
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**
For the Month of May 2024

Commission File Number: 001-39487

Silence Therapeutics plc
(Exact Name of Registrant as Specified in Its Charter)

**72 Hammersmith Road
London W14 8TH
United Kingdom**
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

On May 16, 2024, Silence Therapeutics plc published its unaudited financial statements for the three months ended March 31, 2024. The unaudited condensed consolidated interim financial statements, as well as the Management’s Discussion and Analysis and Risk Factors sections, are attached hereto as Exhibit 99.1 to this Report on Form 6-K.

This Report on Form 6-K (including Exhibit 99.1) shall be deemed to be incorporated by reference into the registration statements on Form S-8 (File Nos. 333-248682 and 333-273576) and Form F-3 (File No. 333-260265) of Silence Therapeutics plc and to be a part thereof from the date on which this report is filed, to the extent not superseded by documents or reports subsequently filed or furnished.

EXHIBIT INDEX

Exhibit No.	Description
99.1	Report for the Three Months Ended March 31, 2024

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Silence Therapeutics plc

By: /s/ Craig Tooman

Name: Craig Tooman
Title: President and Chief Executive Officer

Date: May 16, 2024

Condensed consolidated income statement (unaudited)

	Three months ended	Three months ended
	March 31, 2024	March 31, 2023
£000s (except per share information)	£000s	£000s
Revenue	12,406	11,374
Cost of sales	(2,213)	(4,534)
Gross profit	10,193	6,840
Research and development costs	(9,179)	(12,539)
General and administrative expenses	(5,170)	(6,450)
Operating loss	(4,156)	(12,149)
Finance and other expenses	(13)	(860)
Finance and other income	804	336
Loss for the period before taxation	(3,365)	(12,673)
Taxation	1,489	2,469
Loss for the period after taxation	(1,876)	(10,204)
Loss per ordinary share (basic and diluted)	(1.4) pence	(9.5) pence

Condensed consolidated statement of comprehensive income (unaudited)

	Three months ended	Three months ended
	March 31, 2024	March 31, 2023
	£000s	£000s
Loss for the period after taxation	(1,876)	(10,204)
Other comprehensive expense, net of tax:		
Items that may subsequently be reclassified to profit and loss:		
Foreign exchange differences arising on consolidation of foreign operations	(90)	(39)
Total other comprehensive income/(expense) for the period	(90)	(39)
Total comprehensive expense for the period	(1,966)	(10,243)

Condensed consolidated balance sheet (unaudited)

	March 31, 2024 £000s	December 31, 2023 £000s
Non-current assets		
Property, plant and equipment	1,791	1,813
Goodwill	7,731	7,840
Other intangible assets	275	284
Other long term assets	2,565	2,580
Financial assets at amortized cost	284	284
	12,646	12,801
Current assets		
Cash and cash equivalents	113,056	54,031
Financial assets at amortized cost	39,698	-
R&D tax credit receivable	10,690	17,627
Other current assets	10,149	9,135
Trade receivables	8,140	228
	181,733	81,021
Non-current liabilities		
Contract liabilities	(56,208)	(58,910)
Lease liability	(93)	(93)
	(56,301)	(59,003)
Current liabilities		
Contract liabilities	(3,505)	(5,161)
Trade and other payables	(10,487)	(12,429)
Lease liability	(184)	(179)
	(14,176)	(17,769)
Net assets	123,902	17,050
Capital and reserves attributable to the owners of the parent		
Share capital	6,986	5,942
Capital reserves	420,759	313,769
Translation reserve	1,861	1,951
Accumulated losses	(305,704)	(304,612)
Total shareholders' equity	123,902	17,050

Condensed consolidated statement of changes in equity (unaudited)

Three months ended March 31, 2023

	Share Capital £000s	Capital Reserves £000s	Translation Reserve £000s	Accumulated Losses £000s	Total £000s
At January 1, 2023	5,390	277,860	2,085	(263,263)	22,072
Recognition of share-based payments	-	4,694	-	-	4,694
Options exercised in the period	-	(1,056)	-	1,056	-
Proceeds from ordinary shares issued	13	54	-	-	67
Transactions with owners recognized directly in equity	13	3,692	-	1,056	4,761
Loss for period	-	-	-	(10,204)	(10,204)
Other comprehensive income					-
Foreign exchange differences arising on consolidation of foreign operations	-	-	(39)	-	(39)
Total comprehensive expense for the period	-	-	(39)	(10,204)	(10,243)
At March 31, 2023	5,403	281,552	2,046	(272,411)	16,590

Three months ended March 31, 2024

	Share Capital £000s	Capital Reserves £000s	Translation Reserve £000s	Accumulated Losses £000s	Total £000s
At January 1, 2024	5,942	313,769	1,951	(304,612)	17,050
Recognition of share-based payments	-	3,254	-	-	3,254
Options exercised in the period	-	(784)	-	784	-
Proceeds from ordinary shares issued	1,044	104,520	-	-	105,564
Transactions with owners recognized directly in equity	1,044	106,990	-	784	108,818
Loss for period	-	-	-	(1,876)	(1,876)
Other comprehensive income					-
Foreign exchange differences arising on consolidation of foreign operations	-	-	(90)	-	(90)
Total comprehensive expense for the period	-	-	(90)	(1,876)	(1,966)
At March 31, 2024	6,986	420,759	1,861	(305,704)	123,902

Condensed consolidated statement of cash flows (unaudited)

	Three months ended	
	March 31, 2024	March 31, 2023
	£000s	£000s
Cash flow from operating activities		
Loss before tax	(3,365)	(12,673)
Depreciation charges	111	118
Amortization charges	9	16
Charge for the period in respect of share-based payments	3,254	4,694
Net foreign exchange loss	133	84
Finance and other expenses	13	860
Finance and other income	(804)	(336)
Decrease in trade receivables	(7,912)	(778)
(Increase)/Decrease in other current assets	(1,014)	1,360
(Increase) in RDEC Receivable	(290)	(27)
Decrease in other long term assets	15	-
(Decrease)/Increase in trade and other payables	(2,116)	419
(Decrease) in contract liabilities	(4,358)	(8,246)
Cash spent on operations	(16,324)	(14,509)
Tax paid	(86)	-
R&D tax credits received	8,915	6,853
Net cash outflow from operating activities	(7,495)	(7,656)
Cash flow from investing activities		
Purchase of financial assets at amortized cost	(39,439)	-
Interest received	407	161
Purchase of property, plant and equipment	-	(27)
Purchase of intangible assets	-	(6)
Net cash inflow/(outflow) from investing activities	(39,032)	128
Cash flow from financing activities		
Repayment of lease liabilities	-	(48)
Gross proceeds from issue of share capital	112,109	67
Transaction costs for issue of share capital	(6,545)	-
Net cash inflow from financing activities	105,564	19
Increase in cash and cash equivalents	59,037	(7,509)
Cash and cash equivalents at start of year	54,031	54,816
Effect of exchange rate fluctuations on cash and cash equivalents held	(12)	(576)
Cash and cash equivalents at end of period	113,056	46,731

Notes to the financial statements

Three months ended March 31, 2024

1. General information

Silence Therapeutics plc and its subsidiaries (together the "Group") are primarily involved in the discovery, delivery and development of RNA therapeutics. Silence Therapeutics plc (the "Company"), a public company limited by shares registered in England and Wales, with company number 02992058, is the Group's ultimate parent company. The Company's registered office is 27 Eastcastle Street, London, W1W 8DH and the principal place of business is 72 Hammersmith Road, London, W14 8TH.

These unaudited condensed consolidated interim financial statements were approved for issue on May 16, 2024.

These unaudited condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended December 31, 2023, were approved by the board of directors on April 8, 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain any statement under section 498 of the Companies Act 2006.

The condensed consolidated interim financial statements have not been audited.

Basis of preparation and accounting policies

This unaudited condensed consolidated interim financial report for the three-month reporting period ended March 31, 2024 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB").

The interim report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended December 31, 2023 which was prepared in accordance with IFRS (International Financial Reporting Standards) as issued by the IASB.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting periods.

The preparation of these unaudited condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results might differ from these estimates.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are disclosed in the 'Critical Accounting Policies, Judgments and Estimates' section beginning on page 21.

2. Going concern

The Group has incurred recurring losses since inception, including net losses of £1.9 million for the three months ended March 31, 2024. As of March 31, 2024, the Group had accumulated losses of £305.7 million.

The Group expects to incur operating losses for the foreseeable future as it continues its research and development efforts, seeks to obtain regulatory approval of its product candidates and pursues any future product candidates the Group may develop.

To date, the Group has funded its operations through upfront payments and milestones from collaboration agreements, equity offerings and proceeds from private placements, as well as management of expenses and other financing options to support its continued operations. During 2021, the Group received \$40.0 million (£30.8 million)

of upfront payments in respect of the AstraZeneca plc ("AstraZeneca") collaboration, \$45.0 million from a private placement of American Depositary Shares ("ADSs") (approximately \$42.0 million / £30.8 million, net of expenses) and an approximately \$16.0 million (£10.7 million) upfront payment (net of taxes withheld, based on the exchange rate at the payment date), related to the Hansoh Pharmaceutical Group Company Limited ("Hansoh") collaboration executed on October 14, 2021. In August 2022, the Group raised additional funds through a registered direct offering with aggregate gross proceeds of \$56.5 million (approximately £46.4 million) before deducting \$4.1 million (approximately £3.3 million) in placement agent fees and other expenses. In 2023, the Group received a \$10.0 million (approximately £7.9 million) milestone from the AstraZeneca collaboration and \$4 million (approximately £3.2 million) in milestones from the Hansoh collaboration. In 2023, the Group also raised gross proceeds of approximately \$32.2 million (approximately £25.5 million), before deducting £1.0 million in placement agent fees and other expenses from its open market sale agreement. In January 2024, we raised additional proceeds of £15.7 million (\$20 million) before deducting £0.5 million (\$0.6 million) in placement agent fees and other expenses, from sales of ADSs under our Sales Agreement. On February 5, 2024, the Group announced a private placement of 5,714,286 of the Company's American Depositary Shares ("ADSs"), each representing three ordinary shares, at a price of US \$21.00 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was approximately £95.4 million (\$120 million) before deducting approximately £6.1 million (\$7.7 million) in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital. As of March 31, 2024, the Group had cash, cash equivalents and U.S. treasury bills of £152.8 million (\$192.8 million).

The Group will need to raise additional funding to fund its operation expenses and capital expenditure requirements in relation to its clinical development activities. The Group may seek additional funding through public or private financings, debt financing or collaboration agreements. Specifically, the Group may receive future milestone payments from existing collaboration agreements which will extend the ability to fund operations. In February 2024, the Group announced that it had achieved another \$10 million milestone payment from their AstraZeneca Collaboration following the initiation of a Phase 1 Trial. Additional future milestone payments are dependent on achievement of certain development or regulatory objectives that may not occur. The inability to obtain future funding could impact; the Group's financial condition and ability to pursue its business strategies, including being required to delay, reduce or eliminate some of its research and development programs, or being unable to continue operations or unable to continue as a going concern.

3. Revenue

Revenue from collaboration agreements for the three months ended March 31, 2024 predominately relates to the research collaboration agreements the Company entered into with Mallinckrodt in July 2019 and AstraZeneca in March 2020.

Revenue for the three months ended March 31, 2024 comprised £12.3 million of research collaboration income (March 31, 2023: £11.2 million) and £0.1 million of royalty income (March 31, 2023: £0.1 million).

	Three months ended	Three months ended
	March 31, 2024	March 31, 2023
	£000s	£000s
Revenue from Contracts with Customers		
Research collaboration - Mallinckrodt	457	8,934
Research collaboration - AstraZeneca	11,625	2,452
Research collaboration - Other	211	(160)
Research collaboration - Total	12,293	11,226
Royalties	113	148
Total revenue from contracts with customers	12,406	11,374

Under the Company's collaboration agreement with Mallinckrodt, the Company received an upfront cash payment of £16.4 million (\$20.0 million) in 2019 and was eligible to receive specified development, regulatory and commercial milestone payments. No milestone payments under this agreement were achieved during the three months ended March 31, 2024 (three months ended March 31, 2023: £nil). In addition to the upfront and potential milestone payments, Mallinckrodt agreed to fund some of the Company's research personnel and preclinical development costs. The Company recognized the upfront payment, milestone payments, payments for personnel costs and other research funding payments over time, in accordance with IFRS 15 para 35 c).

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remained under the original collaboration agreement. The Company accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was that the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company recognized the effect of the contract modification on the measure of progress towards complete satisfaction of the SLN501 performance obligation, and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. The Company recognized £8.0 million on the contract modification date in the first quarter of 2023. In relation to the reacquired targets, the two preclinical siRNA assets were recognized at fair value. The fair value of those assets has been determined to be nil. Under the modification, the Company agreed to pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties payable will be expensed in cost of sales.

In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all required development activities and commitments under the collaboration agreement. During the three months ended March 31, 2024, the Company recognized the remaining £0.5 million in revenue under this agreement (three months ended March 31, 2023: £8.9 million).

Under the Company's collaboration agreement with AstraZeneca, the Company received an upfront cash payment of £17.1 million (\$20.0 million) in 2020 with a further amount of £30.8 million (\$40.0 million) received in May 2021. The Company is also eligible to receive specified development and commercial milestone payments as well as tiered royalties on net sales, if any. The Company recognizes the upfront payment and milestone payments over time, in

accordance with IFRS 15 para 35 c). During the three months ended March 31, 2024, the Company achieved a milestone payment of approximately £7.9 million (\$10.0 million) (three months ended March 31, 2023: nil). In March 2024, we completed our obligations for the second product candidate under our AstraZeneca collaboration. As a result, the remaining revenue of £4.1 million associated with the target was recognized. During the three months ended March 31, 2024, the Company recognized a total of £11.6 million in revenue under this agreement (three months ended March 31, 2023: £2.5 million).

The Company entered into a collaboration agreement with Hansoh on October 14, 2021. The Company received an upfront cash payment of approximately \$16.0 million (£10.7 million, net of taxes based on the exchange rate at the payment date) in December 2021. The Company is eligible to receive development, regulatory and commercial milestones as well as royalties on Hansoh net product sales. During the three months ended March 31, 2024, the Company achieved no milestone payments (three months ended March 31, 2023: £nil). The Company recognizes the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the three months ended March 31, 2024, the Company recognized a total of £0.2 million in revenue under this agreement (three months ended March 31, 2023: reduction of £0.2 million).

In December 2018, the Company entered into a settlement and license agreement with Alnylam Pharmaceuticals Inc. ("Alnylam") pursuant to which the Company settled outstanding patent litigation with Alnylam related to its RNAi product ONPATTRO. As part of the settlement, the Company licenses specified patents to Alnylam, and Alnylam pays the Company a tiered royalty of up to one percent of net sales of ONPATTRO in the European Union. The Company was eligible to receive these royalties through December 2023. The Company invoices Alnylam quarterly in arrears based on sales data for that quarter as reported to the Company by Alnylam. Royalty revenue is recognized based on the level of sales when the related sales occur. During the three months ended March 31, 2024, the Company recognized a total of £0.1 million in royalty income from Alnylam (three months ended March 31, 2023: £0.1 million).

4. Segment reporting

In 2024, the Group operated in the specific technology field of RNA therapeutics.

Business segments

The Group has identified the Chief Executive Officer as the chief operating decision maker ("CODM"). For the three months ended March 31, 2024 and 2023, the CODM determined that the Group had one business segment, the development of RNAi-based medicines. This is consistent with reporting to senior management. The information used internally by the CODM is the same as that disclosed in the financial statements.

An analysis of the Group's assets and revenues by location is shown below:

	U.S. £000s	U.K. £000s	Germany £000s	Total £000s
Non-current assets				
As at December 31, 2023	-	3,508	9,293	12,801
As at March 31, 2024	-	3,439	9,207	12,646
Revenue analysis for the three months ended March 31, 2023				
Research collaboration	-	11,226	-	11,226
Royalties	-	-	148	148
	-	11,226	148	11,374
Revenue analysis for the three months ended March 31, 2024				
Research collaboration	-	12,293	-	12,293
Royalties	-	-	113	113
	-	12,293	113	12,406

5. Loss per ordinary share (basic and diluted)

The calculation of the loss per ordinary share is based on the loss for the three months ended March 31, 2024 and on the weighted average number of ordinary shares in issue during the three months ended March 31, 2024 of 131,881,115 (three months ended March 31, 2023: 107,941,744).

The options outstanding at March 31, 2024 and 2023 are considered to be anti-dilutive as the Group is loss-making.

6. Goodwill

	March 31, 2024 £000s	December 31, 2023 £000s
Balance at start of the period	7,840	8,009
Translation adjustment	(109)	(169)
Balance at end of the period	7,731	7,840

7. Contract liabilities

Contract liabilities comprise entirely deferred revenue in respect of the Mallinckrodt, AstraZeneca and Hansoh research collaborations. The current contract liabilities represent the amount of estimated revenue to be reported in the next twelve months related to amounts invoiced to our partners. Current and non-current contract liabilities include future revenue from collaborations, recharged expenses, upfront payments, and milestones achieved to March 31, 2024.

	March 31, 2024 £000s	December 31, 2023 £000s
Contract liabilities:		
Current	3,505	5,161
Non-current	56,208	58,910
Total contract liabilities	59,713	64,071

	Total £000s
Contract liabilities:	
At January 1, 2023	72,349
Additions during period	2,980
Revenue unwound during period	(11,226)
At March 31, 2023	64,103

At January 1, 2024	64,071
Additions during period	7,935
Revenue unwound during period	(12,293)
At March 31, 2024	59,713

8. Taxation

An additional £1.7 million current tax asset was recognized in respect of research and development tax credits in the three months ended March 31, 2024 (three months ended March 31, 2023: £2.7 million). In addition to this we have also recognized £0.3 million of income from the RDEC scheme in the income statement within research and

development costs for the three months ended March 31, 2024. The Company had a foreign tax expense of £0.2 million for the three months ended March 31, 2024 (three months ended March 31, 2023: £0.2 million).

The current tax asset at March 31, 2024 was £10.7 million, comprised of £2.0 million in respect of research and development activity for the three months ended March 31, 2024 and £8.7 million in respect of the year ended December 31, 2023.

9. Capital reserves

Three months ended March 31, 2023

	Share premium account £000s	Merger reserve £000s	Share based payment reserve £000s	Capital redemption reserve £000s	Total £000s
At January 1, 2023	226,670	22,248	23,748	5,194	277,860
Ordinary shares issued	-	-	-	-	-
On options in issue during the period	-	-	4,694	-	4,694
On options exercised during the period	54	-	(1,056)	-	(1,002)
Costs capitalized in respect of issuance of shares during the period	-	-	-	-	-
Movement in the period	54	-	3,638	-	3,692
At March 31, 2023	226,724	22,248	27,386	5,194	281,552

Three months ended March 31, 2024

	Share premium account £000s	Merger reserve £000s	Share based payment reserve £000s	Capital redemption reserve £000s	Total £000s
At January 1, 2024	251,448	22,248	34,880	5,194	313,770
Ordinary shares issued	110,067	-	-	-	110,067
On options in issue during the period	-	-	3,254	-	3,254
On options exercised during the period	998	-	(784)	-	214
Costs capitalized in respect of issuance of shares during the period	(6,546)	-	-	-	(6,546)
Movement in the period	104,519	-	2,470	-	106,989
At March 31, 2024	355,967	22,248	37,350	5,194	420,759

	March 31, 2024 £000s	December 31, 2023 £000s
Authorized, allotted, called up and fully paid ordinary shares, par value £0.05	6,986	5,942
Number of shares in issue	139,727,953	118,846,966
Number of ADS in issue	46,575,984	39,615,655

The Group has only one class of shares. All ordinary shares have equal voting rights and rank *pari passu* for the distribution of dividends.

On October 15, 2021, we entered into an Open Market Sale Agreement (the "Sales Agreement"), with Jefferies LLC ("Jefferies"), under which Jefferies, as our exclusive agent, at our discretion and at such times that we may determine from time to time, may sell over a three-year period from the execution of the Sales Agreement up to a maximum of

\$100.0 million of ADSs. Under the terms of the Sales Agreement, Jefferies may sell the ADSs at market prices by any method that is deemed to be an "at the market offering" as defined in Rule 415 under the Securities Act of 1933, as amended. The ADSs offered under the Sales Agreement are being offered pursuant to a registration statement on Form F-3 that became effective on October 22, 2021. We may offer and sell up to \$300.0 million of our shares, represented by ADSs, from time to time in one or more offerings. During the year ended December 31, 2023, we sold 3.4 million ADSs for net proceeds of approximately \$32.2 million (approximately £25.5 million), before deducting £1.0 million in placement agent fees and other expenses. During the three months ended March 31, 2024, we sold 1.1 million ADSs for net proceeds of approximately £15.7 million (\$20 million), before deducting £0.5 million (\$0.6 million) in placement agent fees and other expenses. As of March 31, 2024, approximately \$47 million of ADSs remained available under the Sales Agreement.

On February 5, 2024, the Group announced a private placement of 5,714,286 of the Company's American Depositary Shares ("ADSs"), each representing three ordinary shares, at a price of US \$21.00 per ADS, with new and existing institutional and accredited investors (the "Private Placement"). The aggregate gross proceeds of the Private Placement was approximately £95.4 million (\$120 million) before deducting approximately £6.1 million (\$7.7 million) in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital.

Details of the ordinary shares issued by the Company during the three months ended March 31, 2024 are as follows:

Number of ordinary shares in issue at January 1, 2023	107,808,472
Number of equivalent ADSs in issue at January 1, 2023	35,936,157
Options exercised at \$3.76/ADS or \$1.51/ordinary share	27,498
Options exercised at \$0.20/ADS or \$0.08/ordinary share	11,712
Options exercised at \$7.60/ADS or \$3.05/ordinary share	4,386
Options exercised at \$0.21/ADS or \$0.09/ordinary share	89,712
Number of ordinary shares in issue at March 31, 2023	107,941,780
Number of equivalent ADS in issue at March 31, 2023	35,980,593

The below reflects USD exercise prices of exercised options over ADSs (converted to ordinary shares in a 3:1 ratio) following delisting from AIM on November 29, 2021.

Number of ordinary shares in issue at January 1, 2024	118,846,966
Number of equivalent ADSs in issue at January 1, 2024	39,615,655
Shares issued during the year	20,368,665
Options exercised at \$0.20/ADS or \$0.07/ordinary share	117,534
Options exercised at \$2.40/ADS or \$0.80/ordinary share	58,791
Options exercised at \$4.23/ADS or \$1.41/ordinary share	3,000
Options exercised at \$7.32/ADS or \$2.44/ordinary share	15,000
Options exercised at \$7.60/ADS or \$2.53/ordinary share	209,316
Options exercised at \$12.81/ADS or \$4.27/ordinary share	1,500
Options exercised at \$12.94/ADS or \$4.31/ordinary share	2,841
Options exercised at \$13.8/ADS or \$4.60/ordinary share	3,708
Options exercised at \$15.38/ADS or \$5.13/ordinary share	45,123
Options exercised at \$16.64/ADS or \$5.55/ordinary share	1,248
Options exercised at \$19.50/ADS or \$6.50/ordinary share	780
Options exercised at \$20.41/ADS or \$6.80/ordinary share	10,500
Options exercised at \$22.01/ADS or \$7.34/ordinary share	37,545
Options exercised at \$23.60/ADS or \$7.87/ordinary share	5,436
Number of ordinary shares in issue at March 31, 2024	139,727,953
Number of equivalent ADS in issue at March 31, 2024	46,575,984

10. Related party transactions

There were no related party transactions between the Company and its directors, executive officers, or holders of more than 10% of its outstanding share capital and their affiliates, in the three ended March 31, 2024.

11. Subsequent Events

None

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and operating results together with our unaudited financial statements as of and for the three months ended March 31, 2024 and the related notes to those unaudited condensed consolidated financial statements included as Exhibit 99.1 to this Report on Form 6-K, as well as our audited consolidated financial statements and related notes as disclosed in our Annual Report on Form 20-F for the year ended December 31, 2023 filed with the Securities and Exchange Commission, or the SEC, on March 13, 2024.

The statements in this discussion with respect to our plans and strategy for our business, including expectations regarding our future liquidity and capital resources and other non-historical statements, are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including the risks and uncertainties described in Exhibit 99.1 to this Report on Form 6-K. Our actual results may differ materially from those contained in or implied by any forward-looking statements.

Overview

Silence Therapeutics plc (“we”, “us”, “our”, “the Company” or “Silence”) is a biotechnology company focused on discovering and developing novel molecules incorporating short interfering ribonucleic acid, or siRNA, to inhibit the expression of specific target genes thought to play a role in the pathology of diseases with significant unmet medical need. Our siRNA molecules are designed to harness the body’s natural mechanism of RNA interference, or RNAi, by specifically binding to and degrading messenger RNA, or mRNA, molecules that encode specific targeted disease-associated proteins in a cell. By degrading the message that encodes the disease-associated protein, the production of that protein is reduced, and its level of activity is lowered. In the field of RNAi therapeutics, this reduction of disease-associated protein production and activity is referred to as “gene silencing.” Our proprietary mRNAi GOLD™ (GalNAc Oligonucleotide Discovery) platform consists of precision engineered product candidates designed to accurately target and ‘silence’ specific disease-associated genes in the liver. Using our mRNAi GOLD™ platform, we have generated siRNA product candidates both for our internal development pipeline as well as for out-licensed programs with third-party collaborators. Our wholly owned pipeline is currently focused in three therapeutic areas of high unmet need: cardiovascular disease, hematology and rare diseases.

Zerlasiran (SLN360) is our wholly owned siRNA designed to lower the body's production of apolipoprotein(a), a key component of lipoprotein(a), or Lp(a), that has been associated with an increased risk of cardiovascular events. Elevated Lp(a) is a genetically determined cardiovascular risk factor affecting up to 20% of the world's population and is associated with a high risk of heart attack, stroke and aortic stenosis. There are currently no approved medicines that selectively lower Lp(a). In February 2022, we reported positive results from the single-ascending dose portion of the APOLLO phase 1 program evaluating zerlasiran in 32 healthy adults with Lp(a) levels at or over 150 nmol/L. In the single dose trial, participants in the top two zerlasiran single dose groups (300 mg and 600 mg) were observed to have experienced up to a 96% and 98% median reduction in Lp(a) levels, respectively, and median reductions of up to 71% and 81% from baseline persisted at 150 days. Further analysis showed median time-averaged Lp(a) reductions over 150 days exceeded 80% in the zerlasiran 300 mg and 600 mg dose groups. At day 365, some participants still exhibited substantial knockdown of Lp(a) to approximately 50% of baseline. Zerlasiran was well tolerated with no serious safety concerns reported. In November 2023, we reported positive topline results from the multiple dose portion of the APOLLO program in 36 adults with baseline Lp(a) levels at or over 150 nmol/L and stable atherosclerotic cardiovascular disease (ASCVD). In the multiple dose trial, zerlasiran (200 mg, 300 mg and 450 mg) was administered twice subcutaneously at two different dosing intervals. Data demonstrated a significant reduction from baseline in Lp(a) of up to 99% at 90 days following injection of repeated doses. Lp(a) levels remained approximately 90% lower than baseline at 201 days (end of treatment period) at the two highest doses. A dose dependent reduction in low-density lipoprotein cholesterol (LDL cholesterol) and apolipoprotein B (ApoB) was also observed. Zerlasiran was well tolerated; no clinically important safety concerns were identified. Zerlasiran is currently being evaluated in the ALPACAR-360 phase 2 study in patients with Lp(a) levels at or over 125 nmol/L at high risk of ASCVD events. In March 2024, we announced positive topline 36-week data which showed the phase 2 study met its primary endpoint and demonstrated statistically significant reductions in Lp(a) to week 36. The 60-week study is ongoing and secondary endpoints, including change in Lp(a) from baseline to 48 weeks (end of treatment period), 60 weeks (end of study) and potential effects on other lipids/lipoproteins, will be evaluated. We expect to report topline 48-week data in the second quarter of 2024. We are continuing to prepare and finalize development plans for the zerlasiran phase 3 program. In addition, we are engaged in global partnership discussions for phase 3 development and potential future commercialization.

Divesiran (SLN124) is our wholly owned siRNA designed to inhibit *TMPRSS6* expression in the liver to raise hepcidin, a peptide hormone that is the master regulator of systemic iron balance. Divesiran has shown preclinical potential in several hematological disorders. Furthermore, divesiran has demonstrated proof of mechanism in the GEMINI phase 1 trial in healthy volunteers completed in May 2021. In the GEMINI study, divesiran was observed to increase average hepcidin approximately four-fold and reduce serum iron by approximately 50% after a single dose with effects persisting for at least two months. Data were presented at the American Society of Hematology (ASH) 2021 Annual Meeting and published in the American Journal of Hematology in July 2023. Divesiran is currently being studied in the SANRECO phase 1/2 trial in patients with polycythemia vera (PV). Divesiran has FDA Fast Track and orphan disease designations for PV. We plan to report data from the phase 1 portion of the study in the first half of 2024.

The potential of our mRNAi GOLD™ platform has been validated through ongoing research and development collaborations with leading pharmaceutical companies, such as AstraZeneca and Hansoh. These collaborations collectively represent up to 13 pipeline programs and approximately \$5 billion in potential milestones plus royalties.

We believe the potential for our mRNAi GOLD™ platform to address disease-associated genes in the liver is substantial. Only around one percent of the approximately 14,000 liver expressed genes have been targeted by publicly known siRNAs. Once in the clinic, early-stage GalNAC-conjugated RNAi programs have shown a much greater likelihood of advancement from the current phase of development compared to the pharmaceutical industry average. We aim to maximize our mRNAi GOLD™ platform by advancing both our proprietary and partnered pipelines.

First Quarter 2024 and Recent Business Highlights

mRNAi GOLD™ Proprietary Program Updates

Zerlasiran (cardiovascular disease)

- Announced positive topline 36-week data from the ongoing ALPACAR-360 phase 2 study in subjects with a median baseline Lp(a) of approximately 215 nmol/L at high risk of ASCVD events. Zerlasiran was administered at 300 mg subcutaneously every 16 or 24 weeks and 450 mg every 24 weeks.
 - o Study demonstrated highly significant reductions in Lp(a) compared with placebo to week 36 (primary endpoint)
 - o Median percentage reduction in Lp(a) of 90% or greater were observed for both doses at week 36
 - o No new safety concerns were identified
 - o The 60-week study is ongoing and secondary endpoints, including change in Lp(a) from baseline to 48 weeks (end of treatment period), 60 weeks (end of study) and potential effects on other lipids/lipoproteins, will be evaluated.
- In April 2024, additional results from the APOLLO phase 1 study of zerlasiran in subjects with baseline Lp(a) at or over 150 nmol/L were published in the *Journal of the American Medical Association (JAMA)*. Published findings demonstrated zerlasiran was well-tolerated and significantly reduced Lp(a) after single and multiple dosing. Results from the single ascending dose portion of the trial were previously published in the April 2022 issue of JAMA.

Divesiran (hematological disorders)

- Advanced enrollment into the phase 1 portion of the SANRECO phase 1/2 study in polycythemia vera (“PV”) patients and remain on-track to report phase 1 data by the end of June 2024.

mRNAi GOLD™ Partnered Program Updates

- In February 2024, we achieved a \$10 million milestone payment from AstraZeneca following the initiation of a phase 1 trial of the first product candidate under our collaboration.

- In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all activities and commitments under the collaboration agreement.

Collaboration Agreement with AstraZeneca

In March 2020, we entered into a collaboration agreement with AstraZeneca to discover, develop and commercialize siRNA therapeutics for the treatment of cardiovascular, renal, metabolic and respiratory diseases. Under this agreement, AstraZeneca made an upfront cash payment to us of \$20.0 million in May 2020. AstraZeneca made an additional unconditional cash payment to us of \$40.0 million which was received in May 2021. In March 2020, an affiliate of AstraZeneca also subscribed for 4,276,580 new ordinary shares for an aggregate subscription price of \$20.0 million.

The collaboration covers five targets initially, with AstraZeneca having the option to extend the collaboration to a further five targets. AstraZeneca has agreed to pay us \$10.0 million upon the exercise of each option to collaborate on an additional target. In May 2023, AstraZeneca nominated the first product candidate under our collaboration, triggering a \$10 million option fee to us to advance development on an undisclosed program. In February 2024, AstraZeneca initiated a phase 1 study for this undisclosed program which triggered another \$10 million milestone payment to us. In March 2024, we completed our obligations for the second product candidate under our AstraZeneca collaboration. For each target selected, we will be eligible to receive up to \$140.0 million in potential milestone payments upon the achievement of milestones relating to the initiation of specified clinical trials, the acceptance of specified regulatory filings and the first commercial sale in specified jurisdictions. For each target selected, we will also be eligible to receive up to \$250.0 million in potential commercial milestone payments, upon the achievement of specified annual net sales levels, as well as tiered royalties as a percentage of net sales ranging from the high single digits to the low double digits.

Collaboration Agreement with Mallinckrodt

In July 2019, we entered into a collaboration agreement with Mallinckrodt to develop and commercialize RNAi drug targets designed to silence the complement cascade in complement-mediated disorders. In connection with the execution of this agreement, Mallinckrodt made an upfront cash payment to us of \$20.0 million (equivalent to £16.4 million as of the payment date). Under a separate subscription agreement, Cache Holdings Limited, a wholly owned subsidiary of Mallinckrodt, concurrently subscribed for 5,062,167 new ordinary shares for an aggregate subscription price of \$5.0 million (equivalent to £4.0 million as of the payment date). Under the agreement, we granted Mallinckrodt an exclusive worldwide license to our C3 targeting program, SLN501, with options to license two additional undisclosed complement-mediated disease targets from us. In July 2020, Mallinckrodt exercised options on the two additional complement targets.

In March 2023, we reacquired exclusive worldwide rights from Mallinckrodt to the two undisclosed preclinical complement targets. Under the terms of the modified agreement, we did not make any upfront payment to get the two assets back and will potentially pay future success-based milestones and low single digit royalties on net sales if the projects advance. SLN501, the C3 targeting program, remained under the original collaboration agreement. In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all required development activities and commitments under the collaboration agreement.

Collaboration Agreement with Hansoh

On October 15, 2021, we announced a collaboration agreement with Hansoh, one of the leading biopharmaceutical companies in China, to develop siRNAs for three undisclosed targets leveraging our proprietary mRNAi GOLD™ platform. Under the terms of the agreement, we retain exclusive rights to the first two targets in all territories except the China Region (Greater China, Hong Kong, Macau and Taiwan). Hansoh has the exclusive option to license rights to those two targets in the China Region following the completion of phase 1 studies. We will be responsible for all activities up to option exercise and will retain responsibility for development outside the China region post phase 1 studies. Hansoh will also have the exclusive option to license global rights to a third target at the point of IND filing. Hansoh will be responsible for all development activities post option exercise for the third target. Hansoh made a \$16 million upfront payment to us in December 2021. We achieved our first \$2 million research milestone payment in the Hansoh collaboration in April 2022. In 2023, we achieved two additional preclinical milestones and received \$4 million from the collaboration. We are eligible to receive up to \$1.3 billion

in additional development, regulatory and commercial milestones. We will also receive royalties tiered from low double-digit to mid-teens on Hansoh net product sales.

Financial Operations Overview

Revenue

We do not have any approved products. Accordingly, we have not generated any revenue from product sales, and we do not expect to generate any revenue from the sale of any products unless and until we obtain regulatory approvals for, and commercialize any of, our product candidates. In the future, we will seek to generate revenue primarily from product sales and, potentially, regional or global strategic collaborations with third parties.

Under the Company's collaboration agreement with Mallinckrodt, the Company received an upfront cash payment of £16.4 million (\$20.0 million) in 2019 and was eligible to receive specified development, regulatory and commercial milestone payments. The Company recognized the upfront payment, milestone payments, payments for personnel costs and other research funding payments over time, in accordance with IFRS 15 para 35 c).

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remained under the original collaboration agreement. The Company accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was that the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company has recognized the effect of the contract modification on the measure of progress towards complete satisfaction of the SLN501 performance obligation, and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. The Company recognized £8.0 million on the contract modification date. In relation to the reacquired targets, the two preclinical siRNA assets were recognized at fair value. The fair value of those assets has been determined to be nil. Under the modification, the Company agreed to pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties payable will be expensed in cost of sales.

In March 2024, Mallinckrodt notified us that they will not pursue further development of SLN501 following the completion of the phase 1 clinical trial. This will conclude all required development activities and commitments under the collaboration agreement. During the three months ended March 31, 2024, the Company recognized the remaining £0.5 million in revenue under this agreement (three months ended March 31, 2023: £8.9 million).

Under the Company's collaboration agreement with AstraZeneca, the Company received an upfront cash payment of £17.1 million (\$20.0 million) in 2020 with a further amount of £30.8 million (\$40.0 million) received in May 2021. The Company is also eligible to receive specified development and commercial milestone payments as well as tiered royalties on net sales, if any. The Company recognizes the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the three months ended March 31, 2024, the Company achieved a milestone payment of approximately £7.9 million (\$10.0 million) (three months ended March 31, 2023: nil). In March 2024, we completed our obligations for the second product candidate under our AstraZeneca collaboration. As a result, the remaining revenue associated with the target was recognized. During the three months ended March 31, 2024, the Company recognized a total of £11.6 million in revenue under this agreement (three months ended March 31, 2023: £2.5 million).

The Company entered into a collaboration agreement with Hansoh on October 14, 2021. The Company received an approximately \$16.0 million (£10.7 million, net of taxes based on the exchange rate at the payment date) upfront payment in December 2021. The Company is eligible to receive development, regulatory and commercial milestones as well as royalties on Hansoh net product sales. During the three months ended March 31, 2024, the Company achieved no milestone payments (three months ended March 31, 2023: £nil). The Company recognizes the upfront payment and milestone payments over time, in accordance with IFRS 15 para 35 c). During the three months ended March 31, 2024, the Company recognized revenue of a total of £0.2 million in revenue under this agreement due to changes in overall work plans (three months ended March 31, 2023: £0.2 million).

In December 2018, the Company entered into a settlement and license agreement with Alnylam, pursuant to which the Company settled outstanding patent litigation with Alnylam related to its RNAi product ONPATTRO. As part of the settlement, the Company licenses specified patents to Alnylam, and Alnylam pays the Company a tiered royalty of up to one percent of net sales of ONPATTRO in the European Union. The Company was eligible to receive these royalties through December 2023. The Company invoices Alnylam quarterly in arrears based on sales data for that quarter as reported to the Company by Alnylam. Royalty revenue is recognized based on the level of sales when the related sales occur. During the three months ended March 31, 2024, the Company recognized a total of £0.1 million in royalty income from Alnylam (three months ended March 31, 2023: £0.1 million).

Cost of Sales

Cost of sales consists of research and development expenditure that is directly related to work carried out on revenue generating contracts. This includes salary costs that are apportioned based on time spent by employees working on these contracts as well as costs of materials and costs incurred under agreements with contract research organizations, or CROs.

Operating Expenses

We classify our operating expenses into two categories: research and development costs and administrative expenses. Personnel costs, including salaries, benefits, bonuses and share-based payment expenses, comprise a significant component of each of these expense categories. We allocate expenses associated with personnel costs based on the function performed by the respective employees.

Research and Development Costs

The largest component of our total operating expenses since inception has been costs related to our research and development activities, including the preclinical and clinical development of our product candidates. We expense research and development costs as they are incurred and classify them as contracted development, personnel and other.

Our contracted research and development costs primarily consists of:

- costs incurred under agreements with CROs and investigative sites that conduct our preclinical studies and clinical trials;
- costs related to manufacturing active pharmaceutical ingredients and drug products for our preclinical studies and clinical trials; and
- costs for materials used for in-house research and development activities.

Our research and development personnel expense primarily consists of:

- salaries and personnel-related costs, including bonuses, benefits, recruitment costs and any share-based payment expenses, for our personnel performing research and development activities or managing those activities that have been out-sourced; and
- consultants' costs associated with target selection, preclinical and clinical research activities, and the progression of programs towards clinical trials.

Other research and development costs primarily consists of:

- costs of related facilities, equipment and other overhead expenses that are considered directly attributable to research and development;
- costs associated with obtaining and maintaining patents for intellectual property; and
- depreciation of capital assets used for research and development activities.

The successful development of our product candidates is highly uncertain. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Accordingly, we expect research and development costs to increase significantly for the foreseeable future as programs progress.

The duration, costs and timing of clinical trials and development of our product candidates will depend on a variety of factors, including:

- the scope, rate of progress, results and expenses of our ongoing and future clinical trials, preclinical studies and research and development activities;
- the potential need for additional clinical trials or preclinical studies requested by regulatory agencies;
- potential uncertainties in clinical trial enrollment rates or drop-out or discontinuation rates of patients;
- competition with other drug development companies in, and the related expense of, identifying and enrolling patients in our clinical trials and contracting with third-party manufacturers for the production of the drug product needed for our clinical trials;
- the achievement of milestones requiring payments under in-licensing agreements, if any;
- any significant changes in government regulation;
- the terms and timing of any regulatory approvals;
- the expense of filing, prosecuting, defending and enforcing patent claims and other intellectual property rights; and
- the ability to market, commercialize and achieve market acceptance for any of our product candidates, if they are approved.

We have not historically tracked research and development costs on a program-by-program basis for our preclinical product candidates.

Administrative Expenses

Administrative expenses consist of personnel costs, allocated expenses and other expenses for outside professional services, including legal, audit, tax and accounting services, public relations and investor relations services. Personnel costs consist of salaries, bonuses, benefits, recruitment costs and share-based payment expenses for personnel in executive, finance, business development and other support functions. Other administrative expenses include office space-related costs not otherwise allocated to research and development costs, insurance expenses, and costs of our information systems and costs for compliance with the day-to-day requirements of being a listed public company in the United States. We anticipate that our administrative expenses will continue to increase in line with the advancement of our research and development activities. We also expect to continue incurring expenses as a public company in the United States, including expenses related to compliance with the rules and regulations of the SEC and the Nasdaq Stock Market, additional insurance expenses, expenses related to investor relations activities and other administrative and professional services.

Finance and Other Income and Other Expenses

Finance and other income primarily relates to foreign exchange gains as well as interest earned on our cash, cash equivalents and short-term deposits as well as accretion earned on our U.S. treasury bills. Finance and other expense primarily relates to foreign exchange losses and interest expense associated with our lease liability. Foreign exchange gains and losses relate to the settlement of monetary items in foreign currencies, the retranslation of monetary items, and cash held in foreign currencies (primarily USD and Euros).

Taxation

We are subject to corporate taxation in the United Kingdom, the United States and Germany. Due to the nature of our business, we have generated losses since inception. Our income tax credit recognized represents the sum of the research and development, or R&D, tax credits recoverable in the United Kingdom. The U.K. R&D tax credit, as described below, is fully refundable to us.

As a company that carries out extensive research and development activities, we currently benefit from the U.K. R&D tax credit regime for small or medium-sized enterprises, or SMEs. Under the SME regime, we are able to surrender some of the trading losses that arise from qualifying R&D activities for a cash rebate of up to 27% of such qualifying R&D expenditure for R&D intensive companies where at least 40% of their total expenditure is on qualifying R&D, or up to 18.6% for other companies (starting on April 1, 2023, such rebate was reduced from up to 33.4%). From April 1, 2021, for credit claims in excess of £20,000, the amount of payable credit that a qualifying loss-making SME business can receive through SME research and development relief in any one year will be capped at £20,000 plus three times the company's and certain connected parties' total pay-as-you-earn and National Insurance Contributions liability for that year, unless the company actively manages its intellectual property and does not outsource more than 15% of its R&D to a related party. Based on the implementation of the new rules, we do not currently expect the Company's 2023 R&D tax claim to be restricted. Qualifying expenditures are net of any revenue contribution and largely comprise employment costs for research staff, materials, outsourced CRO costs and R&D consulting costs incurred as part of research projects, clinical trial and manufacturing costs, including outsourced CRO costs, employment costs for relevant staff and consumables incurred as part of research and development projects. Certain subcontracted qualifying research and development expenditures are eligible for a cash rebate of up to 17.5% for R&D intensive companies or 12.1% for other companies (starting on April 1, 2023, such rebate was reduced from 21.7%). A large portion of costs relating to our research and development, clinical trials and manufacturing activities are eligible for inclusion within these tax credit cash rebate claims. We recognize research and development tax credits when receipt is probable.

Amendments to the U.K. R&D tax credit regime that are contained in the Finance Bill currently proceeding through the U.K. Parliament will increase the cash rebate that may be claimed from such date to 26.97% of qualifying expenditure, if we qualify as an "R&D-intensive SME" for an accounting period (broadly, a loss making SME whose qualifying R&D expenditure represents 40% (or, from April 1, 2024, 30%) or more of its total expenditure for that accounting period). These amendments will also with effect from April 1, 2024 (i) (unless limited exceptions apply) introduce restrictions on the tax relief that can be claimed for expenditure incurred on sub-contracted R&D activities or externally provided workers, where such sub-contracted activities are not carried out in the U.K. or such workers are not subject to U.K. payroll taxes, and (ii) merge the SME Program and the RDEC Program into a single scheme. These and other potential future changes to the U.K. R&D tax relief programs may mean we no longer qualify or have a material impact on the extent to which we can make claims or benefit from them.

Unsurrendered U.K. tax losses may be carried forward indefinitely to be offset against future taxable profits, subject to numerous utilization criteria and restrictions. The amount that can be offset each year is limited to £5.0 million plus an incremental 50% of U.K. taxable profits. After accounting for tax credits receivable, we had accumulated tax losses for carry forward in the United Kingdom of £157.8 million as of March 31, 2024. However, in the event of a change in ownership of a U.K. company, certain provisions may apply to restrict the utilization of carried forward tax losses in future periods. These provisions apply where there is a major change in the nature or conduct of a trade in connection with the change in ownership. For the avoidance of doubt, we do not recognize a deferred tax asset in respect of the accumulated tax losses. In addition to our accumulated tax losses in the United Kingdom, we also had £41.4 million of accumulated tax losses as of March 31, 2024 related to our operations in Germany for corporate income taxes. We also had £40.2 million of accumulated losses related to trade taxes in our German entity. We had a foreign tax expense in Germany of £0.2 million for the three months ended March 31, 2024 (three months ended March 31, 2023: £0.2 million).

In the event we generate revenues in the future, we may benefit from the U.K. "patent box" regime that allows profits attributable to revenues from patents or patented products to be taxed at an effective rate of 10%.

Value Added Tax, or VAT, is charged on all qualifying goods and services by VAT-registered businesses. Where applicable, an amount of 20% of goods and services is added to all sales invoices and is payable to the U.K. tax authorities. Similarly, VAT paid on purchase invoices is reclaimable from the U.K. tax authorities.

Withholding tax is payable on gross income from dividends, interest, lease of property, royalties, and other China-source passive income since the Group does not have an establishment or place of business in China.

Results of Operations

Comparison of the three months ended March 31, 2024 and 2023

The following tables summarize the results of our operations for the three months ended March 31, 2024 and 2023.

Consolidated Income Statements (unaudited)

	Three months ended March 31, 2024 £000s	Three months ended March 31, 2023 £000s
£000s (except per share information)		
Revenue	12,406	11,374
Cost of sales	(2,213)	(4,534)
Gross profit	10,193	6,840
Research and development costs	(9,179)	(12,539)
General and administrative expenses	(5,170)	(6,450)
Operating loss	(4,156)	(12,149)
Finance and other expenses	(13)	(860)
Finance and other income	804	336
Loss for the period before taxation	(3,365)	(12,673)
Taxation	1,489	2,469
Loss for the period after taxation	(1,876)	(10,204)
Loss per ordinary share (basic and diluted)	(1.4) pence	(9.5) pence

Revenue

Revenue for the three-month period ended March 31, 2024 increased by £1.0 million from the same three-month period in 2023. This was due to an increase in revenue from our AstraZeneca agreement of £9.2 million mainly due to the milestone received in the current quarter. This was offset by decrease in revenue from our Mallinckrodt collaboration of £8.5 million as we reacquired exclusive worldwide rights to two preclinical siRNA assets under our modified Mallinckrodt collaboration in March 2023.

Cost of Sales

Cost of sales decreased £2.3 million for the three months ended March 31, 2024 as compared to the same period in 2023. The decrease was mainly due to Mallinckrodt. In 2023, we acquired the exclusive worldwide rights to two preclinical siRNA assets under the related collaboration which resulted in a contract modification. The remaining change was due to activity associated with our collaboration agreements, which fluctuates based on the timing of activities and project progression.

Research and Development Costs

The following table summarizes our research and development costs for the three months ended March 31, 2024 and 2023, based on their classification.

	Three months ended March 31, 2024 £000s	Three months ended March 31, 2023 £000s
Research and development costs		
Contracted development costs	4,981	7,464
Personnel costs	3,858	4,078
Other costs	340	997
Total	9,179	12,539

Research and development costs decreased by £3.4 million for the three months ended March 31, 2024, to £9.2 million from £12.5 million for the three months ended March 31, 2023. This was largely due to a decrease in contracted research and

development expenses of £2.5 million resulting from the completion of the divesiran phase 1 study in thalassemia patients and timing of manufacturing activities for divesiran compared to the same three-month period in the prior year.

General and Administrative Expenses

General and administrative expenses decreased by £1.3 million for the three months ended March 31, 2024 as compared to the same period in 2023, mainly due to decreased payroll costs and equity-based compensation.

Finance and Other Income and Expenses

Finance and other expenses decreased by £0.8 million in the current quarter as there were net foreign exchange losses in the prior year compared with a small gain in the current year.

There was no substantial movement in finance and other income the three months ended March 31, 2024 as compared with in the same periods in 2023.

Taxation

We have recognized U.K. research and development tax credits of £1.7 million for the three months ended March 31, 2024 as compared to £2.7 million for the three months ended March 31, 2023 as there were lower contracted development costs.

Quantitative and Qualitative Disclosures about Market Risk

Market risk arises from our exposure to fluctuation in interest rates and currency exchange rates. These risks are managed by maintaining an appropriate mix of cash deposits in the two main currencies we operate in, which is placed with a variety of financial institutions for varying periods according to expected liquidity requirements.

Interest Rate Risk

As of March 31, 2024, we had cash and cash equivalents including U.S. treasury bills of £152.8 million (December 31, 2023: £54.0 million). Our exposure to interest rate sensitivity is impacted primarily by changes in the underlying U.K. and U.S. bank interest rates. Our surplus cash and cash equivalents are invested in interest-bearing savings accounts and fixed term and fixed interest rate term deposits from time to time. We have not entered into investments for trading or speculative purposes in the year ended December 31, 2023 or the three months ended March 31, 2024. Due to the conservative nature of our investment portfolio, which is predicated on capital preservation of investments with short-term maturities, an immediate one percentage point change in interest rates would not have a material effect on the fair market value of our portfolio, and therefore we do not expect our operating results or cash flows to be significantly affected by changes in market interest rates.

Currency Risk

The consolidated financial statements are presented in U.K. pounds sterling. The individual financial statements of each Group entity are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). Our transactions are commonly denominated in U.K. pounds sterling, however, we receive payments under our collaboration agreements in U.S. dollars and we incur a portion of our expenses in other currencies, primarily Euros, and are exposed to the effects of these exchange rates. We seek to minimize this exposure by maintaining currency cash balances at levels appropriate to meet foreseeable short to mid-term expenses in these other currencies. Where significant foreign currency cash receipts are expected, we consider the use of forward exchange contracts to manage our exchange rate exposure.

Counterparty, Credit and Liquidity Risk

Our cash, cash equivalents and term deposits are on deposit with financial institutions with a credit rating equivalent to, or above, the main U.K. clearing banks. We invest our liquid resources based on the expected timing of expenditures to be made in the ordinary course of our activities. All financial liabilities are payable in the short term, meaning no more than three months, and we maintain adequate bank balances in either instant access or short-term deposits to meet those liabilities as they fall due. We believe we have had minimal credit risk relating to our trade receivables as of March 31, 2024 and December 31, 2023, which consisted solely of amounts due from AstraZeneca, Mallinckrodt, and Hansoh.

Critical Accounting Policies, Judgments and Estimates

In the application of our accounting policies, we are required to make judgments, estimates, and assumptions about the value of assets and liabilities for which there is no definitive third-party reference. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. We review our estimates and assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revisions and future periods if the revision affects both current and future periods.

The following are our critical judgments that we have made in the process of applying our accounting policies and that have the most significant effect on the amounts recognized in our consolidated financial statements included elsewhere in this report.

Revenue Recognition under Collaboration Agreements

During the three months ended March 31, 2024 and the three months ended March 31, 2023, a significant portion of our revenue from collaboration agreements was derived from our agreements with AstraZeneca, Mallinckrodt and Hansoh. Mallinckrodt obtained an exclusive worldwide license for three RNAi programs, AstraZeneca obtained an exclusive worldwide option to license up to ten RNAi targets and Hansoh obtained an exclusive option to license up to two targets in Greater China, Hong Kong, Macau and Taiwan and a third target worldwide.

We have out-licensed the rights to some of our intellectual property associated with our siRNA stabilization chemistry technology to AstraZeneca in the context of a Research Collaboration, Option and License Agreement dated March 24, 2020, under which we and AstraZeneca will collaborate to discover, develop and commercialize siRNA therapeutics for the treatment of cardiovascular, renal, metabolic and respiratory diseases. AstraZeneca made an upfront cash payment of \$60 million, of which \$20 million was paid in May 2020 and the remaining \$40 million was paid in May 2021. The license of the intellectual property and the R&D services are not distinct, as AstraZeneca cannot benefit from the intellectual property absent the R&D services, as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, which could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target. We recognize revenue over the duration of the contract based on an input method based on cost to cost. The upfront payment has been allocated evenly between the ten targets on the basis of a benchmarking exercise that took into account the standalone selling price per target, of similar precedent transactions that had been publicly announced by comparable companies. Subsequent milestones are allocated to the target to which they are related. The upfront and milestone payments will be recognized as revenue as the services are provided. We anticipate initiating work on five targets in the early stages of the collaboration, with AstraZeneca having the option to extend the collaboration to a further five targets. Under the collaboration, utilizing our technology, we are responsible for designing siRNA molecules against gene targets selected by AstraZeneca, and for manufacturing of material to support GLP toxicology studies and phase 1 clinical trials. We and AstraZeneca will collaborate during the discovery phase, and AstraZeneca will lead clinical development and commercialization of molecules arising from the collaboration. For each target selected under the collaboration, we will be eligible to receive up to \$140 million in milestone payments upon the achievement of milestones relating to initiation of specified clinical trials, the acceptance of specified regulatory filings and the first commercial sale in specified jurisdictions. AstraZeneca has the right to terminate the agreement in its entirety or on a target-by-target basis, for any reason upon specified prior written notice to us. We may terminate the agreement on a target-by-target basis in the event that AstraZeneca begins a legal or administrative proceeding challenging the patentability, validity, ownership or enforceability of our patents. Either party may terminate the agreement on a target-by-target basis upon a material breach by the other party that is not cured within a specified period after receiving written notice, or in its entirety upon giving written notice following the other party's bankruptcy, insolvency or similar instance.

We granted an exclusive worldwide license to our complement C3 targeting program, SLN501, with options to license two additional complement-mediated disease targets, to Mallinckrodt plc in July 2019 to develop and commercialize RNAi drug targets designed to silence the complement cascade in complement-mediated disorders, with Mallinckrodt exercising the option for two additional targets from us in July 2020. The license of the intellectual property and the R&D services are not distinct, as Mallinckrodt cannot benefit from the intellectual property absent the R&D services, as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, which could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target (i.e. one for the initial target and one for each additional optioned complement-mediated disease targets which represent material rights). We recognize revenue over the duration of the contract based on an input method based on cost to cost.

The agreement with Mallinckrodt has four elements of consideration:

- a fixed upfront payment, which we received in July 2019;
- subsequent milestone payments, which are variable because they depend upon our achievement of specified development, regulatory and commercial milestones;
- payments in respect of certain research personnel costs on an FTE, basis, which costs are variable depending on activity under the collaboration; and
- funding for phase 1 clinical development and certain preparatory activities, including GMP manufacturing, which costs are also variable.

The upfront payment has been allocated evenly between the initial target and the optioned complement-mediated disease targets, because the compounds are at a similar stage of development, on the basis of a benchmarking exercise that took into account the standalone selling price per target, of similar precedent transactions that had been publicly announced by comparable companies. The upfront payment will be recognized as revenue in line with the time period over which services are expected to be provided.

In March 2023, the Company reacquired exclusive worldwide rights to two preclinical siRNA assets under its Mallinckrodt collaboration, which resulted in a modification of the agreement. No additional performance obligations were identified as a result of the modification as there were no additional goods or services to be provided by the Company and the modification resulted in the partially satisfied performance obligations relating to the two reacquired targets becoming fully satisfied as the Company was no longer obligated to develop these targets. SLN501, the C3 targeting program, remains under the original collaboration agreement. The Company has accounted for the modification as if it were part of the existing contract as the remaining services to be delivered form part of a single performance obligation that is partially satisfied at the date of contract modification. The effect of the contract modification was the consideration originally received for the two preclinical siRNA assets was reallocated to SLN501. The Company has recognized the effect of the contract modification on the measure of progress towards complete satisfaction of the performance obligation and recognized an adjustment to revenue at the date of the contract modification on a cumulative catch-up basis. In relation to the reacquired targets, the Company will potentially pay future success-based milestones and low single digit royalties on net sales if the projects advance. The Company will recognize these variable success-based milestones as an intangible asset at cost when triggered. Any royalties will be expensed in cost of sales.

We granted an exclusive option to license two targets in Greater China, Hong Kong, Macau and Taiwan following the completion of phase 1 studies to Hansoh on October 15, 2021. We will retain exclusive rights for those two targets in all other territories. Silence will be responsible for all activities up to option exercise and will retain responsibility for development outside the China region post phase 1 studies. Hansoh will also have the exclusive option to license global rights to a third target at the point of IND filing. Hansoh will be responsible for all development activities post option exercise for the third target. Hansoh made a \$16 million upfront payment to us in December 2021 which has been allocated between the three targets based on geography for each option, amount of reimbursable costs for activities provided by Silence for each target, as well as a benchmarking exercise that took into account the standalone selling price per target based on similar precedent transactions that had been publicly announced by comparable companies. Subsequent milestones are allocated to the target to which they are related. The upfront payment and subsequent milestone payments, which are variable and depend upon probability of achievement of specified development, regulatory and commercial milestones, will be recognized as revenue in line with the

time period over which services are expected to be provided. The license of the intellectual property and the R&D services are not distinct, as Hansoh cannot benefit from the intellectual property absent the R&D services, as those R&D services are used to discover and develop a drug candidate and to enhance the value in the underlying intellectual property, which could not be performed by another party, indicating that the two are highly interrelated. On this basis, we have concluded that there is a single performance obligation covering both the R&D services and the license of the intellectual property in respect of each target. We recognize revenue over the duration of the contract based on an input method based on cost to cost.

For all the collaboration agreements listed above, the cost to cost method is considered to be the best available measure of our effort during the contract period. The total cost estimate for the contract includes costs expected to be incurred during the contract period. Other variable elements of consideration will only begin to be recognized when it is considered highly probable that a significant reversal of the amounts will not occur.

For the three months ended March 31, 2024 and 2023, we determined actual costs and forecast costs for the remainder of the contract. We calculated total contract costs across the contract term, including costs that will be reimbursed to us, and costs incurred to date as a percentage of total contract costs. We multiplied this percentage by the consideration deemed highly probable of not having a significant reversal, calculating the cumulative revenue to be recognized. When variable consideration increases due to a further milestone becoming highly probable that a significant reversal of revenue will not occur, a catch-up in revenue is recorded to reflect efforts already expended by us up to that point.

Recognition of Clinical Trial Expenses

As part of the process of preparing our consolidated financial statements, we may be required to estimate accrued expenses related to our preclinical studies and clinical trials. In order to obtain reasonable estimates, we review open contracts and purchase orders. In addition, we communicate with applicable personnel in order to identify services that have been performed, but for which we have not yet been invoiced. In most cases, our vendors provide us with monthly invoices in arrears for services performed. We confirm our estimates with these vendors and make adjustments as needed. Examples of our accrued expenses include fees paid to CROs for services performed on preclinical studies and clinical trials and fees paid for professional services.

Recent Accounting Pronouncements

We have reviewed new IFRS standards issued and updates to existing standards in the reporting period and concluded that none of the recent pronouncements are relevant to Silence Therapeutics plc (either because they relate to standards not relevant to Silence Therapeutics plc or because they have not yet become effective; and there is currently no preference for early adoption). We did not change our accounting policies or make retrospective adjustments as a result.

Implications of Being an Emerging Growth Company and a Foreign Private Issuer

We have taken advantage of reduced reporting requirements in this report. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold equity securities.

Emerging Growth Company

As of the date of this filing, we are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As such, we may take advantage of certain exemptions from various reporting requirements that are applicable to publicly traded entities that are not emerging growth companies. These exemptions include:

- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002, as amended;
- to the extent that we no longer qualify as a foreign private issuer, (i) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and (ii) exemptions from the requirement to hold a non-binding advisory vote on executive compensation, including golden parachute compensation; and
- an exemption from compliance with the requirement that the Public Company Accounting Oversight Board has adopted regarding a supplement to the auditor’s report providing additional information about the audit and the financial statements.

We will remain an emerging growth company until the earliest of (a) the last day of our fiscal year during which we have total annual gross revenue of at least \$1.235 billion; (b) December 31, 2025; (c) the date on which we have, during the previous three-year period, issued more than \$1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a “large accelerated filer” under the Securities Exchange Act of 1934, as amended, which would occur if the market value of our equity securities that are held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter. As of June 30, 2023, we did not exceed this threshold. Once we cease to be an emerging growth company, we will not be entitled to the exemptions provided in the JOBS Act.

Foreign Private Issuer

We report under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as a non-U.S. company with foreign private issuer status. Even after we no longer qualify as an emerging growth company, as long as we continue to qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including:

- the rules under the Exchange Act requiring domestic filers to issue financial statements prepared under U.S. GAAP;
- the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial statements and other specified information, and current reports on Form 8-K upon the occurrence of specified significant events.

Notwithstanding these exemptions, we will file with the SEC, per foreign private issuer requirements.

We may take advantage of these exemptions until such time as we are no longer a foreign private issuer. We would cease to be a foreign private issuer at such time as more than 50% of our outstanding voting securities are held directly or indirectly by U.S. residents and any of the following three circumstances applies: (i) the majority of our executive officers or directors are U.S. citizens or residents, (ii) more than 50% of our assets are located in the United States or (iii) our business is administered principally in the United States.

Liquidity and Capital Resources

Overview

Since our inception, we have incurred significant operating losses and negative cash flows. We anticipate that we will continue to incur losses for the foreseeable future. We expect that our research and development and administrative expenses will increase in connection with conducting clinical trials and seeking marketing approval for our product candidates, as well as costs associated with operating as a public company. As a result, we will need additional capital to fund our operations, which we may obtain from additional equity financings, debt financings, research funding, collaborations, contract and grant revenue or other sources.

As of March 31, 2024, we had cash, cash equivalents, and U.S. treasury bills of £152.8 million (\$192.8 million).

To date, we have financed our operations primarily through the issuances of our equity securities and from upfront, milestone and research payments under collaboration agreements with third parties.

We have no ongoing material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity over the next five years, other than operating leases.

In January 2024, we raised an additional £15.7 million (\$20 million) of gross proceeds before deducting £0.5 million (\$0.6 million) in placement agent fees and other expenses, from sales of ADSs under our Sales Agreement.

On February 5, 2024, the Group announced a private placement of 5,714,286 of the Company’s American Depositary Shares (“ADSs”), each representing three ordinary shares, at a price of US \$21.00 per ADS, with new and existing institutional and accredited investors (the “Private Placement”). The aggregate gross proceeds of the Private Placement was approximately £95.4 million (\$120 million) before deducting approximately £6.1 million (\$7.7 million) in placement agent fees and other expenses. The financing syndicate included 5AM Ventures, Frazier Life Sciences, Logos Capital, Nextech Invest Ltd (on behalf of one or more funds managed by it), Redmile Group, TCGX and Vivo Capital.

Refer to Note 2 of the unaudited condensed consolidated financial statements for additional discussion of liquidity and capital resources.

Cash Flows

The following table summarizes the results of our cash flows for the three months ended March 31, 2024 and 2023.

	Three months ended	
	March 31, 2024 £000s	March 31, 2023 £000s
Net cash outflow from operating activities	(7,495)	(7,656)
Net cash (outflow)/inflow from investing activities	(39,032)	128
Net cash inflow from financing activities	105,564	19
Increase/(decrease) in cash and cash equivalents	59,037	(7,509)

Operating activities

There was no substantial movement in net cash outflow from operating activities.

Investing activities

Net cash inflow from investing activities relates to purchases of U.S. treasury bills for the period ended March 31, 2024 with no purchases or redemptions for the same period in 2023.

Financing activities

During the three months ended March 31, 2024, we raised a total of £111.1 million before deducting £6.5 million in placement agent fees and other expenses related to the sale of ADSs under our Sales Agreement and Private Placement.

Operating and Capital Expenditure Requirements

We have not achieved profitability on an annual basis since our inception, and we expect to incur net losses in the future. We expect that our operating expenses will increase as we continue to invest to grow our product pipeline, hire additional employees and increase research and development expenses.

Additionally, as a public company, we incur significant additional audit, legal and other expenses. We believe that our existing capital resources will be sufficient to fund our operations, including currently anticipated research and development activities and planned capital spending, at least for the next twelve months.

Our future funding requirements will depend on many factors, including but not limited to:

- the scope, rate of progress and cost of our clinical trials, preclinical programs and other related activities;
- the extent of success in our early preclinical and clinical-stage research programs, which will determine the amount of funding required to further the development of our product candidates;
- the cost of manufacturing clinical supplies and establishing commercial supplies of our product candidates and any products that we may develop;
- the costs involved in filing and prosecuting patent applications and enforcing and defending potential patent claims;
- the outcome, timing and cost of regulatory approvals of our product candidates;
- the cost and timing of establishing sales, marketing and distribution capabilities; and
- the costs of hiring additional skilled employees to support our continued growth and the related costs of leasing additional office space.

Trend Information

Other than as disclosed elsewhere in this Report on Form 6-K, we are not aware of any trends, uncertainties, demands, commitments or events since March 31, 2024 that are reasonably likely to have a material adverse effect on our net revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and do not currently have, any off-balance sheet arrangements.

Contractual Obligations and Commitments

The following table summarizes our contractual commitments and obligations as of March 31, 2024 and December 31, 2023.

	March 31, 2024 £000s	Dec 31, 2023 £000s
Lease liability - Non-current	93	93
Lease Liability - Current	184	179
Total lease liability	277	272

The lease liability recognized on the balance sheet comprises the Group's London office, which was renegotiated upon completion of the original term, with the new term beginning in September 2022. There are two short-term leases in Berlin, Germany and a lease in New Jersey, United States, not included in the lease liability above. Both leases in Berlin are on a rolling contract basis with either party being able to end the lease with a cancellation notice period of 11.5 months, while the lease in the United States is on a rolling contract basis with a notice period of three months, thus allowing exemption using the practical expedient.

At March 31, 2024, the Group had a gross commitment on its office rental in Berlin, Germany and the United States equal to £0.4 million (December 31, 2023: £0.4 million) in the next year. No amounts are payable after more than one year.

We have agreed to make payments to CROs and manufacturers under various CRO and manufacturing agreements that generally provide for our ability to terminate on short notice. We have not included any such contingent payment obligations in the table above as the amount, timing and likelihood of such payments are not fixed or determinable.

RISK FACTORS

Our business has significant risks. You should carefully consider the risk factors set out in Part I, Item 3D “Risk Factors” of our Annual Report on Form 20-F for the year ended December 31, 2023 and the disclosures set out in this Report, including our unaudited condensed consolidated financial statements and the related notes, before making an investment decision regarding our securities. The risks and uncertainties described are those significant or material risk factors currently known and specific to us that we believe are relevant to our business, results of operations and financial condition. Additional risks and uncertainties not currently known to us or that we now deem immaterial may also impair our business, results of operations and financial condition.

As of and for the period ended March 31, 2024, there have been no material changes from the risk factors previously disclosed by us in Part I, Item 3D. Risk Factors of our Annual Report on Form 20-F for the year ended December 31, 2023.