valencia) against Tyriss Tx, an entity wholly owned by Columbus Venture Partners, and other parties including partners of Columbus Venture Partners, concerning breach of confidentiality and entitlement of patent applications filed in the name of Tyriss Tx. The Board does not consider the proceedings material to the Group's commercial activities.

In May 2023, in what the board considers to be responsive proceedings, Tyriss Tx commenced legal proceedings in the Spanish Courts (Madrid) against 4basebio SLU concerning breach of confidentiality and joint entitlement of certain patent applications in the names of 4basebio SLU and 4basebio Discovery Limited. The Board and its legal representatives consider the claims received to be without merit.

During 2024, several court hearings have taken place in relation to the matters above and remain ongoing.

Notes to the financial statements (continued)

28. Directors' remuneration

The aggregate compensation made to directors of the Group is set out below:

[in £'000]	2024	2023
Salaries and fees	1,202	869
Other benefits	3	11
Directors' remuneration	1,205	880

On 25 January 2021, Heikki Lanckriet was awarded 238,000 share options at market price; David Roth was awarded 179,000 share options at market price (note 25). Amy Walker held share options totalling 42,128 at the time of being appointed a director on 5 August 2024.

On 1 February 2024, Heikki Lanckriet exercised his rights over 211,863 share options. On the same date, David Roth exercised his rights over 179,000 share options.

On the same date, the Company's Remuneration Committee resolved that the long-term incentivisation for senior management in the event of a future sale of the Company will comprise a cash bonus calculated as to a percentage of any future sale price achieved for the Company that exceeds £85 million. The quantum that would be awarded to Heikki Lanckriet, Amy Walker and David Roth in the event of a sale of the Company is 0.52 per cent., 0.48 per cent. and 0.44 per cent. respectively of the sale price in excess of £85 million.

29. Related parties

Related parties as defined by IAS 24 are legal or natural persons that can exert influence on the 4basebio Group or are subject to control, joint management or significant influence by 4basebio PLC. Related parties are also members of management in key positions, their close family members and companies that are controlled, jointly controlled or significantly influenced by this group of persons.

Interests in subsidiaries are set out in note 15. Disclosures relating to key management personnel are set out in note 28.

At year end, the Group held a lease over two properties which is included in right of use assets as set out in note 16. The properties concerned are part owned by persons related to Heikki Lanckriet.

30. Auditor's fees and services

Crowe U.K. LLP acts as auditor to the Company and the Group. £45k (2023: £38k) was payable to the auditor for the audit of the Company and its UK subsidiaries according to legislation. Further amounts of £5k were payable in 2024 (2023: £8k) for other assurance services.

31. Events after the reporting period

On 20 March 2025 the Company issued 18,998 shares in relation to an Employee Share Incentive Plan with issued share capital increasing to €15,496,393 ordinary shares at that date.

On 7 April 2025, 4basebio Inc. was incorporated in the US state of Delaware. It is currently dormant.

32. Approval of the financial statements

The financial statements were approved by the board of directors and authorised for issue on 23 May 2025.

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