Press release

OXFORD BIOMEDICA PLC
INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

Delivering Pure-Play CDMO Growth Strategy

- *Continued execution of "One OXB" strategy with global integration progressing across UK, US and French operations*

- *Existing near-term and medium-term financial guidance reiterated, supported by positive growth trajectory of the business*

- *Continued strong demand for OXB's CDMO services, with an increase in number of late stage programmes*
  - *Client portfolio is maturing and now includes 37 clients and 48 programmes as of September 2024 (September 2023: 24 clients and 41 programmes), representing a growth of 54% for clients and 17% for programmes year-on-year*
  - *Successfully onboarded multiple new clients, including signing 7 early-stage AAV programmes in the US*
  - *Currently supporting late stage activities for 4 clients preparing for commercial launch of CAR-T products, compared to 1 late stage programme in September 2023*

- *Strong commercial KPIs underpin expected momentum in second half of 2024 and beyond:*
  - *Contracted value of client orders in the first eight months of the year reflect strong demand for CDMO services at approximately £94 million; this is supported by a high level of GMP suite utilisation for 2025*
  - *The total potential revenue pipeline grew by 29% from $438 million to $565 million, since the start of the year (as of 13 September 2024)*

- *Post-period end, Dr. Lucinda Crabtree joined as CFO on 2 September; transition process well-progressed*

Oxford, UK - 23 September 2024: OXB (LSE: OXB), a quality and innovation-led cell and gene therapy CDMO, today announces interim results for the six months ended 30 June 2024.

Dr. Frank Mathias, OXB's Chief Executive Officer, said: *"The first half of 2024 has been a period of significant progress for OXB as we continue to execute our multi-vector, multi-site 'One OXB' strategy.*

"The integration of our global network of sites is progressing well, delivering operational benefits that enhance our ability to meet diverse client needs and accelerate project timelines. We've experienced strong demand across our viral vector services, with particularly robust revenue growth in lentiviral vector manufacturing. Importantly, we're also seeing encouraging progress in AAV, including the signing of several new early stage programmes in the US.

"Our commercial momentum is strong across all our key regions - the UK, US and France. We're particularly pleased with the growth in our late-stage programmes, now supporting late stage activities for four clients preparing for commercial launch of CAR-T products.

"The positive trajectory of our key performance indicators, including our growing revenue backlog and the high level of GMP suite reservations for 2025, gives us confidence in our future performance. These metrics reflect the increasing maturity of our client programmes and the growing demand for our services in the cell and gene therapy sector.

"*As we look ahead, we remain focused on further integrating our operations and growing our global portfolio of clients and projects across all stages of clinical development. I'm proud of the OXB team whose expertise and dedication are driving our achievements, enabling our clients to deliver life-changing therapies to patients and create long-term value for our shareholders."*

FINANCIAL HIGHLIGHTS (including post-period events)

- Double-digit revenue growth; total revenues increased by 18% to £50.8 million (H1 2023: £43.1 million). Organic revenue growth was 38%. Organic growth excludes the impact of the acquisition of OXB France and the loss of revenues from Homology Medicines, Inc ("Homology").
- Revenue growth was driven by higher levels of manufacturing and commercial development activity, including:
  - New client acquisition and revenue growth in lentiviral vector manufacturing as a result of an increase in the number of batches manufactured and clients transitioning to Process C, OXB's best-in-class perfusion bioreactor process for lentiviral vector manufacturing.
  - New contributions from OXB France following the acquisition of ABL Europe in January 2024, total revenues in France of £5.7 million in H1 2024.
  - Offset by a decline in US revenues due to Homology ceasing clinical activities, revenues from Homology in H1 2024 were £0.2 million (H1 2023: £12.9 million).
- Lower cost base as a result of the 2023 reorganisation:
  - Operating EBITDA loss of £(20.3) million (H1 2023: £(33.7 million) and operating loss of £(32.2) million (H1 2023: £(50.7) million).
- Sufficient capital to achieve current strategic plan:
  - Cash at 30 June 2024 was £81.4 million (31 Dec 2023: £103.7 million); Net cash was £41.7 million (31 Dec 2023: £65.2 million).
- Commercial KPIs underpin expected momentum for the second half of 2024 and beyond:
  - The contracted value of client orders[1] signed during the first 8 months of 2024 was approximately £94 million as at 31 August 2024.
  - Revenue backlog[2] as at 31 August 2024 stood at approximately £120 million, compared to £94 million at 31 December 2023. This is the amount of future revenue available to earn from current orders.

OUTLOOK AND FINANCIAL GUIDANCE

- The Group reiterates its existing near-term and medium-term financial guidance communicated to the market:
  - 2024 total Group revenues of between £126 million and £134 million, with a three-year revenue CAGR of more than 35% for 2023-2026.
  - Low double-digit Operating EBITDA loss in 2024, including the impact of the acquisition of OXB France and investment in talent to support increased late stage client activity in 2025.
  - The Group expects to achieve Operating EBITDA margins in excess of 20% by the end of 2026, and to be profitable on an EBITDA level in 2025.

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[1] Contracted value of client orders represent the value of customer orders for which the customer has signed a financial commitment, whereby any changes to agreed values will be subject to either change orders or cancellation fees.

[2] Revenue backlog represents ordered CDMO revenues available to earn. It is calculated on a cumulative basis by adding new contracted client orders less the value of revenues already recognised or no longer available after project scope adjustments or cancellations.

Analyst briefing

OXB's management team, led by Dr. Frank Mathias, CEO, Dr. Lucinda Crabtree, CFO and Dr. Sebastien Ribault, CBO will be hosting a briefing and Q&A session for analysts at 13:00 BST / 8:00 EST today, 23 September, at Chartered Accountants Hall, One Moorgate Place, London EC2R 6EA, United Kingdom.

A live webcast of the presentation will be available via this link. The presentation will be available on OXB's website at www.oxb.com

If you would like to dial in to the call and ask a question during the live Q&A, please email OXB@icrhealthcare.com

Notes

Unless otherwise defined, terms used in this announcement shall have the same meaning as those used in the Annual report and accounts.

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About OXB

OXB (LSE: OXB) is a quality and innovation-led contract development and manufacturing organisation (CDMO) in cell and gene therapy with a mission to enable its clients to deliver life changing therapies to patients around the world.

One of the original pioneers in cell and gene therapy, OXB has more than 25 years of experience in viral vectors; the driving force behind the majority of cell and gene therapies. OXB collaborates with some of the world's most innovative pharmaceutical and biotechnology companies, providing viral vector development and manufacturing expertise in lentivirus, adeno-associated virus (AAV), adenovirus and other viral vector types. OXB's world-class capabilities span from early stage development to commercialisation. These capabilities are supported by robust quality-assurance systems, analytical methods and depth of regulatory expertise.

OXB offers a vast number of unique technologies for viral vector manufacturing, including a 4th generation lentiviral vector system (the Tetravecta™ system), dual plasmid system for AAV production, suspension and perfusion process using process enhancers and stable producer and packaging cell lines.

OXB, a FTSE4Good constituent, is headquartered in Oxford, UK. It has bioprocessing and manufacturing

facilities across Oxfordshire, UK, Lyon and Strasbourg, France and near Boston, MA, US. Learn more at www.oxb.com, and follow us on LinkedIn and YouTube.

Overview

In the first half of 2024 Oxford Biomedica plc ("OXB" or "the Group") remained firmly focused on the execution of its new multi-vector multi-site "One OXB" strategy, laying the foundations for further sustainable growth. Despite the challenges of continuing unfavourable global economic conditions, this strategy is gaining traction. This is demonstrated by the high demand for OXB's CDMO services across all key viral vector types, alongside strong commercial KPIs. These factors underpin expected momentum for the second half of 2024 and beyond.

To align with the new focus of the business, OXB made several strategic updates to its Board and senior leadership team including the post-period end appointment of Lucinda (Lucy) Crabtree as the new Chief Financial Officer. Smoothly taking over from Stuart Paynter, Lucy Crabtree has already begun working closely with Frank Mathias and the rest of the leadership team to execute the new OXB strategy.

OXB has continued to gain market share in the rapidly growing cell and gene therapy market. The contracted value of client orders signed during 2024 stood at approximately £94 million as of 31 August 2024, including an increase in orders signed towards the end of the first half of 2024 and continuing momentum post-period end. OXB expects strong cadence of new orders to continue in the second half of 2024 and beyond, underpinned by a strong business development pipeline, with a high level of GMP suite utilisation for 2025 giving increased visibility.

Operational Review

CDMO Services

Demand for OXB's CDMO services remains strong across all key viral vector types, with an expected increase in AAV and adenovirus-based programmes. OXB has capitalised on this demand, growing and diversifying its CDMO portfolio throughout the year. The Group has successfully onboarded multiple new clients, including signing 7 early stage AAV programmes in the US. Concurrently, existing client programmes have advanced, with the Group supporting late stage activities for 4 clients as they prepare for the commercial launch of CAR-T products and subsequent Biologics License Application (BLA) submissions. Approximately a quarter of OXB's clients are working with the Group on more than one programme, underscoring the strength and embedded commercial opportunity of these relationships.

In January, OXB completed the acquisition of ABL Europe SAS, now renamed Oxford Biomedica (France) SAS ("OXB France"), significantly enhancing the Group's capacity to meet growing client demand. This move has transformed OXB's operational footprint, which now spans three key regions: UK, US and France, and solidified OXB's position as a world-leading quality and innovation-led CDMO in the cell and gene therapy field. The acquisition has also expanded OXB's capabilities significantly, complementing its established expertise in Adenovirus, Lentiviral vectors and AAV with OXB France's advanced capabilities in Pox viruses, including MVA and Vaccinia.

The integration of OXB France is significantly progressed, with the site already delivering process development and GMP manufacturing for clients across multiple vector types.

The resulting multi-vector, multi-site model is already demonstrating significant operational benefits alongside commercial benefits. A key operational advantage is the Group's ability to seamlessly allocate projects across its international network of facilities. This cross-border collaboration enables OXB to:

- Optimise resource utilisation across all sites
- Balance workloads efficiently
- Leverage specialised expertise from different locations
- Manage multiple work packages simultaneously
- Increase flexibility in line with client preferences

As a result, the Group has enhanced its capacity to meet diverse client needs and accelerate project timelines.

This expanded operational model, combined with OXB's strong track record, expertise and know-how in manufacturing viral vectors, strengthens the Group's position as a leading CDMO in the cell and gene therapy sector.

Programme stage	September 2023[1]	September 2024[2]
	24 clients 41 client programmes	37 clients 48 client programmes
Pre-clinical through to early stage clinical	39[3]	42
Late stage clinical	1	4
Commercial agreements	1	2

1 As per the H1 2023 results release

2 As of this results release (includes post-period events)

3 Includes undisclosed stage programmes

Business Development

OXB has continued to strengthen its business development activities throughout 2024. The Group's focus on utilising its multi-viral vector CDMO capabilities to broaden its client base and deepen existing client relationships has started to deliver results, reflecting sustained demand for OXB's services from a diverse range of pharmaceutical and biotechnology companies.

The contracted value of client orders signed during 2024 was approximately £94 million as at 31 August 2024. Clients transitioning from early stage manufacturing to late stage and commercial activities have moved from a batch reservation model to a binding forecast model, providing increased revenue visibility for late stage client programmes.

The Group tracks its pipeline of potential revenue opportunities through a rigorous internally developed process. The total potential revenue pipeline grew by 29% from $438 million at the start of year to $565 million as of 13 September 2024. Growth has also been seen in the risk adjusted pipeline (adjusted for conversion probability) demonstrating OXB’s increased efficiency in progressing potential commercial opportunities.

The pipeline is well-balanced, with approximately half representing potential revenue opportunities with existing clients. It includes opportunities across all stages of development, including commercial manufacturing.

Innovation

The Group focuses on client-centric innovation that addresses the unique challenges of cell and gene therapy. By enhancing viral vector production, the Group is not only industrialising the process, but also achieving higher productivity, better quality and lower costs, thereby benefiting clients and ultimately patients. This combination of platform and process innovation is expected to significantly reduce the cost per dose, accelerating clinical development and expanding patient access to these therapies.

At the start of the year, the Group launched the inAAVate™ platform, which offers a proprietary ‘plug and play’ Dual-Plasmid system for transient transfection, as well as a standard triple transfection system for AAV-based gene therapies. The inAAVate™ platform has demonstrated cell culture titre to over 1E15 vg/L for multiple serotypes across multiple genomes, and shown a significant increase in AAV vector productivity and quality with >50% full capsids in the bioreactor and >90% full capsids in the final drug substance. The Dual-Plasmid system, together with the Group's proprietary transfection process has been successfully scaled up to 2,000L with multiple GMP runs at 500L scale, and represents a high-quality platform with industry-leading productivity to enable successful AAV product development.

Additionally, the Group has developed additive technologies that are already being used in GMP for client programmes (U1) or expected later in the second half of 2024 / first half of 2025 (I3A). These allow for an increase

in the number of lentiviral particles generated and an improvement in their potency such that less vector has to be used to achieve the same benefit; a continuing challenge for the industry.

Corporate & Organisational Development

The Group has undergone changes in its Board composition and leadership team during the period, better aligning the Board's skills and expertise with its focus as a pure-play cell and gene therapy CDMO.

In March 2024, Peter Soelkner joined the Board as a Non-Executive Director. Mr. Soelkner brings over 30 years of experience in the global pharmaceutical services industry, with significant CDMO expertise. He is currently Managing Director of Vetter Pharma, where he has helped grow revenues from $200 million to more than $1 billion over the past 15 years.

Catherine Moukheibir and Dr. Michael Hayden did not stand for re-election at the June 2024 Annual General Meeting, as part of the Group’s efforts to streamline the Board while bolstering its CDMO expertise. Dr. Hayden continues to serve as an adviser to the Science and Technology Advisory Committee.

In July 2024, Laurence Espinasse was appointed as a Non-Executive Director. Ms. Espinasse brings more than two decades of experience across the legal and healthcare sectors and currently serves as the General Counsel and Compliance Officer at Institut Mérieux SA ("Institut Mérieux").

On 17 July 2024, post-period, the Group announced the appointment of Dr. Lucinda (Lucy) Crabtree as Chief Financial Officer (CFO) and Board member, effective 2 September 2024. Dr. Crabtree brings extensive experience in the biopharmaceutical and investment sectors, having previously served as CFO at MorphoSys AG and Autolus Therapeutics. Concurrently, Stuart Paynter stepped down as CFO and from the Board after almost seven years of service.

One OXB: integrated global CDMO strategy

The Group has made significant progress with the integration of its global network of sites under its new multi-vector multi-site strategy as a pure-play CDMO. The Group continues to deliver on the 20 "One OXB" workstreams, improving efficiency of operations, retaining talent and focusing on client-centric innovation, aiming for full integration by the end of 2025.

Key achievements include:

- Successfully transferring its lentiviral vector capabilities to its Bedford, Massachusetts site, with rollout to US clients underway and plans to enable OXB’s French sites to provide similar lentiviral vector services by the end of 2024.
- Developing a new product introduction process that significantly speeds up clients' transition from clinical stages to GMP manufacturing. This new process is expected to significantly reduce internal resource usage and shorten the time needed to transfer new products onto OXB's platform.
- Extending the Sales and Operations Planning (S&OP) process to French sites, following successful implementation in the UK and US. This allows the Group to use a systematic and consistent approach to deciding where to best allocate client projects according to key criteria such as delivery and business impact.

Post-period end in September, the Group announced the launch of its new corporate brand. As part of this rebrand, the Group has rebranded as OXB, unveiling a more modern and recognisable visual identity that reflects the global nature of the Group’s operations and its transformation into a pure-play cell and gene therapy CDMO.

Acquisition of ABL Europe from Institut Merieux

In September 2023, OXB announced its intention to acquire ABL Europe from Institut Mérieux, for a deal value of €15 million (including €10 million of post-completion cash funding in ABL Europe from Institut Mérieux). Under IFRS 3: Business Combinations, accounting, the fair value of the shares paid as consideration was €6.6m, which

comprises the shares issued of 3,149,374 at the acquisition date share price of 180.6p. ABL Europe, renamed OXB France post the acquisition, is a pure-play European CDMO with specialised expertise in the development and manufacturing of viral vectors for biotech and biopharma companies including viruses for cell and gene therapy, oncolytic viruses and vaccine candidates.

The transaction completed on 29 January 2024, providing the Group with bioprocessing and manufacturing facilities in the EU, through sites in Lyon and Strasbourg, France. This strategic acquisition increases access to EU-based clients and broadens the Group's international development, manufacturing and testing presence, whilst increasing its capacity in process and analytical development and early stage manufacturing, with over 1,800m^2 of GMP manufacturing space. The addition of the sites in France brings more than 100 CDMO experts to the Group and adds expertise in Pox viruses, including MVA and Vaccinia, to OXB's client offering.

On 18 June 2024, TSGH SAS, a subsidiary of Institut Mérieux, invested €20 million (£16.9 million) through the subscription of 5,201,107 new ordinary shares at a price of 325p per share.

Following this subscription, the acquisition, and previous market purchases, Institut Mérieux now holds a 10.9% stake in OXB, making it a major, long-term shareholder and further underpinning its conviction in OXB's strategy.

Environmental, Social & Governance

The Group remains committed to its role as a responsible business and its ESG mission to deliver life-changing cell and gene therapies to patients in an ethical and socially responsible way. The ESG strategy has been reviewed to reflect OXB’s strategic reset as a pure-play CDMO. As a result of this review, OXB will focus on four pillars: People; Community; Environment and Supply Chain.

The Group's newly formed Environment, Social, Governance and Risk (" ESGR") Committee is responsible for the governance and oversight of all of OXB's ESG commitments and reports to the Corporate Executive Team (CET) and ultimately to the Board. The ESGR Committee is chaired by Thierry Cournez, the Group's Chief Operating Officer.

Namrata Patel, Independent Non-Executive Director is responsible for providing strategic insight and practical solutions to shape and achieve objectives with regards to the Group's sustainability strategy and presents progress updates to the Audit Committee and the Board.

Full details on our ESG pillars can be found on our ESG webpage at www.oxb.com

Financial review

The Group has made significant progress under its new multi-vector multi-site strategy as a pure-play CDMO during the first six months of 2024. This included the acquisition of OXB France, the successful transfer of OXB's lentiviral vector capabilities to its Bedford, MA site and the continued integration of its global network of sites. Following the discontinuation of its Product segment at the end of 2023, the Group now operates solely as a pure-play CDMO. Consequently, for 2024, the Group reports as a single segment.

Selected highlights of the Group's financial results are as follows:

- Total revenues increased by 18% to £50.8 million (H1 2023: £43.1 million). Organic revenue growth was 38%. Organic growth excludes the impact of the acquisition of OXB France and the loss of revenues from Homology.
- Revenue growth was driven by higher levels of manufacturing and commercial development activity, including:
  - New client acquisition and revenue growth in lentiviral vector manufacturing.
  - New contributions from OXB France following the acquisition of ABL Europe in January 2024; total revenues in France of £5.7 million in H1 2024.
  - Offset by a decline in US revenues due to Homology ceasing clinical activities, revenues from Homology in H1 2024 were £0.2 million (H1 2023: £12.9 million).
- Revenues from bioprocessing and commercial development activities increased by 15% to £46.9 million (OXB France £5.7 million) (H1 2023: £40.6 million). This was driven by double digit revenue growth in lentiviral vector manufacturing as a result of an increase in the number of batches manufactured and clients transitioning to Process C, OXB's best-in-class perfusion bioreactor process for lentiviral vector manufacturing.
- Revenues from milestones, licences and royalties increased by 56% to £3.9 million (H1 2023: £2.5 million); due to completion of a client milestone in relation to first patient dosing in a pivotal clinical trial.
- Acquisition of ABL Europe from Institut Mérieux for a fair value consideration of €6.6 million by means of a share-for-share exchange increasing net assets of the Group by £7.4 million and giving rise to a bargain purchase gain of
  £1.7 million. Refer to note 19.
- Refinancing ($30 million cash) completed of Oxford Biomedica (US) LLC ("OXB US") at 26 June 2024, resulting in an increase in ownership by OXB and dilution of Q32 Bio Inc ("Q32 Bio") (which acquired Homology in March 2024). OXB's ownership of OXB US as a result has increased to 90% from 80%.
- Operating EBITDA loss of £(20.3) million (H1 2023: £(33.7) million) and operating loss of £(32.2) million (OXB France (£4.4) million) (H1 2023: £(50.7) million). Reduced operating EBITDA loss as a result of the increase in revenues and the impact of the 2023 reorganisation lowering the overall cost base.
- Cash(burn) of £(43.6) million (H1 2023: £(10.2) million) arising principally from operating loss and the absence of positive one-off working capital movements which occured in the first half of 2023.
- Cash at 30 June 2024 was £81.4 million (31 Dec 2023: £103.7 million); Net cash was £41.7 million (31 Dec 2023: £65.2 million).

Key financial indicators

The Group evaluates its performance inter alia by making use of alternative performance measures as part of its Key Financial Performance Indicators (refer to the table below). The Group believes that these Non-GAAP measures, together with the relevant GAAP measures, provide a comprehensive, accurate reflection of the Group's performance over time. The Board has taken the decision that the Key Financial Performance Indicators against which the business will be assessed are Revenue, Operating EBITDA and Operating profit/(loss). The figures presented in this section for prior years are those reported in the Interim Reports for those years.

£'m	H1 2024	H1 2023
Revenue		
Bioprocessing/ commercial development	**46.9**	40.6
Licences, milestones and royalties	**3.9**	2.5
Total revenue	**50.8**	43.1
Operations		
Operating EBITDA[1]	**(20.3)**	(33.7)
Operating (loss)	**(32.2)**	(50.7)
Cash Flow		
Cash (used in) operations	**(39.2)**	(5.4)
Capex[2]	**(4.8)**	(4.9)
Cash (burn)[3]	**(43.6)**	(10.2)
Financing		
Cash	**81.4**	129.4
Loan	**39.7**	90.1
Non-Financial Key Indicators		
Headcount		
Half Year[4]	**834**	891
Average[4]	**845**	891

1 Operating EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation, revaluation of investments and assets at fair value through profit and loss, and Share Based Payments) is a non-GAAP measure often used as a surrogate for operational cash flow as it excludes from operating profit or loss all non-cash items, including the charge for share based payments. However, deferred bonus share option charges are not added back to operating profits in the determination of Operating EBITDA as they may be paid in cash upon the instruction of the Remuneration Committee. A reconciliation to GAAP measures is provided on page 12.

2 This is purchases of property, plant and equipment as per the cash flow statement which excludes additions to right-of-use assets.

3 Cash burn is net cash consumed from operations plus net interest plus capital expenditure. A reconciliation to GAAP measures is provided on page 13.

4 Includes approx 130 heads as part of the acquisition of OXB France.

Revenue

£'m	H1 2024	H1 2023
Revenue		
Bioprocessing/ commercial development	**46.9**	40.6
Licences, milestones and royalties	**3.9**	2.5
Total revenue	**50.8**	43.1

The Group's revenues increased by 18% to £50.8 million (H1 2023: £43.1 million) with organic revenue growth of 38%, excluding the impact of the acquisition of OXB France and the loss of revenues from Homology.

Revenues from bioprocessing and commercial development activities increased by 15% to £46.9 million (H1 2023: £40.6 million) driven by new client acquisition and revenue growth in lentiviral vector manufacturing as a result of an increase in the number of batches manufactured, and clients transitioning to Process C, OXB's best-in-class perfusion bioreactor process for lentiviral vector manufacturing and £5.7 million of revenue from OXB France post-acquisition. This was offset by a decline in US revenues due to Homology ceasing clinical activities. Revenues from Homology in H1 2024 were £0.2 million (H1 2023: £12.9 million).

Revenues from milestones, licences and royalties increased by 56% to £3.9 million (H1 2023: £2.5 million); due to completion of a client milestone in relation to first patient dosing in a pivotal clinical trial.

Operating EBITDA

£'m	H1 2024	H1 2023
Revenue	**50.8**	43.1
Other income	**3.2**	1.4
Gain on sale of property	**-**	0.5
Total expenses[1]	**(74.4)**	(78.7)
Operating EBITDA[2]	**(20.3)**	(33.7)
Non cash items[3]	**(11.9)**	(17.0)
Operating (loss)/profit	**(32.2)**	(50.7)

1 Total expenses are operational expenses including cost of goods incurred by the Group. A reconciliation to GAAP measures is provided on page 11.

2 Operating EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation, revaluation of investments and assets at fair value through profit and loss, and Share Based Payments) is a non-GAAP measure often used as a surrogate for operational cash flow as it excludes from operating profit or loss all non-cash items, including the charge for share based payments. However, deferred bonus share option charges are not added back to operating profits in the determination of Operating EBITDA as they may be paid in cash upon the instruction of the Remuneration Committee. A reconciliation to GAAP measures is provided on page 12.

3 Non-cash items include depreciation, amortisation, revaluation of investments, fair value adjustments of available-for-sale assets and the share-based payment charge.

Operating EBITDA loss of £(20.3) million (H1 2023: £(33.7) million) and operating loss of £(32.2) million (H1 2023: £(50.7) million) arose as a result of the increase in revenues and the ongoing impact of the 2023 restructure lowering the overall cost base.

In 2024, the Group benefited, in Other Income, from a £1.7 million one-off gain as a result of the fair value of the French acquisition. In 2023, the Group benefited from a one-off profit on sale of its Harrow House facility of £0.5 million in a sale and lease back transaction. Other operating income also includes sub lease rental income £1.2 million and grant income to further develop supply chain capabilities of £0.2 million.

Total Expenses

In order to provide the users of the accounts with a more detailed explanation of the reasons for the year on year movements of the Group's operational expenses included within Operating EBITDA, the Group has added together research and development, bioprocessing and administrative costs and has removed depreciation, amortisation and the share option charge as these are non-cash items which do not form part of the Operating EBITDA alternative performance measure.

As Operating (loss) is assessed separately as a key financial performance measure, the year on year movement in these non-cash items is then individually analysed and explained specifically in the Operating and Net (loss) section. Expense items included within Total Expenses are then categorised according to their relevant nature with the year on year movement explained in the second table.

£'m	H1 2024	H1 2023
Research and development[1]	**15.8**	31.4
Bioprocessing costs	**23.6**	30.3
Administrative expenses	**14.1**	12.9
Operating expenses	**53.5**	74.6
Depreciation, Amortisation and share option charge	**(11.9)**	(17.0)
Adjusted Operating expenses[2]	**41.6**	57.6
Cost of sales	**32.8**	21.1
Total Expenses[3]	**74.4**	78.7

1 Includes the RDEC tax credit.

2 Research, development, bioprocessing and administrative expenses excluding depreciation, amortisation and the share option charge.

3 Cost of goods plus research, development, bioprocessing and administrative expenses excluding depreciation, amortisation and the share option charge.

Revenue increased by 18% in H1 2024 whilst the Group's cost base decreased by 6% to £(74.4) million. 2024 has seen a decrease in gross margin to 35% (H1 2023: 51%) due to client and product mix and the timing of client product lifecycles to support future commercial launches.

There was a decrease of £16.0 million (28%) in adjusted operating expenditure in H1 2024 to £41.6 million (H1 2023: £57.6 million) reflecting the impact of the streamlining of roles, synergies achieved from the move to a site-based model; including £5.6 million savings from the closure of the Product division and £3.3 million reduction in amortisation and depreciation in 2024, primarily driven by the impact of the 2023 impairment of OXB US assets following the decision by Homology to cease clinical activities.

Administration costs have increased by £1.2 million primarily driven by the larger Group post acquisition of OXB France, changes in Group management and cost inflation.

The table below shows total expenses by type of expenditure (excluding depreciation, amortisation and other non-cash items):

£'m	H1 2024	H1 2023
Raw materials, consumables and other external bioprocessing costs	**20.4**	15.9
Manpower-related	**40.0**	47.1
External R&D expenditure	**0.3**	1.5
Other costs	**16.6**	16.7
RDEC Credit	**(2.9)**	(2.5)
Total Expenses[1]	**74.4**	78.7

1 Total expenses are operational expenses including cost of goods incurred by the Group. A reconciliation to GAAP measures is provided on page 11.

- Raw materials, consumables and other external bioprocessing costs used in lentivector and AAV batch manufacturing and development have increased in line with increased activities.
- The decrease in manpower-related costs is due to the restructuring completed at the end of 2023 with the loss of approximately 200 roles across the UK and the US business, offset by the addition of approximately 130 roles in the French business.
- External R&D expenditure decreased significantly as a result of the closure of the product division in the second half of 2023.
- Other costs were higher as a result of the inclusion of the administrative expenditure of OXB France and inflationary increases.
- The RDEC credit has increased to £2.9 million (H1 2023: £2.5 million) due to an increase in qualifying activity.

Operating (loss) and net (loss)

£'m	H1 2024	H1 2023
Operating EBITDA[1]	**(20.3)**	(33.7)
Depreciation, Amortisation and share option charge	**(11.9)**	(17.0)
Operating (loss)	**(32.2)**	(50.7)
Interest	**(3.1)**	(3.4)
Foreign exchange on loans	**(0.4)**	1.7
Taxation	**(0.7)**	(0.3)
Net (loss)	**(36.4)**	(52.7)

1 Operating EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation, revaluation of investments and assets at fair value through profit and loss, and Share Based Payments) is a non-GAAP measure often used as a surrogate for operational cash flow as it excludes from operating profit or loss all non-cash items, including the charge for share based payments. However, deferred bonus share option charges are not added back to operating profits in the determination of Operating EBITDA as they may be paid in cash upon the instruction of the Remuneration Committee.

In arriving at Operating (loss) it is necessary to deduct from Operating EBITDA the non-cash items referred to above. The depreciation (£10.2 million) and amortisation (£1.3 million) charges are both lower in 2024 post the 2023 impairment of OXB US assets driven by the decision by Homology to cease clinical activities. The share option charge decreased by £1.9 million due to the employee restructuring, as well as the non-vesting of certain share options with performance conditions.

The impact of these charges resulted in an operating loss H1 2024 of £(32.2) million in 2024 compared to H1 2023 loss of £(50.7) million in the prior year.

H1 2024 net interest and foreign exchange charge increased by £1.8 million partly as result of £1.7 million gain in respect of the Oaktree loan being replaced by losses (£0.4 million) in 2024. In addition, lower group cash balances reduced interest received (£0.5 million) and the additional leases as a result of the acquisition of OXB France.

Other Comprehensive Income

The Group recognised a loss within other comprehensive income in H1 2024 of £0.2 million (H1 2023: £4.6 million expense) in relation to movements on the foreign currency translation reserve.

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, including gains arising from monetary items that in substance form part of the net investment in foreign operations.

Cash flow

£'m	H1 2024	H1 2023
Operating (loss)	**(32.2)**	(50.7)
Non-cash items included in operating loss[1]	**11.9**	17.0
Operating EBITDA[2]	**(20.3)**	(33.7)
Non - cash gain	**(1.7)**	-
Working capital movement[3]	**(17.2)**	24.8
Cash (used in) operations	**(39.2)**	(8.9)
R&D tax credit received	**-**	3.5
Net Cash (used in) operations	**(39.2)**	(5.4)
Net interest	**0.4**	0.1
Capex[4]	**(4.8)**	(4.9)
Net cash (burn)[5]	**(43.6)**	(10.2)

1 Depreciation, Amortisation, revaluation of investments and assets at fair value through profit and loss, and Share Based Payments.

2 Operating EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation, Impairment, revaluation of investments and assets at fair value through profit and loss, and Share Based Payments) is a non-GAAP measure often used as a surrogate for operational cash flow as it excludes from operating profit or loss all non-cash items, including the charge for share based payments. However, deferred bonus share option charges are not added back to operating profits in the determination of Operating EBITDA as they may be paid in cash upon the instruction of the Remuneration Committee. A reconciliation to GAAP measures is provided on page 12.

3 This is Changes in working capital as laid out in: Cash flow from operating activities on page 31

4 This is Purchases of property, plant and equipment as per the cash flow statement which excludes additions to Right-of-use assets.

5 Cash burn is net cash consumed from operations plus net interest plus capital expenditure.

The Group held £81.4 million of cash at 30 June 2024, having begun the year with £103.7 million. Significant movements across the year are explained below:

- The negative working capital movement of £17.2 million arose principally due to increased manufacturing activity which has reduced contract liabilities relating to batch deposits by £6.2 million and increased trade receivables by £12.6 million.
- The Group received the 2021 RDEC tax credit in January 2023, £3.5 million and the 2022 RDEC tax credit in October 2023, £4.0 million therefore there is no RDEC receipt in H1 2024 as expected.
- Purchases of property, plant and equipment remained stable at £4.8 million, as the Group restricted its capex spend to replacement requirements except for some highly strategic and specifically approved projects.
- The Group benefited from £9.0 million net cash on acquisition of OXB France.
- The net inflows from financing during 2024 was £10.0 million, consisting of proceeds from a share issue of £17.0 million by Institut Mérieux and share option exercises offset by lease and loan payments of £5.0 million and £2.2 million respectively, lease payments have increased due to the sale and leaseback of the Group's Harrow House and Windrush Court facilities and the additional leases within OXB France.

- The result of the above movements is a net decrease of £21.9 million which, together with a negative movement in foreign currency balances of £0.4 million, leads to a decrease in cash from £103.7 million to £81.4 million.

Statement of financial position

The most notable items on the Statement of financial position, including changes from 31 December 2023, are as follows:

- Intangible assets decreased from £31.0 million to £30.0 million due to amortisation of £1.3 million, offset by foreign exchange movements of £0.3 million;
- Property, plant and equipment has decreased by £4.1 million from £75.7 million to £71.6 million due to depreciation of £10.2 million; disposals of £1.8 million and FX and other impacts £0.8 million. Offset by capital expenditure of £4.8 million on mainly plant and equipment and OXB France acquisition of £3.9 million;
- Inventories have increased from £12.9 million to £16.6 million, partly driven by the addition of OXB France and an increase in UK inventory in preparation for the H2 2024 activity;
- Trade and other receivables increased from £24.7 million at the start of the year to £40.8 million mainly as a result of higher levels of client activity and the addition of OXB France.
- Trade and other payables have increased from £17.8 million at the start of the year to £26.9 million due to the addition of OXB France and higher levels of activity driving increased trade creditors to respond to increased client activity;
- Contract liabilities decreased from £26.1 million in 2023 to £24.0 million due to utilisation of batch deposits invoiced in advance for the goods and services being provided by the Group in the period;
- Provisions increased to £8.6 million, an increase of £0.1 million as a result of an increase in the estimate of restoring the existing properties to their original state;
- Lease liabilities decreased from £72.9 million to £70.6 million due to the derecognition of the lease liability on the Corporate office and lease payments made by the Group during the period more than offsetting the additions as a result of OXB France;
- The loan balance has increased by the acquisition of a working capital loan in OXB France of £0.8 million and the dollar denominated loan has increased to £39.0 million ($50 million) due to foreign currency movements and interest in the period; and
- Put option liability to acquire the remaining 10% of OXB US that the Group doesn’t already own has decreased from £9.3 million at 31 December 2023 to £2.8 million due to a decrease in the value at which the option is expected to be exercised and a reduction in the share ownership to 10%.

Financial outlook

Near-term outlook

As previously communicated, revenues are expected to be second-half weighted, with contracted client orders providing a high degree of visibility. The Group reiterates revenue guidance for the full year within the £126 million to £134 million range.

OXB expects a low double-digit Operating EBITDA loss for the full year 2024. As previously communicated, 2024 Operating EBITDA includes a mid to high single digit loss from OXB France, which was fully funded by cash received from Institut Mérieux prior to completion of the acquisition, as well as additional technical and operational hires to support an increase in late-stage client activity expected in 2025.

The Group's revenue backlog as at 31 August 2024 stood at approximately £120 million, compared to £94 million at 31 December 2023. This is the amount of future revenue available to earn from current orders. The contracted value of client orders signed during 2024 was approximately £94 million as at 31 August 2024.

Capital expenditure for 2024 is expected to be limited to maintenance capex required as well as modest spend on certain key capital expenditure projects, including transfer of the Group's lentiviral vector capabilities into its US and France sites.

Financial metric	2024 guidance
Revenue	£126m to £134m
Operating EBITDA	Low double-digit loss

Medium term financial guidance

Building on its leading position in lentiviral vectors, the Group aims to ultimately have a market leading position in the viral vector outsourced supply market across all key vector types. OXB reiterates its medium-term financial guidance of a three-year revenue CAGR in excess of 35% for 2023-2026, to be profitable on an Operating EBITDA level in 2025, with Operating EBITDA margins in excess of 20% by the end of 2026.

Financial metric	Medium-term guidance
Revenue CAGR (2023-2026)	>35%
2025 Operating EBITDA	Profitable
Operating EBITDA margins	>20% by end of 2026

Principal risks and uncertainties

Risk assessment and evaluation is an integral and well-established part of the Group's management processes. The Group has continued to employ mitigating actions during the first six months of the financial year, each tailored to the specific risk in question. As such, principal risks are not expected to change in respect of the second six months of the financial year, and remain appropriate to the Group.

OXB continues to monitor going concern, as set-out on page 16 & 22, and the risk that OXB fails in the execution of its new multi-vector multi-site "One OXB" strategy remain key risks. The Group also remains alert to the continuing emerging risks relating to cyber, legal, regulatory and compliance. As noted above, OXB employs strategies to manage and mitigate these risks.

Details of the Group's principal risks and uncertainties can be found on pages 68 to 71 of the 2023 Annual Report and Accounts which is available on the Group's website at https://oxb.com/.

Commercialisation risks
- OXB fails in its strategy to become a quality and innovation-led pure-play CDMO
- Failure of plans with collaborators and clients
- Unable to keep up with rapid technological change
- Failure to adapt to the move into a new multi-vector multi-site business

Supply chain and business execution risks
- Failure of key third party suppliers
- Bioprocessing failure due to batches that do not meet the required specification
- Cyber-attacks and failures in IT infrastructure and security
- Failure to attract, develop and retain talented and capable workforce

Legal, regulatory and compliance risks
- Adverse outcomes of litigation and governmental investigations
- Adverse outcomes of regulatory inspections
- Infringement of intellectual property

Economic and financial risks
- Impacts of climate change
- Exposure to foreign currency fluctuations
- Product liability claims
- On-going macroeconomic and geopolitical events

Going concern

The financial position of the Group, its cash flows and liquidity position are described in the Financial Statements and notes to these financial statements section of these accounts.

The Group made a loss after tax for the 6-month period ended 30 June 2024 of £36.4 million, and consumed net cash flows from operating activities for the same period of £39.2 million. The Group also:

- Closed the acquisition of ABL Europe (renamed OXB France) in January 2024 which included €10 million of post-completion cash funding from Institut Mérieux; and
- Ended the period with cash and cash equivalents of £81.4 million.

In considering the basis of preparation of the H1 2024 Report and half-year accounts, the Directors have prepared cash flow forecasts for the period to 31 December 2025, being a period of at least 12 months from the date of approval of these financial statements. The base case assumes trading in H2 2024 will be significantly stronger than H1 2024 in line with the trading update made on 8 August, with a gradual increase in revenues consistent with the +35% compound annual growth rate target over the FY23 to FY26 period previously given, driven by the conversion of the existing sales pipeline into revenues, and new business achieved through growth in the market. 80% of 2024 base case forecasted revenues are covered by binding purchase orders and rolling client forecasts which give a level of confidence in the revenues forecast over the next 12 months. Furthermore, the Group has proven its ability to continue to be successful in winning new clients and building its brand as demonstrated by successfully entering into new client agreements with multiple new clients over the last 6 months.

The Directors have undertaken a rigorous assessment of the forecasts in the base case scenario and assessed identified downside risks. A severe but plausible downside scenario was modelled which includes:

- Commercial challenges leading to a substantial manufacturing and development revenue downside affecting both the LentiVector® platform and AAV businesses;
- No revenues from new clients;
- Decreases in forecasted existing client milestones and removal of any future licence revenues; and
- The potential impacts of a downturn in the biotechnology sector on the Group and its clients including expected revenues from existing clients under long term arrangements.

Under the severe but plausible downside scenario, revenues would be 15% below the forecast for 2024 and 48% below the forecast for 2025. The Group would continue to meet their existing loan covenants until May 2025 without taking any mitigating actions.

However, in the event that revenues track towards the severe but plausible downside scenario, the Group will take mitigating actions by the end of Q4 2024 that include rationalisation of facilities and rightsizing the workforce. The Group also has the ability to control capital expenditure costs and lower other operational spend, as necessary.

Under both the base case and severe but plausible downside scenario with mitigations, the Group has sufficient cash resources to continue in operation for the period to 31 December 2025.

Taking account of the matters described above, the Directors are confident that the Group has sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Lucinda Crabtree

Chief Financial Officer

Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2024 (Unaudited)

	Notes	**Six months ended 30 June 2024 £'000**	Six months ended 30 June 2023 £'000
Continuing operations			
Revenue	4	**50,806**	43,061
Cost of sales		**(32,851)**	(21,122)
Gross profit		**17,955**	21,939
Research and development costs		**(15,764)**	(31,417)
Bioprocessing costs		**(23,595)**	(30,314)
Administration expenses		**(14,073)**	(12,838)
Other operating income		**3,241**	1,402
Gain on sale and leaseback		**-**	472
Change in fair value of available for sale assets		**(2)**	8
Operating (loss)		**(32,238)**	(50,748)
Finance income	6	**1,759**	2,217
Finance costs	6	**(5,257)**	(3,813)
(Loss) before tax		**(35,736)**	(52,344)
Taxation		**(663)**	(317)
(Loss) for the period		**(36,399)**	(52,661)
Other comprehensive income			
Foreign currency translation differences		**(164)**	(4,640)
Other comprehensive income		**(164)**	(4,640)
Total comprehensive (expense)		**(36,563)**	(57,301)
(Loss) attributable to:			
Owners of the Company		**(32,485)**	(47,956)
Non-controlling interest		**(3,914)**	(4,705)
		(36,399)	(52,661)
Total comprehensive income attributable to:			
Owners of the Company		**(32,603)**	(51,349)
Non-controlling interest		**(3,960)**	(5,952)
		(36,563)	(57,301)
Basic and Diluted (loss) per ordinary share		**(30.88)**	(49.74)

Consolidated Statement of Financial Position

As at 30 June 2024 (Unaudited)

	Notes	30 June 2024 £'000	31 December 2023 £'000
Assets			
Non-current assets			
Intangible assets & goodwill	7	**29,991**	30,981
Property, plant and equipment	8	**71,596**	75,692
Trade and other receivables	10	**4,506**	4,340
		106,093	111,013
Current assets			
Inventories	9	**16,569**	12,872
Trade and other receivables	10	**40,831**	24,741
Deferred tax		**69**	-
Cash and cash equivalents	11	**81,409**	103,716
		138,878	141,329
Current liabilities			
Trade and other payables	12	**26,921**	17,802
Provisions	14	**208**	747
Contract liabilities		**23,995**	21,598
Deferred income		**440**	514
Loans	15	**557**	-
Lease liabilities	13	**4,260**	3,654
Put option liability	16	**2,768**	-
		59,149	44,315
Net current assets		**79,729**	97,014
Non-current liabilities			
Provisions	14	**8,421**	7,710
Contract liabilities		**-**	4,494
Deferred income		**691**	837
Loans	15	**39,183**	38,534
Lease liabilities	13	**66,307**	69,270
Put option liability	16	**-**	9,348
		114,602	130,193
Net assets		**71,220**	77,834
Equity attributable to owners of the parent			
Ordinary shares	17	**52,654**	48,403
Share premium account	17	**394,831**	380,333
Other reserves		**8,839**	(1,812)
Accumulated losses		**(390,064)**	(352,918)
Equity attributable to owners of the Company		**66,260**	74,006
Non-controlling interest		**4,960**	3,828
Total equity		**71,220**	77,834

Consolidated Statement of Cash Flows

for the six months ended 30 June 2024 (Unaudited)

	Notes	**Six months ended 30 June 2024 £'000**	Six months ended 30 June 2023 £'000
Cash flows from operating activities			
Cash consumed in operations	18	**(39,199)**	(8,916)
Tax credit received		**-**	3,502
Net cash used in operating activities		**(39,199)**	(5,414)
Cash flows from investing activities			
Acquisition of subsidiary, cash acquired	19	**9,004**	-
Purchases of property, plant and equipment	8	**(4,813)**	(4,854)
Proceeds on disposal of property, plant and equipment	8	**636**	4,420
Interest received		**2,459**	2,217
Net cash generated from investing activities		**7,286**	1,783
Cash flows from financing activities			
Proceeds from issue of ordinary share capital		**16,993**	422
Interest paid	15	**(2,037)**	(2,094)
Payment of lease liabilities	13	**(2,514)**	(2,222)
Payment of lease liabilities interest	13	**(2,476)**	(2,999)
Loans paid		**(183)**	-
Net cash generated / (used in) from financing activities		**9,783**	(6,893)
Net decrease in cash and cash equivalents		**(22,130)**	(10,524)
Cash and cash equivalents at 1 January		**103,716**	141,285
Movement in foreign currency balances		**(177)**	(1,331)
Cash and cash equivalents at 30 June		**81,409**	129,430

Statement of Changes in Equity Attributable to Owners of the Parent

for the six months ended 30 June 2024 (Unaudited)

				Reserves						
Group	Notes	**Ordinary shares £'000**	**Share premium account £'000**	**Merger £'000**	**Other Equity £'000**	**Translation £'000**	**Accumulated losses £'000**	**Total £'000**	**Non-controlling interest £'000**	**Total equity £'000**
At 1 January 2023		48,132	379,953	2,291	(35,003)	7,825	(198,545)	204,653	31,539	236,192
Loss for period		-	-	-	-	-	(47,956)	(47,956)	(4,705)	(52,661)
Foreign currency translation differences		-	-	-	-	(3,393)	-	(3,393)	(1,247)	(4,640)
Other comprehensive income		**-**	**-**	**-**	**-**	**(3,393)**	**-**	**(3,393)**	**(1,247)**	**(4,640)**
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**(3,393)**	**(47,956)**	**(51,349)**	**(5,952)**	**(57,301)**
Transactions with owners:										
Share options										
Proceeds from shares issued		128	294	-	-	-	-	422	-	422
Value of employee services		-	-	-	-	-	2,073	2,073	460	2,533
Total contributions		**128**	**294**	**-**	**-**	**-**	**2,073**	**2,495**	**460**	**2,955**
Changes in ownership interests:										-
Put Option revaluation		-	-	-	16,310	-	-	16,310	-	16,310
At 30 June 2023		**48,260**	**380,247**	**2,291**	**(18,693)**	**4,432**	**(244,428)**	**172,109**	**26,047**	**198,156**
Loss for period		-	-	-	-	-	(109,534)	(109,534)	(21,967)	(131,501)
Foreign currency translation differences		-	-	-	-	(476)	-	(476)	(191)	(667)
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**(476)**	**(109,534)**	**(110,011)**	**(22,158)**	**(132,168)**
Transactions with owners:										
Share options										
Proceeds from shares issued		143	86	-	-	-	-	229	-	229
Value of employee services		-	-	-	-	-	1,044	1,044	(61)	983
Total contributions		**143**	**86**	**-**	**-**	**-**	**1,044**	**1,273**	**(61)**	**1,212**
Changes in ownership interests:										-
Put Option revaluation		-	-	-	10,634	-	-	10,634	-	10,634
At 31 December 2023		**48,403**	**380,333**	**2,291**	**(8,059)**	**3,956**	**(352,918)**	**74,006**	**3,828**	**77,834**
Loss for period		-	-	-	-	-	(32,485)	(32,485)	(3,914)	(36,399)
Foreign currency translation differences		-	-	-	-	(118)	-	(118)	(46)	(164)
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**(118)**	**(32,485)**	**(32,603)**	**(3,960)**	**(36,562)**
Transactions with owners:										
Share options										
Proceeds from shares issued		4,251	14,498	4,126	-	-	-	22,875	-	22,875
Value of employee services		-	-	-	-	-	416	416	15	431
Total contributions		**4,251**	**14,498**	**4,126**	**-**	**-**	**416**	**23,291**	**15**	**23,306**
Changes in ownership interests:										-
Decrease in NCI interest							(5,077)	(5,077)	5,077	-
Put Option revaluation		-	-	-	6,643	-	-	6,643	-	6,643
At 30 June 2024		**52,654**	**394,831**	**6,417**	**(1,416)**	**3,838**	**(390,064)**	**66,260**	**4,960**	**71,220**

Notes to the Financial Information

1 General information and basis of preparation

This condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK, as well as the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

The annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards. As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's published consolidated financial statements for the year ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The financial information set out above does not constitute the Company's Statutory Accounts. Statutory accounts for the year ended 31 December 2023 were approved by the Board of Directors and have been delivered to the Registrar of Companies. The report of the auditor (i) was unqualified, (ii) included no references to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

These interim financial statements have been prepared applying consistent accounting policies to those applied by the Group in the 2023 Annual Report.

These condensed consolidated interim financial statements were approved by the Board of Directors on 23 September 2024. They have not been audited.

Oxford Biomedica plc, the parent company in the Group, is a public limited company incorporated and domiciled in the UK and is listed on the London Stock Exchange.

All material related party transactions in the first six months of 2024 are described in note 23 of these interim financial statements. There was no material change in related parties from those described in the last annual report.

2 Going concern

The financial position of the Group, its cash flows and liquidity position are described in the Financial Statements and notes to these financial statements section of these accounts.

The Group made a loss after tax for the 6-month period ended 30 June 2024 of £36.4 million, and consumed net cash flows from operating activities for the same period of £39.2 million. The Group also:

- Closed the acquisition of ABL Europe (renamed OXB France) in January 2024 which included €10 million of post-completion cash funding from Institut Mérieux; and
- Ended the period with cash and cash equivalents of £81.4 million.

In considering the basis of preparation of the H1 2024 Report and half-year accounts, the Directors have prepared cash flow forecasts for the period to 31 December 2025, being a period of at least 12 months from the date of approval of these financial statements. The base case assumes trading in H2 2024 will be significantly stronger than H1 2024 in line with the trading update made on 8 August, with a gradual increase in revenues consistent with the +35% compound annual growth rate target over the FY23 to FY26 period previously given, driven by the conversion of the existing sales pipeline into revenues, and new business achieved through growth in the market. 80% of 2024 base case forecasted revenues are covered by binding purchase orders and rolling client forecasts which give a level of confidence in the revenues forecast over the next 12 months. Furthermore, the Group has proven its ability to continue to be successful in winning new clients and building its brand as demonstrated by successfully entering into new client agreements with multiple new clients over the last 6 months.

The Directors have undertaken a rigorous assessment of the forecasts in the base case scenario and assessed identified downside risks. A severe but plausible downside scenario was modelled which includes:

- Commercial challenges leading to a substantial manufacturing and development revenue downside affecting both the LentiVector® platform and AAV businesses;
- No revenues from new clients;
- Decreases in forecasted existing client milestones and removal of any future licence revenues; and
- The potential impacts of a downturn in the biotechnology sector on the Group and its clients including expected revenues from existing clients under long term arrangements.

Under the severe but plausible downside scenario, revenues would be 15% below the forecast for 2024 and 48% below the forecast for 2025. The Group would continue to meet their existing loan covenants until May 2025 without taking any mitigating actions.

However, in the event that revenues track towards the severe but plausible downside scenario, the Group will take mitigating actions by the end of Q4 2024 that include rationalisation of facilities and rightsizing the workforce. The Group also has the ability to control capital expenditure costs and lower other operational spend, as necessary.

Under both the base case and severe but plausible downside scenario with mitigations, the Group has sufficient cash resources to continue in operation for the period to 31 December 2025.

Taking account of the matters described above, the Directors are confident that the Group has sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

3 Accounting policies

The accounting policies, including the classification of financial instruments, applied in these interim financial statements are consistent with those of the annual financial statements for the year ended 31 December 2023, as described in those financial statements except for the new policies detailed below:

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Judgements

Acquisition date of OXB France

The acquisition date of ABL Europe (renamed OXB France) has been deemed to be 29 January 2024 and is the date that control passed to OXB. This is due to multiple substantive conditions which existed in the Sae and Purchase Agreement, which were not all fully completed until this date.

Impairment assessment of OXB US Cash Generating Unit (CGU)

OXB US has been identified as a CGU (cash generating unit) of the business. During 2023, an impairment trigger was identified as it was assessed that the CGU did not meet the original revenues forecasted as part of the acquisition and an impairment assessment and adjustment was made at 31 December 2023.

The Group has performed an impairment indicator assessment of OXB US as at 30 June 2024 and determined that there are no triggers which indicate any further impairment and, as such, a full impairment assessment is not required at 30 June 2024.

Estimations

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The nature of estimation means that actual outcomes could differ from those estimates.

Fair value assumptions on acquisition of OXB France

The estimations for the fair value of the Plant, Property and Equipment has been made using a Depreciated Replacement Cost. This cost has then been adjusted for economic obsolescence to determine the fair value adjustments to the opening acquisition balance sheet, refer to Note 19.

Percentage of completion of bioprocessing batch revenues

Bioprocessing of clinical/commercial product for clients is recognised on a percentage of completion basis over time as the processes are carried out. Progress is determined based on the achievement of verifiable stages of the bioprocessing process. Revenues are recognised on a percentage of completion basis and as such require judgement in terms of the assessment of the correct stage of completion including the expected costs of completion for that specific bioprocessing batch. The value of the revenue recognised with regards to the bioprocessing batches which remain in progress at period end is £29.3 million. If the assessed percentage of completion was 10 percentage points higher or lower, revenue recognised in the period would have been £3.9 million higher or £3.3 million lower.

Percentage of completion of fixed price process development revenues

As it satisfies its performance obligations the Group recognises revenue and the related contract asset with regards to fixed price process development work packages. Revenues are recognised on a percentage of

completion basis and as such require judgement in terms of the assessment of the correct percentage of completion for that specific process development work package. The value of the revenue recognised with regards to the work packages which remain in progress at period end is £18.3 million. If the assessed percentage of completion was 10 percentage points higher or lower, revenue recognised in the period would have been £3.4 million higher or £3.8 million lower.

Provision for out of specification bioprocessing batches

Bioprocessing of clinical/commercial product for clients is recognised on a percentage of completion basis over time as the processes are carried out. Progress is determined based on the achievement of verifiable stages of the process.

As the Group has now been bioprocessing product across a number of years, and also in a commercial capacity, the Group has assessed the need to include an estimate of bioprocessed product for which revenue has previously been recognised and which may be reversed should the product go out of specification during the remaining period over which the product is bioprocessed. In calculating this estimate the Group has looked at historical rates of out of specification batches across the last five years and has applied the percentage of out of specification batches to total batches produced across the assessed period to the revenue recognised on batches which have not yet completed the bioprocessing process at period end. The Group makes specific provisions for product batches where it is considered that the average overall historical failure rate does not adequately cover the perceived risk of revenue recognised on those specific batches having to be subsequently reversed.

This estimate, based on the historical average percentage as well as certain specific provisions, may be significantly higher or lower depending on the number of bioprocessing batches actually going out of specification in future. The estimate will increase or decrease based on the number of bioprocessing batches undertaken, the percentage of completion of those bioprocessing batches and the number of batches which go out of specification over the assessment period.

Consequently, bioprocessing revenue of £2.8 million (31 December 2023: £1.1 million) has not been recognised during the six months ended 30 June 2024 with the corresponding credit to contract liabilities. This revenue will be recognised as the batches complete bioprocessing.

Amortisation of intangibles assets (developed technology)

The estimated useful life of developed technology acquired by the Group is 15 years as the Group expects the technology to generate cash flows for a total of 15 years. The estimate of 15 years is based on management’s experience of the time period over which the technology acquired as part of the acquisition of OXB US will become fully obsolete. Over time as the platform technology is improved, parts of the technology become obsolete as they are superseded by new technology until after 15 years the original technology is expected to have been fully replaced by newer/improved technology.

Following the impairment in December 2023, if the estimated useful life of the assets had been 10 years, the estimated amortisation for the six months ended 30 June 2024 would be £0.4 million higher (2023: £1.8m); whilst, if the estimated useful life of the assets had been 20 years, the estimated amortisation for the six months ended 30 June 2024 would be £0.4 million lower (H1 2023: £0.9m).

Valuation of put option liability

Where a put option with non-controlling shareholders exists on their equity interests, a liability for the fair value of the exercise price of the option is recognised. On 10 March 2022, the Group recognised a put option liability to acquire the remaining 20% of OXB US that it doesn’t already own, from Homology (now Q32 Bio). As a result of refinancing of OXB US in H1 2024 Q32 Bio's ownership reduced to 10%. The option is subsequently recognised at amortised cost taking account of adjustments to the present value of the estimated future contractual cash flows. At 30 June 2024 the put option liability was adjusted to £2.8 million (Dec 2023: £9.3m).

The Group estimates the value of the put liability using a Monte Carlo simulation which calculates the expected future exercise value of the put option, taking into consideration OXB US’ forecasted revenues over the period up until the expected exercise date along with the expected volatility of those revenues over that same period. The expected future exercise value is then discounted to the present using a discount rate in order to capture the counter party risk of the expected payment.

Key estimation uncertainty inputs which directly impact the valuation of the put option liability are assessed to be:

- Revenues of OXB US - the revenues of OXB US are based on the management approved forecast up until the end of the option period. Should the forecast change or the actual results vary this may impact the value of the put option liability.
- Expected volatility of revenues - should the expected volatility of OXB US's revenues vary, this may impact the value of the put option liability.
- Discount rate - the discount rate may be impacted by economic and market factors, as well as changes to the risk free rate of return which impacts debt borrowing rates. Should the discount rate calculated by management be adjusted, this may impact the value of the put option. Management has calculated the discount rate based on the risk free rate, the expected return from similar companies and the Group's cost of debt.

	Fair value	
Put option liability	**Increase**	**Decrease**
30-Jun-24	**£'000s**	**£'000s**
Revenues of Oxford Biomedica (US) LLC 20% higher or lower	316	(633)
Discount rate 2% lower or higher	-	79

4 Segmental analysis

From December 2023, the composition of the Senior Executive Team (SET) changed to align with the transformation of the Company to a pure-play CDMO. The SET became known as the Corporate Executive Team (CET) and became responsible for the global management of the Company.

In 2023 the SET monitored the performance of the Group in two business segments:

1. Platform – this segment consists of the revenue generating bioprocessing and process development activities undertaken for third parties. It also includes internal technology developments and the costs involved in developing platform related intellectual property;
2. Product – this segment consists of the clinical and preclinical development of in vivo and ex-vivo gene and cell therapy products which are owned by the Group.

During 2023 the Group ceased its Product segment and has concentrated solely on pure-play CDMO. As such, in 2024, the Group considers there to only be one segment.

Disaggregation of revenue
Revenue is disaggregated by the type of revenue which is generated by the commercial arrangement. Revenue shown in the table below is denominated in sterling and is generated in the UK and US.

For the six months ended 30 June

	Platform	Product	Total
2024	**£'000**	**£'000**	**£'000**
Bioprocessing/ Commercial development	46,859	-	46,859
Licence fees & incentives	3,947	-	3,947
Total	**50,806**	**-**	**50,806**

	Platform	Product	Total
2023	**£'000**	**£'000**	**£'000**
Bioprocessing/ Commercial development	40,446	86	40,532
Licence fees & incentives	2,529	-	2,529
Total	**42,975**	**86**	**43,061**

Revenue by geographical location

Revenue by client location	30 June 2024 £'000	30 June 2023 £'000
UK	4,677	1,292
United States	31,932	29,460
Europe	14,197	12,309
Total revenue	**50,806**	**43,061**

In the first half of 2024, 4 clients (H1 2023: 5) each generated more than 10% of the Group's revenue.

5 Basic earnings and diluted earnings per ordinary share

The basic loss per share of 30.88p (H1 2023: 49.74p) has been calculated by dividing the loss for the period attributable to the owners of the company by the weighted average number of shares in issue during the six months ended 30 June 2024, being 105,194,129 (H1 2023: 96,521,209).

As the Group made a loss in the current and prior periods, there were no potentially dilutive options therefore there is no difference between the basic loss per ordinary share and the diluted loss per ordinary share.

6 Finance Costs

	Six months ended 30 June 2024 £'000	Six months ended 30 June 2023 £'000
Finance income:		
Bank interest receivable	1,759	2,217
Total finance income	**1,759**	**2,217**
Finance costs:		
Unwinding of discount in provisions	(319)	(225)
(Loss)/gain on foreign exchange	(358)	1,672
Interest payable on loan	(2,264)	(2,261)
Interest payable on finance leases	(2,316)	(2,999)
Total finance costs	**(5,257)**	**(3,813)**
Net finance costs	**(3,498)**	**(1,596)**

7 Intangible assets & goodwill

	Note	Goodwill £'000	Developed technology £'000	Patents £'000	Total £'000
Cost					
At 1 January 2024		628	105,889	1,811	108,328
Effects of movements in exchange rates		-	819	-	819
At 30 June 2024		**628**	**106,708**	**1,811**	**109,147**
Amortisation and impairment					
At 1 January 2024		628	74,914	1,805	77,347
Charge for the period		-	1,304	-	1,304
Effects of movements in exchange rates		-	505	-	505
At 30 June 2024		**628**	**76,723**	**1,805**	**79,156**
Net book amount at 30 June 2024		**-**	**29,985**	**6**	**29,991**
Net book amount at 31 December 2023		-	30,975	6	30,981

The Cash-generating unit (CGU) identified is the manufacturing and process development operation of OXB US located at the Bedford, Massachusetts site in the United States. The Group has completed an assessment and determined that there are no indicators of impairment identified and as such further impairment of OXB US is not required at 30 June 2024.

Due to a tax deduction not being available on a portion of the developed technology intangible asset, there is a deferred tax liability of £2.1 million at June 2024. £7.3 million was recognised at the acquisition date, reduced to £2.2 million after the December 2023 impairment, with the liability expected to unwind in line with the 15 year useful life of the developed technology intangible asset.

8 Property, plant & equipment

	Freehold property £'000	Leasehold Improvements £'000	Office equipment and computers £'000	Bio-processing and Laboratory equipment £'000	Right-of-use assets £'000	Total £'000
Cost						
At 1 January 2024	-	61,063	10,371	54,960	50,766	177,160
Additions at cost	-	229	143	4,440	-	4,812
Acquisitions through business combinations	1,414	-	205	686	1,545	3,850
Disposals	-	(407)	(121)	(152)	(1,131)	(1,811)
Change in Estimate	-	-	-	-	(747)	(747)
Effects of movements in exchange rates	(14)	203	(4)	54	183	422
At 30 June 2024	**1,400**	**61,088**	**10,594**	**59,988**	**50,616**	**183,686**
Depreciation & Impairment						
At 1 January 2024	-	33,901	8,182	34,982	24,403	101,468
Impairment	-	-	-	-	178	178
Charge for the period	155	3,123	722	4,487	1,691	10,178
Effects of movements in exchange rates	(2)	148	6	77	94	323
Disposals	-	-	0	(57)	-	(57)
At 30 June 2024	**153**	**37,172**	**8,910**	**39,489**	**26,366**	**112,090**
Net book amount at 30 June 2024	**1,247**	**23,916**	**1,684**	**20,499**	**24,250**	**71,596**

9 Inventory

	30 June 2024 £'000	31 Dec 23 £'000
Raw materials	**16,569**	12,872
Total Inventory	**16,569**	12,872

Inventories constitute raw materials held for bioprocessing, research and development purposes.

During 2024 the Group wrote down £1,188,000 (2023: £781,000) of inventory which is not expected to be used in production or sold onwards.

10 Trade and other receivables

Current	30 June 2024 £'000	31 Dec 23 £'000
Trade receivables	**14,829**	8,114
Contract assets	**10,834**	5,228
Other receivables	**1,487**	2,081
Other tax receivable	**9,342**	4,962
Prepayments	**4,339**	4,356
Total trade and other receivables	**40,831**	24,741

Non-current trade and other receivables constitute other receivables of £4,506,000 (Dec 23: £4,340,000) which are deposits held in escrow as part of the Oxbox and Patriot's Park lease arrangements.

11 Cash and cash equivalents

	30 June 2024 £'000	31 Dec 23 £'000
Cash at bank and in hand	**81,409**	103,716

Cash and cash equivalents includes £1.5 million in relation to improvement works at Harrow House agreed under the sale and leaseback arrangement.

12 Trade and other payables

	30 June 2024 £'000	31 Dec 23 £'000
Trade payables	**13,007**	6,052
Other taxation and social security	**1,969**	1,478
Accruals	**11,945**	10,272
Total Trade and other payables	**26,921**	17,802

13 Leases

The Group leases many assets including Property. Information about leases for which the Group is a lessee is presented below:

Right-of-use assets

	Property £'000	Cars £'000	IT £'000	Total £'000
Balance at 1 January 2024	26,363	-	-	26,363
Acquisitions	1,430	60	54	1,544
Disposals	(1,131)	-	-	(1,131)
Impairment of assets	(178)	-	-	(178)
Change in estimate	(747)	-	-	(747)
Depreciation charge for the period	(1,674)	(10)	(7)	(1,691)
Effects of movements in exchange rates	90	-	-	90
Balance at 30 June 2024	**24,153**	**50**	**47**	**24,250**

Lease liabilities

	30 June 2024 £'000
Maturity analysis - contractual undiscounted cash flows	
Less than one year	9,798
One to five years	41,855
Six to ten years	39,384
More than ten years	17,262
Total undiscounted cash flows	**108,299**

	30 June 2024 £'000
Lease liabilities included in the Statement of Financial Position	
Current	4,260
Non-current	66,307
Total lease liabilities at 30 June 2024	**70,567**

	30 June 2024 £'000
Amounts recognised in statement of comprehensive income	
Interest on lease liabilities	2,264
Expense relating to short-term leases	224

	30 June 2024 £'000
Amounts recognised in the statement of cash flows	
Total cash outflow for leases	4,990

14 Provisions

The dilapidations provisions relate to the anticipated costs of restoring the leasehold Oxbox, Yarnton, Wallingford Warehouse, Windrush Court and Harrow House properties to their original condition at the end of the lease terms ending between 2024 and 2037 respectively.

The future anticipated costs of restoring the properties are calculated by inflating the current expected restoration costs using the 3 year historic UK Consumer Price Inflation rate, up to the end of the lease term.

15 Loans

	30 June 2024 £'000	31-Dec-23 £'000
At 1 January	38,534	39,780
Acquired through business combination	757	-
Interest accrued	2,265	4,570
Interest paid	(2,037)	(4,136)
Foreign exchange movement	245	(2,003)
Amortised fees	159	323
Loan repayment	(183)	-
At reporting period end	**39,740**	**38,534**

The Oaktree facility, expiring October 2026, was secured by a pledge over substantially all of the Group's assets. The terms include financial covenants including holding a minimum of US$20 million cash at all times, restrictions on the level of indebtedness the Group may enter into or distributions made by the Group.

As part of the Oaktree loan facility, the Company also has access to draw down a further US$25 million from Oaktree to fund certain permitted acquisitions, subject to the same commercial conditions as the amended facility and available for a three-year period. If this were to be exercised, it would be assessed against meeting the substantial modification requirements under IFRS 9.

16 Put option liability

	30 June 2024 £'000	31-Dec-23 £'000
At 1 January	9,348	38,182
Revaluation	(6,580)	(28,834)
At reporting period end	**2,768**	9,348

In June 2024, the Group increased its ownership by a further 10% to 90% of OXB US, as a result the put option liability to acquire the remaining 10% has been revalued.

17 Share capital and Share premium

At 31 December 2023 and 30 June 2024 Oxford Biomedica had an issued share capital of 96,804,353 and 105,304,986 ordinary 50 pence shares respectively.

150,152 shares were created as a result of the exercise of options by employees during the period.

Between January and June 2024, the Group issued 8,350,481 new ordinary shares to Institut Mérieux.

18 Cash flows from operating activities

	Six months ended 30 June 2024 £'000	Six months ended 30 June 2023 £'000
Continuing operations		
Loss before tax	**(35,736)**	(52,344)
Adjustment for:		
Depreciation	**10,178**	11,208
Amortisation of intangible assets	**1,304**	3,627
Loss on disposal of property, plant and equipment	**-**	29
Gain on sale and leaseback	**-**	(472)
Net finance costs	**3,498**	1,596
Charge in relation to employee share schemes	**431**	2,532
Negative goodwill on acquisition	**(1,721)**	-
Other non-cash losses / (gains)	**57**	(8)
Changes in working capital, net of effects from purchase of controlled subsidiary:		
(Increase)/ decrease in contract assets and trade and other receivables	**(13,126)**	23,991
Decrease/ (increase) in trade and other payables	**2,905**	(6,536)
(Increase)/ decrease in contract liabilities	**(6,185)**	8,374
Decrease in provisions	**-**	4
(Increase) in inventory	**(804)**	(917)
Net cash used in operations	**(39,199)**	**(8,916)**

19 Acquisition of subsidiary

On 29 January 2024, the Group acquired 100% of the shares and voting interests in ABL Europe, now renamed OXB France. As a result, the Group's equity interest granted it control of OXB France. The acquisition significantly enhances the Group's capacity to meet growing client demand. This move has transformed the Group's operational footprint, which now spans three key regions: UK, US and France. The acquisition further solidifies OXB's position as a world-leading quality and innovation-led CDMO in the cell and gene therapy field. The Group's capabilities have expanded significantly, complementing its established expertise in Adenovirus, Lentiviral vectors and AAV with OXB France's advanced capabilities in Pox viruses, including MVA and Vaccinia.

Included in the identifiable assets and liabilities acquired at the date of acquisition are inputs, production processes and an organised workforce. The Group has determined that together the acquired inputs and processes contribute to the ability to create revenue. The Group has concluded that the acquired inputs and processes constitute a business.

a. Consideration transferred

On acquisition date the fair value of the shares in OXB plc was 180.6p, this represents the fair value of the consideration under IFRS 3. 3,149 million shares were issued giving a consideration of £5.7 million.

Consideration transferred:	30 June 2024 £'000
Fair value of shares in OXB issued to Institut Mérieux	5,700
Total consideration transferred	**5,700**

b. Acquisition related expenses

The Group incurred acquisition related legal and due diligence expenses of £1.5 million which is included in Administrative expenses.

c. Identifiable assets acquired and liabilities assumed

Identifiable assets acquired and liabilities assumed:	Acquired net assets £'000	Fair value adj £'000	Fair value of net assets £'000
Property plant and equipment	8,018	(4,168)	3,850
Intangible assets	832	(832)	-
Long term receivables	191		191
Inventory	2,894	-	2,894
Cash and cash equivalents	9,004	-	9,004
Prepayments and accrued income	2,145	-	2,145
Trade and other receivables	1,384	-	1,384
Lease liabilities	(1,548)	-	(1,548)
Payroll and other taxes	(2,568)	-	(2,568)
Other liabilities	(7,931)	-	(7,931)
Total identifiable net assets acquired:	**12,421**	**(5,000)**	**7,421**

d. Goodwill

The acquisition of ABL Europe (renamed OXB France) increases access to EU-based clients and broadens the Group's international development, manufacturing and testing presence, whilst increasing its capacity in process and analytical development and early stage manufacturing. Conversely, the vendors have been able to dispose of a business that was not profitable for them. As a result of the mutual benefits of the transaction, the fair value of the net assets acquired is in excess of the fair value of the shares transferred as consideration which has created a negative goodwill.

Negative goodwill arising from the acquisition has been recognised through the profit and loss in other operating income as follows:

Goodwill	Acquired net assets £'000
Consideration transferred	5,700
Fair value of identifiable assets	7,421
Negative goodwill	**(1,721)**

e. Impact of acquisition

During the period ended 30 June 2024, the acquisition has contributed £5.7 million revenue and pre-tax loss of £4.4 million. Had the acquisition taken place on 1 Jan 2024, then the revenue contributed in the period would have been £0.7 million more and a further £0.9 million loss.

f. Acquired receivables

The fair value of trade and other receivables is £1,384,000 and includes trade receivables with a fair value of £1,384,000. The gross contractual amount for trade receivables due is equal to the fair value.

20 Non-controlling interest ("NCI")

The following table summarises the information relating to the Group's subsidiary that has material NCI:

	30 June 2024 £'000	31 December 2023 £'000
NCI percentage	10%	20%
Non-current assets	64,329	50,282
Current assets	22,076	11,813
Non-current liabilities	-	(22,479)
Current liabilities	(36,802)	(20,477)
Net assets	**49,603**	**19,139**
Net assets attributable to NCI	**4,960**	**3,828**
Revenue	**779**	**26,813**
Loss	(19,569)	(133,361)
OCI	(228)	(7,190)
Total comprehensive income	**(19,797)**	**(140,551)**
Profit allocated to NCI	**(3,914)**	**(26,672)**
OCI allocated to NCI	**(46)**	**(1,438)**
Cash flows from operating activities	(4,432)	(15,105)
Cash flows from investment activities	(3,704)	3,077
Cash flow from financing activities (dividends to NCI: nil)	21,906	(3,717)
Net increase in cash and cash equivalents	**13,770**	**(15,745)**

21 Acquisition of Non-controlling interest

On 26 June 2024, the Group acquired an additional 10% interest in OXB US from Q32 Bio (which had acquired Homology in March 2024) for $63 million, increasing its ownership from 80% to 90%, with Q32 Bio holding the remaining 10%. The carrying amount of OXB US NCI's net assets in the Group's consolidated financial statements on the date of the increase in ownership was (£0.1 million).

	30 June 2024 £'000
Carrying amount of NCI acquired	5,077
Consideration paid to NCI	-
Increase in equity attributable to owners of the Company	**5,077**

The increase in equity attributable to owners of the Company comprised solely an increase to retained earnings.

22 Capital commitments

At 30 June 2024, the Group had commitments of £603,000 for capital expenditure for leasehold improvements, plant and equipment not provided in the financial statements (Dec 2023 £3,476,000).

23 Related party transactions

	Transactions		Balance outstanding	
	June 24	June 23	June 24	June 23
	£'000	£'000	£'000	£'000
Sales of goods and services				
Q32 (2023: Homology)	**-**	12,872	**-**	7,777
Purchase of services				
Q32 (2023: Homology)	**-**	384	**-**	22
Other				
Q32 (2023: Homology) - rental income	**294**	1,070	**271**	572

All outstanding balances with related parties are to be settled in cash within six months of the reporting date. None of the balances are secured.

There are no related party transactions in the period with Institut Mérieux.

24 Statement of Directors' responsibilities

The Directors of Oxford Biomedica plc are set out on page 36 of this report. We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK.
- the interim management report includes a fair review of the information required by:
  - DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board

Frank Mathias
CEO
23 September 2024

Independent review report to Oxford Biomedica plc
Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Oxford Biomedica plc's condensed consolidated interim financial statements (the "interim financial statements") in the Press Release of Oxford Biomedica plc for the 6 month period ended 30 June 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Consolidated Statement of Financial Position as at 30 June 2024;
- the Consolidated Statement of Comprehensive Income for the period then ended;
- the Consolidated Statement of Cash Flows for the period then ended;
- the Statement of Changes in Equity Attributable to Owners of the Parent for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Press Release of Oxford Biomedica plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Press Release and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Press Release, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Press Release in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Press Release, including the interim financial statements, the directors are responsible for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Press Release based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct

Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
Reading
23 September 2024

Shareholder information

Directors
Dr. Roch Doliveux
(Chair)

Dr. Frank Mathias
(Chief Executive Officer)

Stuart Henderson
(Vice Chair)

Professor Dame Kay Davies
(Senior Independent Director)

Laurence Espinasse
(Non-Executive Director from 24 July 2024)

Robert Ghenchev
(Non-Executive Director)

Namrata P. Patel
(Independent Non-Executive Director)

Leone Patterson
(Independent Non-Executive Director)

Stuart Paynter
(Chief Financial Officer till 2 September 2024)

Dr. Lucinda Crabtree
(Chief Financial Officer from 2 September 2024)

Dr. Heather Preston
(Independent Non-Executive Director)

Peter Soelkner
(Independent Non-Executive Director from 15 March 2024)

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