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AIM: FIPP
26 March 2024

Frontier IP Group plc
("Frontier IP" or the "Group")

UNAUDITED HALF-YEAR RESULTS FOR THE SIX MONTHS TO 31 DECEMBER 2024

Frontier IP, a specialist in commercialising intellectual property, is pleased to announce its unaudited interim results for the six month period ended 31 December 2024.

KEY POINTS

- Pre-tax loss of £1.6 million (31 December 2023: pre-tax profit of £1.4 million)
- Successfully completed a fundraising with existing shareholders and new investors in December 2024 generating net proceeds of £3.3 million in the period under review
- Basic loss per share of 2.81p (31 December 2023: earnings per share 2.67p)
- Net assets per share of 67.6p at 31 December 2024 (30 June 2024: 79.7p; 31 December 2023: 84.2p) reflecting the increased shares in issue
- Fair value of the equity portfolio at 31 December 2024 was £33.2 million (30 June 2024: £33.2 million; 31 December 2023: £35.1 million)
- Cash balances of £3.6 million at 31 December 2024 (30 June 2024: £2.3 million; 31 December 2023: £2.7million)
- Significant commercial, funding and technical progress across the portfolio

Frontier IP and its portfolio companies made good progress both during the first half of the financial year and post the period close in what was a difficult environment for both AIM-quoted and early-stage technology companies.

The Group successfully raised a total of £3.3 million (net of expenses) through a Placing and Subscription and a separate Retail Offer. Several portfolio companies completed major equity funding rounds, secured grant funding, and made significant commercial and technical progress. The portfolio continues to mature, bringing closer the opportunity for potential exits, although timings are likely to be affected by the market conditions.

PORTFOLIO AND OPERATIONAL HIGHLIGHTS

The six months to 31 December 2024 and the months after the period end saw companies across the portfolio either achieve or make strong progress towards meeting funding, commercial and technical goals. Developments included:

- CamGraPhIC secured a loan facility for £1.5 million and made substantial progress in development and scale up of its advanced graphene photonics technology. Post period end, a new company 2D Photonics, set up to own and manage CamGraPhIC's activities in the UK and Italy, raised €25 million from major multinational institutions from industry, finance and government, co-led by CDP Venture Capital, Nato, Sony and Join Capital
- Pulsiv made significant technical progress with the launch of what is believed to be the world's most efficient 65W USB C charger reference design, which subsequently won the Power Sources Manufacturers Association's first Global Energy Efficiency Award
- GraphEnergyTech raised £1 million through a pre-seed equity funding round led by Aramco Ventures, the corporate venturing arm of Aramco, the world's leading integrated energy and chemical company. Post period close, the company announced a collaboration with the Taiwan Perovskite Solar Corporation, Taiwan's Industrial Technology Research Institute and the University of Cambridge, a project backed by a grant from Innovate UK
- A project led by The Vaccine Group ("TVG") working with the University of Plymouth and the University of Cambridge, was awarded more than £1 million by the UK government to develop a vaccine against zoonotic pig disease *Streptococcus suis*. Innovate UK awarded TVG and The Animal Plant and Health Agency more than £400,000 to develop cattle vaccines
- Nandi Proteins raised more than £500,000 from a convertible loan with investors including UK social innovation agency Nesta and Scottish Enterprise to support development of an egg-white replacer
- Deakin Bio-Hybrid Materials, the newest member of the Frontier IP portfolio, raised £693,000 through an initial equity funding round led by Green Angel Ventures, to scale up its technology to produce bio-based materials to provide alternatives to ceramics.
- Post period end, Alusid announced its first international distribution agreement with Dutch sustainable building materials firm FRONT Materials BV. Topps Tiles plc launched Alusid's mass-produced floor tile range Mas through its retail chain, the second Alusid-made range it has launched.

Chief Executive Neil Crabb said: *"These results represented a resilient performance in the face of a very difficult market environment, particularly for AIM-quoted and early-stage technology companies. I am delighted and grateful that shareholders and new investors backed our fundraising, which means we are in a good position to meet our working capital requirements and to provide strategic support where necessary for our portfolio companies."*

I am happy to say the portfolio is making good progress. Several companies successfully put in the spadework to provide the basis for their future growth. I was particularly encouraged by the breadth of partnerships they were able to develop across industry, government, academia and finance. Several completed successful funding rounds, again from a range of sources. I am confident others will follow.

This wide interest reflects the underlying strength of the portfolio and the commercial appeal of the technologies our companies are developing. A connecting thread across them all is they are offering the potential to do things in a much more cost effective way: they work more efficiently and offer a lower cost alternative to existing technologies, being cheaper to use and often to manufacture.

One example is 2D Photonics, a company established to own and manage the UK and Italian activities of CamGraPhIC. After the period close, it successfully completed a €25 million funding from investors spanning industry – the Sony Innovation Fund and Bosch Ventures – finance, through CDP Venture Capital, Join Capital and Indaco Ventures, and governmental, the Nato Innovation Fund. Why the wide interest? Initial applications for 2D Photonics' advanced graphene photonics have the potential to transform Artificial Intelligence and mobile communications by cutting their costs through improved energy efficiency and higher speeds. 2D Photonics' prototype graphene transceivers have outperformed current silicon technologies, work at a greater range of temperatures, and will consume 80 per cent less energy.

GraphEnergyTech is developing graphene inks and pastes, initially to create graphene electrodes to replace metal electrodes, particularly silver, in solar cells. This could make conventional solar cells much cheaper to manufacture and address major concerns over global silver resources, which are threatened with exhaustion by 2050 because of solar demand. The electrodes could also prove to be an enabling technology for perovskite solar cells. Perovskites have the potential to be more efficient than conventional silicon cells. However, they suffer because of the poor stability of metallic electrodes when used with the perovskite solar materials. Graphene electrodes would solve this problem and help to make perovskite cost effective to make at scale. The commercial possibilities of the technology are clear. During the first half year, GraphEnergyTech raised £1 million in an investment round led by Aramco Ventures, the corporate venturing arm of Aramco. After the period end, the company announced a collaboration with the Taiwan Perovskite Solar Corporation, Taiwan's prestigious Industrial Technology Research Institute, and the University of Cambridge to develop the next generation of solar technology combining perovskite solar cells with the company's graphene electrodes. The project is backed by Innovate UK. Again, we see the mix of industry, government and finance providing a strong testament to the technology's potential.

Pulsiv, which has the potential to revolutionise power conversion by converting much more energy into effective power, launched what is believed to be the world's most efficient 65W USB-C charger reference design, which subsequently picked up a prestigious industry award. Deakin Bio Hybrid Materials, which completed a successful fund raising, creates bio-based materials able to replace ceramics in some circumstances, using ultra-low energy processes, and therefore means they are more cost effective to manufacture. Alusid similarly needs less energy to make its premium-quality tiles made from more than 90 per cent recycled materials. After the period end, it announced its first international distribution agreement and the launch of a second range through Topps Tiles. Nandi Proteins functional ingredients include those to replace more expensive meat fat and eggs in certain products, offering potential health benefits and making vegetarian products vegan, as well as cutting costs for manufacturers. The company has signed a deal with a major food ingredients company and during the period, raised money via a convertible loan from investors including Nesta Impact Investments, the investment arm of UK social innovation agency Nesta, and Scottish Enterprise. The Vaccine Group has now developed a strong pipeline of vaccines to combat diseases, including zoonotic diseases, in livestock and companion animals. In the half year, it won grant funding from the

UK government's Department for Environment, Food & Rural Affairs and, separately, an Innovate UK Smart grant for projects with the Universities of Plymouth and Cambridge, and the Animal and Plant Health Agency. In addition to confidence in the technology, these awards show an increasing focus on preventative measures, such as vaccines, as significantly more effective means of disease control.

Our companies are helping to tackle some of the greatest challenges we face today around climate, energy, water, health and food. The high levels of interest from industry, government and finance, alongside demonstrable commercial traction, is proof that the technologies they are developing offer tangible business benefits.

Developments in the half year, and in the immediate months following, mean I am optimistic that the work done will be reflected in company valuations in the longer term. The portfolio continues to mature with several companies at key stages along the road to realisation. All this increases the chances of successful exits, but the timings of these will be heavily dependent on market conditions. We continue to keep a tight eye on our operating costs."

Once again, I would like to thank shareholders for their continued support, and I remain confident about the prospects for the Group."

ENQUIRIES

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INTERIM MANAGEMENT STATEMENT

SUMMARY

Frontier IP made strong progress during the period and post period end in developing the portfolio companies and creating value for shareholders by:

- Supporting 2D Photonics, a new company established to manage the UK and Italian activities of CamGraPhIC, in raising €25 million from major multinational industrial, financial and governmental investors

- Helping several portfolio companies raise money through equity financing, convertible loans and grant funding. They include GraphEnergyTech, Nandi Proteins, DeakinBio and The Vaccine Group
- Supporting portfolio companies in developing relationships and collaborations with major industry and governmental partners

OPERATIONAL REVIEW

Frontier IP and its portfolio companies made good commercial and technical progress during the half year to 31 December 2024 despite a very difficult market environment for AIM-quoted stocks and early-stage technology companies. The Group successfully raised £3.3million (net of expenses) via a Placing and Subscription and a separate Retail Offer to meet working capital requirements and to provide strategic support to portfolio companies where necessary.

Our portfolio is maturing and several companies are moving closer to the stage where they could provide a potential exit for the Group. Some companies are now generating revenues. We further developed relationships with university, government and industry partners.

Portfolio developments included:

Note: in the following all Frontier stakes are quoted as at 31st December 2024

2D Photonics: Frontier IP stake 20.0 per cent

2D Photonics SpA is a new company established to own and manage CamGraPhIC's activities in in the UK and Italy. It is developing advanced graphene photonics with the potential to transform Artificial Intelligence and mobile communications by significantly cutting their costs, improving energy efficiency and increasing speeds. Prototype transceivers have outperformed current silicon photonics technology and will consume 80 per cent less energy. There are potential applications in other sectors. During the period, CamGraPhIC secured a £1.5 million loan facility and made good technical progress. After the period end, 2D Photonics raised €25 million through the Italian subsidiary CamGraPhIC srl to invest in the development and scale up of the technology, including the creation of a pilot manufacturing plant. The investment round was co-led by CDP Venture Capital, the Nato Innovation Fund, the Sony Innovation Fund and Join Capital. Bosch Ventures and Indaco Venture Partners also participated alongside Frontier IP, which converted all previous loans made to the company, totalling £2.7 million. Ben Jensen, formerly Frontier's advanced electronics commercialisation director, joined 2D Photonics full-time as chief executive officer.

Pulsiv: Frontier IP stake 18.2 per cent

Pulsiv's technology significantly improves the energy efficiency of power supplies, battery chargers and LED lighting, cutting energy consumption and customer bills. The technology also extracts more energy from photovoltaic solar cells. Because it uses fewer components, it can be incorporated into more compact designs and is cost effective for manufacturers. Commercial traction is strong and

growing: the company is in advanced discussions with major manufacturers and has put in place a global distribution network. During the period, Pulsiv launched what is believed to be the world's most energy efficient 65W USB C charger reference design, which operates at 97.43 per cent peak and 94.2 per cent average efficiency and at ultra-low operating temperatures. Post period close, the USB C charger design won the Power Sources Manufacturers Association's (PSMA) first Global Energy Efficiency Award. The PSMA, founded 40 years ago, is a leading trade association for the power electronics industry.

GraphEnergyTech: Frontier IP stake 30.4 per cent

GraphEnergyTech is developing advanced high-conductivity graphene inks. Initial applications are to create the next generation of solar technology by developing graphene electrodes to replace expensive metal, and in particular, silver electrodes in solar cells. Graphene electrodes are cheaper to make than metal electrodes for use in conventional silicon cells, and, when used in perovskite solar cells, could solve problems caused by the poor chemical stability of metal working with perovskite materials. Other applications for the technology include printed electronics, batteries, super capacitors, LED lighting and displays. GraphEnergyTech was co-founded by Professor Michael Grätzel of the Ecole Polytechnique Federale de Lausanne. He is one of the world's most cited academics. During the period, the company raised £1 million through an investment round led by Aramco Ventures, the corporate venturing arm of Aramco, the world's leading integrated energy and chemical company. Post period end, GraphEnergyTech entered a collaboration with the Taiwan Perovskite Solar Corporation, the Taiwanese Industrial Technology Research Institute and the University of Cambridge to develop perovskite solar modules with graphene electrodes. The project was awarded nearly £900,000 by Innovate UK.

The Vaccine Group: Frontier IP stake 17 per cent

The Vaccine Group ("TVG") is developing a novel herpesvirus-based vaccine technology able to provide a platform for a wide range of vaccines targeted at diseases in livestock and companion animals. Some of the diseases are zoonotic and can be transmitted to humans. The company has developed a strong vaccine pipeline: diseases targeted include porcine reproductive and respiratory syndrome, streptococcus suis, African swine fever, bovine tuberculosis, canine cancers and feline immunodeficiency virus. In September 2024, the company was involved in projects awarded more than £1.4 million by the UK government. A project led by the company with the University of Cambridge and the University of Plymouth, was awarded more than £1 million to develop a vaccine against Streptococcus suis, a widespread, harmful and zoonotic pig disease, supported by a grant from the Department for Environment, Food & Rural Affairs Farming Innovation Programme, delivered by Innovate UK. In October, a collaboration between TVG and The Animal and Plant Health Agency was awarded an Innovate UK Smart grant of more than £400,000 to develop vaccines against cow diseases bovine respiratory syncytial virus and lumpy skin disease.

Nandi: Frontier IP stake 19.8 per cent

Nandi's protein technology transforms commodity proteins into functional food ingredients. The company has signed a commercial agreement with a global food ingredients company who will manufacture and take to market Nandi's first commercial ingredients, which are collagen-based meat and fat replacers for use in processed meat products, such as sausages and burgers, reducing

calories and cost. The company is also developing a second product, a vegetable protein-based egg white replacer that has been successfully tested in a range of applications including meringues, alternative meat products and multiple bakery products. Other products include vegetable proteins to replace methylcellulose, a widely used binder in plant-based meat, and whey proteins to replace chemical emulsifiers in baked products. During the period, the company raised more than £500,000 via a convertible loan from investors including Nesta Impact Investments, the investment arm of UK social innovation agency Nesta and Scottish Enterprise. Nesta has also agreed to back an equity funding round aimed at raising a further £1 million. Proceeds are being used to support development of the egg white replacer.

Deakin Bio: Frontier IP stake 33.3 per cent

Deakin Bio-Hybrid Materials is developing low energy processes to produce advanced bio-based materials as sustainable alternatives to ceramics. The company recycles organic waste mixed with widely available waste materials, such as crushed limestone. The resulting materials look, feel and behave like ceramics, but do not need to be fired or glazed at high temperatures. As a result, they have a carbon footprint 94 per cent lower than conventional tiles and creates products with more than 95 per cent recycled content. During the period, the company raised £693,000 from an oversubscribed equity funding round led by Green Angel Ventures, one of the UK's leading specialists in early-stage climate related technology innovation investments.

Post period end developments also included:

Alusid: Frontier IP stake 35.4 per cent

Alusid makes beautiful, premium-quality tiles, tabletops and other surfaces by recycling industrial waste, ceramics and glass, much of which would otherwise go to landfill. The company's patented formulations and processes use less energy and water than conventional tile manufacturing: its new floor tile range Mas is made from 95 per cent to 98.5 per cent recycled material and reduces carbon emissions by 51 per cent and water use by 44 per cent compared to standard tiles produced in Spain. After the period close, Alusid announced its first international distribution agreement with FRONT Materials BV, a Dutch sustainable building materials specialist. Topps Tiles also started selling a second Alusid-made range by launching Mas through its retail chain. Alusid is also exploring options for an initial public offering, subject to market conditions.

Corporate developments

In December 2024, Frontier IP raised a total of £3.6 million through a Placing and Subscription and a separate retail offer with net proceeds of £3.3 million. The proceeds will be used for general working capital requirements and to provide strategic support to portfolio companies where necessary.

OUTLOOK

Market conditions remain difficult for both AIM-quoted companies and early-stage technology companies. However, our portfolio companies are developing technologies that offer important

commercial upside while meeting some significant challenges. They are developing technologies that offer either the same or greater benefits at lower costs than those currently used. During the period and beyond, portfolio companies were able to raise significant sums from industry, government and financial backers, and develop important collaborations with global leaders in their respective fields. The portfolio is maturing nicely and we expect our news flow to remain positive in the months to come, although the pace of development might be affected by market conditions.

Neil Crabb

Chief Executive Officer

RESULTS SUMMARY

Financial assets at fair value through profit and loss as at 31 December 2024 totaled £39,118k (30 June 2024: £38,798k; 31 December 2023: £41,530k). The fair value of equity investments as at 31 December 2024 was £33,203k, representing no change since 30 June 2024 (30 June 2024: £33,203k; 31 December 2023: £35,068k). The fair value of debt investments as at 31 December 2024 was £5,915k, an increase of £320k since 30 June 2024 (30 June 2024: £5,595k; 31 December 2023: £6,462k), representing additions of £380k offset by a small loss in the revaluation of debt investments of £60k. There were no profits from disposals, or acquisitions of equity investments, in the period (2023: disposal of part of holding of ExScientia for proceeds of £839k; addition of Deakin Bio-Hybrid Materials). A loss before tax of £1,605k (2023: profit of £1,415k) reflected the minimal movement in valuations of debt investments and absence of upwards or downwards valuations in equity investments since 30 June 2024. Administrative expenses increased by 5 per cent to £1,886k in the period (6 months ended 31 December 2023: £1,803k) reflecting inflationary increases. Basic loss per share in the period was 2.32p (2023: earnings of 2.67p).

Cash balances stood at £3,633k at 31 December 2024, an increase of £1,335k since 30 June 2024 (30 June 2024: £2,298k; 31 December 2023: £2,737k), primarily reflecting operating costs in the period of £1,886k offset by net proceeds of £3,326k in December 2024. Net assets per share as at 31 December 2024 were 67.6p (30 June 2024: 79.7p; 31 December 2023: 84.2p).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 December 2024

	Notes	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Revenue				
Revenue from services		141	203	358

Other operating income

Unrealised profit/(loss) on the revaluation of investments	8	(60)	2,849	1,282
Realised profit/(loss) on disposal of investments		-	54	249
		81	3,106	(1,889)
Administrative expenses		(1,886)	(1,803)	(3,508)
Share based payments		(82)	(122)	(225)
Interest income on debt investments		268	188	409
Other income		-	18	36
Profit/(loss) from operations		(1,619)	1,387	(1,399)
Interest income on short-term bank deposits		14	28	62
Profit/(loss) from operations and before tax		(1,605)	1,415	(1,337)
Taxation	6	-	73	211
Profit/(loss) and total comprehensive income/(expense) attributable to the equity holders of the Company		(1,605)	1,488	(1,126)

Profit per share attributable to the equity holders of the parent

Basic earnings/(loss) per share	7	(2.81)p	2.67p	(2.01)p
Diluted earnings/(loss) per share	7	(2.75)p	2.60p	(1.96)p

All the Group's activities are classed as continuing and there were no comprehensive gains or losses in any period other than those included in the statement of comprehensive income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		As at 31 December 2024 (unaudited) £'000	As at 31 December 2023 (unaudited) £'000	As at 30 June 2024 (audited) £'000
ASSETS	Notes			
Non-current assets				
Tangible fixed assets		7	10	15
Goodwill		1,966	1,966	1,966
Financial assets at fair value through profit and loss				
Equity investments	8	33,203	35,068	33,203
Debt investments	8	5,915	6,462	5,595
		41,091	43,506	40,779

Current assets			
Trade receivables and other current assets	2,233	1,532	1,629
Advances	9	-	382
Cash and cash equivalents	3,633	2,737	2,298
	5,875	4,269	4,309
Total assets	46,966	47,775	45,088
LIABILITIES			
Non-current liabilities			
Deferred taxation	-	(138)	
	-	(138)	-
Current liabilities			
Trade and other payables	(389)	(351)	(315)
	(389)	(351)	(315)
Total liabilities	(389)	(489)	(315)
Net assets	46,577	47,286	44,773
EQUITY			
Called up share capital	9 6,890	5,617	5,617
Share premium account	16,845	14,792	14,791
Reverse acquisition reserve	(1,667)	(1,667)	(1,667)
Share based payment reserve	1,519	1,335	1,437
Retained earnings	22,990	27,209	24,595
Total equity	46,577	47,286	44,773

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-months ended 31 December 2024

	Share capital	Share premium account	Reverse acquisition reserve	Share- based paymen t reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 st July 2023	5,566	14,627	(1,667)	1,291	25,721	45,538
Issue of shares	51	165	-	(78)	-	138
Share-based payments	-	-	-	122	-	122
Profit/comprehensive income for the period	-	-	-	-	1,488	1,488
At 31 December 2023	5,617	14,792	(1,667)	1,335	27,209	47,286
Issue of shares		(1)		(1)		(2)
Share based payment				103		103
Profit/comprehensive income for the period	-	-	-	-	(2,614)	(2,614)
At 30 June 2024	5,617	14,791	(1,667)	1,437	24,595	44,773
Issue of shares	1,273	2,054	-		-	3,327
Share-based payments	-	-	-	82	-	82
Profit/comprehensive income for the period	-	-	-	-	(1,605)	(1,605)
At 31 December 2024	6,890	16,845	(1,667)	1,519	22,990	46,577

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Cash flows from operating activities			
Cash used in operations	(1,625)	(993)	(2,811)
Net cash used in operating activities	<u>(1,625)</u>	<u>(993)</u>	<u>(2,811)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	(0)	(2)	(14)
Purchase equity investments	-	(68)	(68)
Disposal of equity investments	-	839	2,547
Purchase of debt investments	(380)	(1,808)	(2,157)
Interest received	14	28	62
Net cash from/(used in) investing	<u>(366)</u>	<u>(1,011)</u>	<u>370</u>
Cash flows from financing activities			
Proceeds from issue of equity shares	3,565	138	136
Costs of share issue	(239)	-	-
Net cash generated from financing activities	<u>3,326</u>	<u>138</u>	<u>136</u>
Net (decrease)/increase in cash and cash equivalents	1,335	(1,866)	(2,305)
Cash and cash equivalents at beginning of period	2,298	4,603	4,603
Cash and cash equivalents at end of period	<u>3,633</u>	<u>2,737</u>	<u>2,298</u>

Cash used in operations			
Profit/(loss)before tax	(1,605)	1,415	(1,337)
Adjustments for:			
Share-based payments	82	122	225
Depreciation	9	5	9
Interest received	(14)	(28)	(62)
Unrealised (profit)/loss on revaluation of investments	60	(2,849)	(1,282)
Realised (profit) on disposal of investments		(54)	(249)
Changes in working capital:			
Trade and other receivables	(149)	(507)	(602)

Advances	(82)	793	413
Trade and other payables	74	110	74
	<u>(1,625)</u>	<u>(993)</u>	<u>(2,811)</u>

NOTES

1. General information

The Company is a limited liability company incorporated in England and with its registered office at c/o CMS Cameron McKenna Nabarro Olswang LLP, 78 Cannon Street, London EC4N 6AF. The Company's main trading office is situated at 93 George Street, Edinburgh, EH2 3ES.

The Company is quoted on the AIM market of the London Stock Exchange.

This condensed consolidated interim financial information was approved and authorised for issue by a duly appointed and authorised committee of the Board of Directors on 25 March 2025.

This condensed interim financial information has not been audited or reviewed by the Company's auditor.

2. Basis of preparation

This condensed consolidated interim financial information for the six months ended 31 December 2024 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2024, which have been prepared in accordance with UK adopted International Financial Reporting Standards (IFRS).

This condensed consolidated interim financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The comparatives for the full year ended 30 June 2024 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was qualified on the basis that in the prior year they were unable to obtain sufficient appropriate audit evidence in respect of the valuation of certain early stage equity investments valued at £1.2 million in June 2023, which made the comparability of these figures with the June 2024 valuations difficult to assess.

3. Going Concern

The accounts for the full year ended 30 June 2024 drew attention to the existence of a material uncertainty that cast significant doubt on the Group's ability to continue as a going concern. The material uncertainty was the amount of proceeds the Group intended to raise from the issue of shares to cover future operating costs. Since 30 June 2024 the Group has issued 12,731,261 shares for net proceeds of £3.3M, and the Group has sufficient cash to cover its operating expenditure for the next 12 months. However, to fund any unplanned investments and to cover operating expenditure beyond the next 12 months the Group needs to realise cash through further portfolio exits, the timing and amount of which is subject to material uncertainty.

4. Accounting policies

The accounting policies applied by the Group in these unaudited half year results are consistent with those applied in the annual financial statements for the year ended 30 June 2024 as described in the Group's Annual Report for that year and as available on our website www.frontierip.co.uk. No new standards that have become effective in the period have had a material effect on the Group's financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

5. Segmental information

The chief operating decision-maker has been identified as the Group's board of directors. The board reviews the Group's internal reporting to assess performance and allocate resources. Currently the board considers that the Group has one operating activity, the commercialisation of intellectual property. The Group's revenue and profit before taxation were derived almost entirely from its principal activities within the UK. Though the Group has a Portuguese subsidiary as well as partnerships and spin outs in Portugal the associated revenues and costs are currently immaterial and, accordingly, no additional geographical disclosures are given.

6. Taxation

There is no taxation expense or income for the six months to 31 December 2024 (31 December 2023: income of £73,000) either from movements in deferred tax on unrealised fair value gains, available tax losses or share-based payments.

A deferred tax asset in respect of trading losses arising before 1 April 2017 has not been recognised in view of the uncertainty as to the level of future taxable trading profits.

7. Earnings per share

The calculation of the basic earnings per share for the six months ended 31 December 2024 and 31 December 2023 and for the year ended 30 June 2024 is based on the earnings attributable to the shareholders of Frontier IP Group Plc in each period divided by the weighted average number of shares in issue during the period.

Basic earnings per share

	<i>Earnings attributable to shareholders £'000</i>	<i>Weighted average number of shares Number</i>	<i>Basic earnings per share Pence</i>
Six months ended 31 December 2024	(1,605)	57,038,007	(2.81)
Six months ended 31 December 2023	1,488	55,825,307	2.67

Year ended 30 June 2024	(1,126)	55,986,153	(2.01)
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Diluted earnings per share	<i>Earnings attributable to shareholders £'000</i>	<i>Weighted average number of shares Number</i>	<i>Diluted earnings per share Pence</i>
Six months ended 31 December 2024	(1,605)	58,437,018	(2.75)
Six months ended 31 December 2023	1,488	57,271,415	2.60
Year ended 30 June 2023	(1,126)	57,673,312	(1.96)

8. Financial assets at fair value through profit and loss

Equity investments comprise the following:

	Unquoted Equity Investments £'000	Quoted Equity Investments £'000	Total £'000
At 1 st July 2023	30,667	2,297	32,964
Additions	68	-	68
Disposals		(784)	(784)
Fair value increases	2,944	123	3,067
Fair value decreases	(247)		(247))
At 31 st December 2023	33,432	1,636	35,068
Additions		-	-
Disposals		(1,636)	(1,636)
Fair value increases	4,675		4,675
Fair value decreases	(4,904)	-	(4,904)
At 30 th June 2024	33,203	-	33,203
Additions	-	-	-
Disposals	-	-	-
Fair value increases	-	-	-
Fair value decreases	-	-	-
At 31 st December 2024	33,203	-	33,203

No unquoted equity investments increased or decreased in value in the six months to December 2024, and no new investments were added.

Debt investments comprise the following:

Unquoted Debt Instruments

	£'000
At 1 st July 2023	4,625
Additions	1,808
Fair value increases	216
Fair value decreases	(187)
At 31 st December 2023	<u>6,462</u>
Additions	349
Conversion of debt	-
Fair value decreases	(1216)
At 30 th June 2024	<u>5,595</u>
Additions	380
Fair value increases	30
Fair value decreases	(90)
At 31 st December 2024	<u><u>5,915</u></u>

Debt investments are loans to portfolio companies to fund early-stage costs, provide funding alongside grants and bridge to an equity fundraise. Certain debt investments carry warrants granting the option to purchase shares.

The most significant loan made during the six months to 31 December 2024 was to Cambridge Raman Imaging (£280,000). £100,000 was loaned to The Vaccine Group. The most significant debt investments at 31 December 2024 were loans to CamGraPhIC, renamed as 2D Photonics (£2,606,000).

9. Equity shares and share options

The Group issued 12,731,261 new ordinary shares in the six months to December 2024, making the total number of shares in issue 68,898,207. The Group also issued share options to employees on 19th December 2024, 889,775 LTIP options with a strike price of £0.10 and 110,628 CSOP options with a strike price of £0.28.

10. Copies of Half Yearly Report

Copies of the Half Yearly Report will be available on the Company's website, www.frontierip.co.uk, and on request from the Company's offices at 93 George Street, Edinburgh EH2 3ES no later than March 2025.

11. Equity holdings

All Group equity holdings in portfolio companies in the interim results statement are as at 31 December 2024.