Company Registration No. 01435584 (England and Wales)

Thalia Therapeutics Plc [formerly N4 Pharma Plc]

Annual Report and Consolidated Financial Statements

Year Ended 31 December 2025

Thalia Therapeutics Plc

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Thalia Therapeutics plc

Directors, Company Secretary and Advisors

Company Number 01435584 (England and Wales)

Directors:

Nigel Theobald (Chief Executive Officer) resigned on 24 February 2026
Dr David H Solomon (Chief Executive Officer) appointed 24 February 2026
Dr David Templeton (Executive Director) resigned on 8 January 2025
Luke Cairns (Executive Director)
Dr Christopher Britten (Non-Executive Chairman)
Dr Michael Palfreyman (Non-Executive Director)
Dr Alastair Smith (Non-Executive Director) appointed 8 January 2025
Edward Wardle (Non-Executive Director) appointed 8 July 2025

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W1H 6DU
United Kingdom

Company Secretary
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Joint Broker
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Company's website www.thaliatx.com

Chairman's Report

The year ended 31 December 2025 was one of considerable significance for Thalia Therapeutics plc, and following the period-end, the pace of transformation has accelerated further.

The Nuvec® delivery platform had demonstrated genuine scientific merit, but the Board recognised that, to maximise shareholder value, a more ambitious, therapeutics-led strategy was required. The decisions taken during 2025 to undertake a thorough strategic review, refocus the business on RNA therapeutics, and strengthen the leadership team have, the Board believes, created a platform for meaningful long-term value creation.

The Board has not presented a Strategic Report for the year. All relevant information on the strategy and performance of the Group is included in this Chairman and Chief Executive's Statement, the Directors' Report and the Corporate Governance Statement.

Results Summary

During the year ended 31 December 2025, the Group generated revenue of £7,264 (2024: £7,282). The Group's operating loss for the year was £1,165,221 (2024: £1,221,101). Expenditure was broadly in line with budget and saw and increase in general and administration costs reflective of the addition of the Senior Leadership Team and initial consultancy fees for David Solomon.

Cash at the year end was £1,079,307 (31 December 2024: £625,972), supported by the £1.75 million gross fundraise completed in April 2025.

Section 172 Disclosures

In discharging their duties, the Directors of the Group give due regard to their duties to promote the success of the Group under Section 172(1) of the Companies Act 2006.

Given the size and nature of the Group, all key decisions in the promotion of the success of the Group are taken at board level with delegation to the Executive Directors for the execution of such decisions.

All actions and decisions taken are in good faith with the long-term success of the Group and its shareholders in mind, and in doing so, the Directors have considered (amongst other matters):

- The likely consequences of any decision in the long term - all key decisions are taken at Board level and are focused on what is required to develop the Group's main value driver, Nuvec® and its development of a long-duration, dual-acting siRNA programme targeting PCSK9 and lipoprotein(a), to reach the commercial stage whilst looking to add clinical stage assets;
- The interests of the Group's employees - save for the Directors, the Company has no other employees. The interests of the Directors are very much aligned with the success of the Group and Company;
- The need to foster the Group's business relationships with suppliers, customers and others - the Group is reliant on third-party providers such as clinical research organisations ("CROs") and contract manufacturing organisations ("CMOs") to progress the business and maintains good work relationships with all its counterparties;
- The impact of the Group's operations on the community and the environment - all third-party providers are required to adhere to strict ethical standards, particularly in the use of animals in studies;
- The desirability of the Group maintaining a reputation for high standards of business conduct particularly in how it interacts and transacts with its third-party providers and the maintenance of industry and financial PR whilst working closely with its regulatory advisers; and
- The need to act fairly between the stakeholders of the Group which is central to all board decisions and, in particular, in case of conflicts of interest and dealings involving related parties.

Where or to the extent that the purposes of the Group consist of or include purposes other than the benefit of its members, subsection (1) has effect as if the reference to promoting the success of the Group for the benefit of its members were to achieve those purposes.

Section 172 Disclosures (Continued)

The duty imposed by this section has effect subject to any enactment or rule of law requiring Directors, in certain circumstances, to consider or act in the interests of creditors of the Group.

Strategic transformation

In the second half of 2025, Nigel Theobald, N4 Pharma's founder and Chief Executive Officer, informed the Board of his intention to retire, subject to the identification of a suitable successor.

The Board subsequently undertook a strategic review and formal recruitment process, during which candidates were assessed on their strategic vision for N4 Pharma and advancing the Company's development of Nuvec®. Throughout this process, the Board carefully considered the capabilities required, capital allocation priorities and the leadership needed to execute a more focused development strategy.

Following this review, the Board concluded that the Company should transition from a platform-only model to one focused on developing and owning a pipeline of novel RNA therapeutics. The Board then sought a leader with the capability and experience to execute this strategy.

The Board identified Dr David Solomon as the right candidate to lead this strategy and he was appointed Chief Executive Officer in February 2026. David brings over 30 years of international leadership experience in biotechnology, pharmaceuticals and healthcare innovation. He has held multiple Chief Executive roles at publicly listed and private biotech companies in both the US and Europe, demonstrating expertise in R&D delivery, strategic business development, financing and the delivery of significant shareholder value.

David served as the Chief Executive Officer of Zealand Pharma A/S, leading the company through its Nasdaq Copenhagen IPO and the global approval of its lead product, Lixisenatide, a GLP-1 receptor agonist for type II diabetes, marketed by Sanofi as Adlixin® and Soliqua®. Under his leadership, Zealand Pharma grew from an early-stage biotech into a high-growth listed company, now listed on Nasdaq. David executed on licensing agreements with Sanofi, Boehringer Ingelheim, Lilly, Abbvie and Helsinn, bringing in over US$200 million of non-dilutive funding to the company. He went on to lead Silence Therapeutics, the now Nasdaq-listed RNA therapeutics company, and increased its share price on AIM by almost 600 per cent. during his tenure. Earlier, David was also Chief Executive Officer of Pharnext S.A., a clinical-stage biopharmaceutical firm focused on novel rare disease therapeutics.

Since his appointment, the Company has moved with purpose and the results are already evident in the strategic actions taken post-period-end. We have added further targeting studies with Nuvec® to establish this as a key area of differentiation for potential industry partners, whilst advancing a novel long-duration dual-acting siRNA therapy against PCSK9 and Lp(a), key targets for reducing cardiovascular risk. In parallel, the Company has been focused on adding a clinical-stage mRNA therapeutic asset, for which advanced negotiations are underway.

On behalf of the Board, I would like to thank Nigel Theobald, who retired as Chief Executive Officer after recommending David as his successor, for his leadership of N4 Pharma and for his dedication and significant contributions in advancing the Nuvec® RNA delivery platform.

Governance and Board

The Board remains committed to the highest standards of corporate governance appropriate for a company of Thalia Therapeutics size and stage of development. During 2025 and into 2026, we have strengthened Board composition and established a Senior Leadership Team to support the delivery of our strategic objectives. The Board regularly reviews the Company's risk management framework, capital allocation decisions and progress against key operational milestones.

I would like to thank my fellow Directors for their continued commitment during what has been a busy and consequential period. The Board's collective expertise in drug development, corporate finance and governance has been invaluable as the Company navigated this period of transition.

Senior Leadership Team

Dr Fiona McLaughlin - Head of Research and Development

Dr Fiona McLaughlin is a highly experienced oncology drug developer and independent consultant, bringing over 25 years of experience in research and translational drug development in the pharmaceutical and biotech sectors, having led teams from early research through to clinical development. Fiona started her career at GSK and has subsequently held leadership positions in multiple biotech companies, including CSO of Avacta Therapeutics, VP New Opportunities at Algeta ASA (now Bayer), VP Translational Research at Antisoma plc and Director of Preclinical Development at BTG plc (now part of Boston Scientific). She is also a non-executive director of Hox Therapeutics.

Fiona received a PhD from the Haematology Department at Cambridge University and has a BSc in Biochemistry from Glasgow University.

Mark Edbrooke - Head of Strategy

Mark Edbrooke, PhD is an independent scientific consultant with a broad experience in pharmaceutical research and development. During 25 years at GlaxoSmithKline, he ran a transnational functional genomics department and then set up and led GSK's therapeutic nucleic acid unit. He then joined AstraZeneca's Oncology Division for three years, working with Ionis and Moderna. Mark currently has a portfolio of clients, including UK and US-based investment companies, UK and European-based universities and small biotechs, including being Head of Translational Research at Argonaute RNA Ltd., and on the Senior Advisory Board for Deep Genomics.

Dr Margaret Courtney - Head of Chemistry, Manufacturing and Controls (CMC)

Dr Margaret Courtney is an independent consultant with over 25 years of experience in transitioning active substances and drug products from the research laboratory into clinical studies and commercialisation. Margaret has worked in management positions in small biotech companies to large pharmaceutical organisations and, following on from her pharmacy degree and doctoral studies, has developed specific expertise in drug delivery systems. Currently, she is working with a range of clients and providing CMC strategic advice as well as selection and management of contract organisations.

Intellectual Property

The Company has the exclusive worldwide rights for therapeutic uses in humans and animals for technology developed by The University of Queensland ("UQ").

The Company has also filed its own patent on using Nuvec® to enhance the performance of viral vectors, which is now entering the national phases of patent execution.

In December 2024, the Company filed a new patent for its oral anti-inflammatory IBD product, which is in early preclinical development with the UK patent office.

Post period the Company filed a new patent to support the development of its long-duration, dual-acting siRNA programme targeting PCSK9 and lipoprotein(a), two well-validated drivers of cardiovascular disease risk.

Summary and Outlook

Thalia Therapeutics enters 2026 as a materially different and stronger business than it was twelve months ago. With a proprietary delivery platform in Nuvec®, a pipeline of RNA therapeutics in development and the potential to add further assets in the near term, the Company has the scientific assets, leadership team and strategic direction to deliver value. The Board's focus is firmly on supporting management in executing this strategy and ensuring that the Company's capital resources are deployed effectively to pursue clinical and commercial milestones.

We look forward to updating shareholders on progress throughout the year ahead.

By order of the Board

Chris Britten
Chairman

Chris Britten

23 June 2026

Thalia Therapeutics plc

Board of Directors

Dr David H Solomon (Chief Executive Officer)

Dr David H Solomon joined as Chief Executive Officer of Thalia Therapeutics in February 2026. David brings over 30 years of international leadership experience in biotechnology, pharmaceuticals, and healthcare innovation. He has held multiple Chief Executive roles at publicly-listed and private biotech companies in both the US and Europe, demonstrating expertise in R&D delivery, strategic business development, financing, corporate governance and delivering significant shareholder value.

David was Chief Executive Officer of Silence Therapeutics plc [NASDAQ: SLN], the Nasdaq-listed RNA therapeutics company. During his tenure the market capitalisation rose from £40 million to over £700 million. Earlier, he served as the Chief Executive Officer of Nasdaq-listed Zealand Pharma A/S [NASDAQ: ZEAL], leading the company through its IPO and the global approval of its lead product, Liixisenatide, a GLP-1 receptor agonist for type II diabetes, marketed by Sanofi as Adlixin® and Soliqua®. David was also Chief Executive Officer of Pharnext S.A., a clinical-stage biopharmaceutical firm focused on novel rare disease therapeutics. He has also served on multiple biotech boards, including as Chairman and Director for companies such as Advicenne and Rexgenero, and has held board positions with TxCell, Onxeo, and Promosome. David was earlier a founder of Carrot Capital Healthcare Ventures in New York City.

David studied at Weill Cornell Medicine of Cornell University and the Sloan Kettering Graduate School of Medical Sciences, where he received his PhD. He also served on the faculty of Columbia University's College of Physicians & Surgeons, in the departments of Pharmacology, Neurology and Biological Sciences.

Luke Cairns (Executive Director)

Luke has over 25 years' experience in the capital markets, working with SMEs as both an adviser and board director. He previously served as Head of Corporate Finance and Managing Director at Northland Capital Partners, a nominated adviser and broker later acquired by SP Angel. He subsequently founded his own consultancy, advising growth companies across multiple sectors and regions on a wide range of transactions, including IPOs, secondary fundraisings, corporate restructurings, acquisitions and takeovers. Luke also sits on the boards of several quoted and private companies.

Dr Christopher Britten (Non-Executive Chairman)

Dr Chris Britten is a seasoned executive with over 30 years of experience in pharmaceuticals and biotechnology. He is currently an advisor to a range of companies from early-stage biopharmaceuticals to private equity funds. Chris was previously SVP Global Business Development at Grunenthal GmbH leading M&A, licensing, post-merger integration and partner business. He has also led corporate development functions in a variety of companies including Neuraxpharm, Sandoz and Sanofi Pasteur and was an advisor with both Deloitte Corporate Finance and Torreya Partners. Chris started his career at GSK in drug discovery R&D before moving into business development. He holds a PhD in Biochemistry and an MBA.

Dr Michael Palfreyman (Non-Executive Director)

Mike has more than four decades of successful drug discovery and development experience with two major pharmaceutical companies and several biotechnology companies and is currently the co-founder, director and senior advisor at AlNivo Therapeutics. Previous roles include SVP of Scriptgen (Anadys) Pharmaceuticals, which was sold to Roche in 2011 for USD$230 million, co-founder and CSO at Amorsa Therapeutics, Inc., developing novel treatments for depression and pain, where he oversaw a successful US$180 million exit, and co-founder and COO of Adelia Therapeutics sold to Cybin (now Helos Pharma) with their compounds now in advanced clinical trials. Dr Palfreyman is a co-inventor on 56 issued US and European patents, multiple pending patents, and has co-authored over 150 scientific articles and book chapters.

Board of Directors (Continued)

Dr Alastair Smith (Non-Executive Director)

A scientist with extensive experience of building early stage businesses within the Avacta Group, which he founded, with over 18 years as a public company CEO. Alastair has extensive management, strategic planning and transactional experience, having led the public and private M&A activities of Avacta since its IPO on AIM, which was completed via a reverse merger. Over his tenure, Avacta grew into one of the leading AIM biotech companies comprising two divisions: a clinical stage oncology drug company advancing its proprietary pre|CISION™ tumour targeting platform and a diagnostics business executing an M&A-led growth strategy in Europe focused on healthcare professionals.

Edward Wardle (Non-Executive Director)

Edward is a representative of Tracarta Limited, Thalia Therapeutics's largest shareholder. He brings extensive experience in strategy, governance, and business development, having founded and led multiple businesses. Edward currently advises Northern Standard on investments in critical industries and cutting-edge technologies. He also serves as Senior Business Development Executive at Ironveld PLC and is a Non-Executive Director of AIM-quoted biotech, TheraCryf PLC.

Thalia Therapeutics plc

Chief Executive Officers' and Directors' Report

The Directors present their report together with the Consolidated Financial Statements of the Group.

Thalia Therapeutics plc [formerly N4 Pharma plc] ("Thalia Therapeutics " or the "Company"), is the Parent Company for N4 Pharma UK Limited ("N4 UK"), and Nanogenics Limited ("Nanogenics"), together form the group (the "Group").

Introduction

I am pleased to present my first Chief Executive's statement since my appointment to the Board of Thalia Therapeutics in February 2026.

The year ended 31 December 2025 was one in which the foundations for this Company's transformation were laid. The scientific work on Nuvec® advanced materially, the Board undertook a rigorous strategic review and the business was restructured and refocused on what we believe represents the greatest opportunity for value creation: the development of novel RNA therapeutics. Prior to my appointment, I was delighted to be part of this review as a consultant to define the Company's strategy for 2026 and beyond. Since my appointment, the management team has been focused on executing against this strategy.

Our decision to rebrand and change the Company's name from N4 Pharma to Thalia Therapeutics symbolises the evolution of our strategy to build on the foundation of Nuvec® and become a leading player in RNA therapeutics.

Performance review

The Group reported a loss before tax of £1,165,221 during the year ended 31 December 2025 (2024: loss of £1,221,101). It is expected the Group and the Company will continue to be loss making in 2026, such is the stage and nature of its business.

Background and principal activities

The Company was incorporated and registered in England and Wales on 6 July 1979 as a public limited company and its shares are admitted to trading on AIM (LSE: THAT). The Company's registered office is located at 2 Portman Street, London, United Kingdom, W1H 6DU.

The Company is the holding company for N4 UK and Nanogenics and provides funding for the Group to enable business activity.

N4 UK is a specialist pharmaceutical company engaged in the development of nanoparticle silica delivery systems to improve the cellular delivery and potency of cancer treatments and vaccines. The nature of the business is not deemed to be impacted by seasonal fluctuations and as such performance is expected to be consistent.

Nanogenics is a specialist pharmaceutical company engaged in the development of a Liptide@ platform to deliver a proprietary siRNA sequence to silence a fibrotic gene. The nature of the business is not deemed to be impacted by seasonal fluctuations and as such performance is expected to be consistent.

Detail of the Group's exposure to risk management and control is detailed in the Corporate Governance Statement on page 15.

Operational review

During the year to 31 December 2025, the Company reported positive *in vivo* efficacy data for N4 101, its lead Nuvec®-based programme, in an established inflammatory bowel disease model. This data demonstrated a reduction in inflammation and further supported Nuvec®'s potential as an effective delivery system for nucleic acid therapeutics. Separately, data from the Company's collaboration with SRI International confirmed Nuvec®'s ability to selectively deliver RNA into cancer cells, reinforcing its applicability across oncology and other high-value therapeutic areas.

The Company continued to advance its collaboration with the Centre for Continuous Manufacturing and Advanced Crystallisation ("CMAC") at the University of Strathclyde, supporting the scale-up and further characterisation of Nuvec® as it moved towards clinical readiness.

Post-period-end process and formulation studies at CMAC have focused on developing manufacturing processes suitable for producing clinical Nuvec® loaded with siRNA. An in-depth comparison between Nuvec® and lipid nanoparticles ("LNPs") loaded with siRNA is expected to be completed in Q2 2026. The *in vitro* and *in vivo* evaluation of the targeting capability of Nuvec® loaded with siRNA to specific tissues following intravenous administration is expected to be completed in Q3 2026. These data should complement the earlier studies assessing targeting following oral delivery in an animal IBD model and in an *in vitro* non-small cell lung cancer cell model.

The establishment of a Senior Leadership Team during the year brought additional depth of expertise across drug development, manufacturing and commercial strategy.

In April 2025, the Company completed a £1.75 million placing, providing additional capital to support its ongoing development activities and the execution of the strategic review.

Strategic review and repositioning

The strategic review completed during the year concluded that Thalia Therapeutics should evolve beyond a platform-only model and focus on developing a pipeline of high-value RNA-based therapeutics, leveraging Nuvec® as a key differentiator.

A cornerstone of the new strategy is the development of a long-duration, dual-acting siRNA programme targeting PCSK9 and lipoprotein(a), two well-validated drivers of cardiovascular disease risk. Both targets have been clinically de-risked by approved or advanced-stage therapies. The Company is currently undertaking work to directly deliver siRNA by GalNAc to the liver using a linker to connect PCSK9 and Lp(a). In addition, the Company is exploring how Nuvec®'s delivery capabilities could enhance this dual-targeted siRNA, creating a distinctive and valuable cardiovascular asset.

Lowering genetically set Lp(a) levels and high levels of PCSK9 is expected to reduce cardiovascular events in global populations, benefitting longevity, quality of life and health care costs. With the global market for PCSK9 inhibitors accelerating from US$2.91 billion in 2025 to a projected US$13.35 billion by 2035 and Lp(a) now being considered a key target for residual cardiovascular risk, the Directors believe a product in this area with supporting intellectual property could be hugely valuable for the Company and of interest to industry partners.

As a result of the review, the Board decided to focus resources on Nuvec® and the cardiovascular product and has therefore paused any further material expenditure on Nanogenics and ECP105.

As previously announced, Nanogenics has been seeking FDA approval for orphan drug designation. Whilst the Company had been advised that the likelihood of success was high, the responses received from the FDA to date have not been favourable. Whilst the Company could continue to commit resources to pursuing designation, the Board has concluded that available funds are better deployed elsewhere.

Strategic review and repositioning (Continued)

Nanogenics is currently undertaking a study at Birmingham University to establish whether its gene therapy candidate, which has the potential to prevent post-surgical scarring in glaucoma patients, also prevents fibrosis in non-surgical patients. This would open up a wider glaucoma market and help determine whether there is any merit in committing to further studies.

Finally, over the last few months, the Board has considered several business development opportunities to expand its portfolio. One such possible acquisition would, if concluded, bring in a phase 1 clinical trial mRNA therapeutic asset for the treatment of a rare form of cancer.

Dividends

The Board do not recommend the payment of a dividend for the year ended 31 December 2025 (2024: £nil).

Carbon reporting

As a low energy user, the Company has not presented a report under Streamlined Energy and Carbon Reporting.

Directors

The Directors who held office during the year and up to the date of this report were listed on page 3.

Directors' remuneration and interests

The below remuneration relates to the Directors of the Group. There is no other Key Management Personnel.

	Remuneration			Interests		
Director	Cash-based payments	Share-based payments	Totals	Shares	Options	Warrants
	£	£	£	No.	No.	
Nigel Theobald*	82,500	4,160	86,660	16,981,319	6,000,000	-
Luke Cairns	44,000	2,079	46,079	142,857	4,434,286	-
Christopher Britten	24,000	2,079	26,079	-	3,717,143	-
Michael Palfreyman	24,000	2,079	26,079	-	3,000,000	-
Edward Wardle**	6,122	-	6,122	-	-	18,750,000
Alastair Smith	39,436	2,441	41,877	2,500,000	5,000,000	2,500,000
	220,058	12,838	232,896	19,624,176	22,151,429	21,250,000

* - Nigel Theobald resigned on 27 February 2026
** - In addition 150,000,000 shares and 150,000,000 warrants are held by Tracarta Limited in which Mr Wardle holds a beneficial interest

Directors' remuneration and interests (Continued)

2024	Remuneration			Interests	
Director	Cash-based payments	Share-based payments	Totals	Shares	Options
	£	£	£	No.	No.
Nigel Theobald	82,500	220	82,720	16,981,319	6,000,000
David Templeton*	49,500	-	49,500	-	1,434,286
Luke Cairns	44,000	110	44,110	142,857	5,109,588
Christopher Britten	24,000	110	24,110	-	3,717,143
Michael Palfreyman	7,467	110	7,577	-	3,000,000
	207,467	550	208,017	17,124,176	19,261,017

* - David Templeton resigned on 8 January 2025

Significant shareholders

The below details the significant shareholders of the Company.

Shareholder	Number of shares held	Percentage of issued share capital
Tracarta Limited*	150,000,000	18.02
Marc Mathenz	74,000,000	8.89
Patrick Byrne	43,162,500	5.19
David Farrier	28,000,000	3.36

* - Edward Wardle's Family holds a beneficial interest in Tracarta Limited

Going concern

These Consolidated Financial Statements have been prepared on the basis of accounting principles applicable to a going concern.

The Group currently has no significant source of operating cash inflows, other than royalty and government grant under the merged R&D expenditure credit scheme, and has incurred net operating cash outflows after tax for the year ended 31 December 2025 of £1,161,165 (2024: £971,500 outflow). At 31 December 2025, the Group had cash balances of £1,079,307 (2024: £625,972) and a surplus in net working capital (current assets, including cash, less current liabilities) of £1,070,526 (2024: £651,402).

The Group prepares regular business forecasts and monitors its projected cash flows, which are reviewed by the Board. Forecasts are adjusted for reasonable sensitivities that address the principal risks and uncertainties to which the Group is exposed, thus creating a number of different scenarios for the Board to challenge. In those cases, where scenarios deplete the Group's cash resources too rapidly, consideration is given to the potential actions available to management to mitigate the impact of one or more of these sensitivities, in particular the discretionary nature of costs incurred by the Group, in order to ensure the continued availability of funds.

The Group's projections indicate that additional funding will be required to support ongoing development of its assets and execution of the strategic plan. The Board has a track record of accessing capital markets and believes that further funds could be raised if and when required to support the next phase of growth.

Going concern (Continued)

Accordingly, although these circumstances give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, the Directors have a reasonable expectation that the Group will be able to secure the necessary resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

The Board remains focused on prudent cash management, phased investment and capital flexibility as we progress towards commercial scale.

Directors' confirmation

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditors

During the year, Gravita II LLP resigned as a result of a reorganisation within the Gravita Group. Gravita Audit II Limited was appointed as auditor on 16 July 2025 and will be proposed for reappointment at the forthcoming Annual General Meeting.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the Consolidated Financial Statements in accordance with applicable law and regulations.

Company law and AIM Rules require the Directors to prepare Consolidated Financial Statements for each financial year. Under that law, they have elected to prepare the Consolidated Financial Statements in accordance with UK-adopted International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006. Under company law, the Directors must not approve the Consolidated Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the results of the Group for that period. In preparing these Financial Statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Consolidated Financial Statements comply with the Companies Act 2006 and AIM Rules. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Consolidated Financial Statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

Looking Forward

In a short period, the Company has transformed Thalia Therapeutics from an early-stage platform company into one with a proprietary delivery technology, a growing pipeline of novel RNA therapeutics and the potential to add a clinical-stage asset, each with the ability to address diseases with significant unmet need.

Our near-term priorities are clear: to conclude a target acquisition; to progress the dual-targeting PCSK9/Lp(a) siRNA programme through preclinical development; to continue generating robust data in support of Nuvec® as a differentiated delivery platform; and to pursue partnership and licensing collaborations where they have the potential to accelerate development and create shareholder value.

The Company will operate with financial discipline, allocating capital to the programmes with the greatest potential for clinical and commercial impact. The Board and management team are fully aligned on strategy and we are confident that these actions are laying the foundations for a step-change in shareholder value.

We look forward to updating stakeholders as the Company advances its programmes and delivers on Thalia Therapeutics' significant potential.

On behalf of the Board

Dr David Solomon
Chief Executive Officer
23 June 2026

Corporate Governance Statement

The Company's ordinary shares are admitted to trading on AIM, a market operated by the London Stock Exchange and the Company is subject to the continuing requirements of the AIM Rules. During the period under review the Board sought to apply the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies ("QCA Guidelines") to the extent appropriate and practical for a company of its nature and size. With effect from June 2026, the Company adopted the Quoted Companies Alliance Corporate Governance Code 2023 (the "QCA Code"). This section provides general information on the Group's adoption of the QCA Guidelines and the QCA Code. In addition, further detail about how the Company complies with the ten principles of the QCA Code can be found on the Company's website.

The Board

The Board consists of six Directors, three of whom are Non-Executive and are considered to be independent in character and judgement and one of whom, Edward Wardle, represents the interests of the Company's largest shareholder as detailed below and there are no relationships or circumstances which could materially affect or interfere with the exercise of their judgement save only in respect of their holding of ordinary shares and options in the Company as set out on page 12. The names of the Directors, together with their biographical details, are set out on pages 8 and 9.

As at 31 December 2025, the Company has one substantial shareholder, Tracarta Limited, which holds 18.02 percent of the issued share capital. The Board considers this to represent a material shareholding. While this holding does not confer control, it provides the shareholder with the ability to exercise significant influence over matters requiring shareholder approval. The Board has assessed the potential impact of this shareholding on the Company's governance arrangements. It is satisfied that appropriate safeguards are in place to ensure that all shareholders are treated fairly and that no single shareholder exerts undue influence over the Company's strategic direction or decision-making processes. All related party transactions involving material shareholders are conducted on an arm's length basis and are subject to review and approval in accordance with the Company's established procedures. Directors are required to declare any interests, including shareholdings, and to abstain from decision making where a conflict of interest may arise. The Company complies with applicable corporate governance codes and disclosure requirements, including those relating to substantial shareholdings. The Board continues to monitor the shareholder structure and will take appropriate action where necessary to preserve good governance and independence. Edward Wardle represents the interests of Tracarta as a director on the board and is not deemed to be independent.

The roles of Chairman and Chief Executive Officer are held by separate directors and there is clear division of responsibilities between them. The Chairman is responsible for the leadership of the board and is pivotal in fostering a culture that adopts good corporate governance. The Chairman together with the rest of the board sets direction for the Company through a formal schedule of matters reserved for its decision. The executive directors have particular roles and areas of responsibility and continually engage with the Company's shareholders and stakeholders. The Board has a schedule of matters reserved for its review and approval, such items include strategy, approval of major capital expenditure projects, approval of the annual and interim results, annual budgets, dividend policy and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of all trading subsidiaries, their annual budgets, their performance in relation to those budgets and their capital expenditure. The Board delegates day-to-day responsibility for managing the business to the executive directors and the senior management team.

In 2025, the Board met formally seven times (2024: seven) and each Director at the time appointed attended each board meeting. In addition, the Board has ad hoc meetings as required and regular management meetings. Each of the Directors is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Any Directors appointed by the Board are subject to election by shareholders at the first Annual General Meeting ("AGM") after their appointment.

Non-executive directors are expected to devote such time as is necessary for the proper performance of their duties. This includes attendance at Board meetings, the AGM, meetings with the Directors, meetings with shareholders, and committee meetings.

Corporate Governance Statement (Continued)

The Board (Continued)

Luke Cairns is a part time Executive Director. Nigel Theobald was a full-time Executive Director until his retirement on 24 February 2026 at which point David Solomon was appointed as a full-time Executive Director in his position as Chief Executive Officer.

The Board composition is reviewed from time to time as appropriate. The Board considers that, collectively the Directors have the necessary mix of experience, skills, personal qualities and capabilities, with the appropriate balance of executives and non-executives, to deliver the strategy of the Company for the benefit of its Shareholders over the medium term. The non-executive directors use the board meetings to review and assess the performance of the executive directors.

The Directors acknowledge that succession planning is also a vital task for boards, and the management of succession planning will represent on ongoing key responsibility of the Board.

Risk management and internal control

The Directors are aware of their responsibility for establishing and communicating a system to manage risk and implement internal controls.

Operational risks are identified and assessed by management and any significant risks are reported to the Board. Financial and commercial risks are reviewed by the Board on a regular basis.

The Company's internal control systems are designed to provide the Directors with reasonable assurance that any problems are identified on a timely basis and dealt with appropriately. The Board considers the internal controls to be effective, but no system of internal control can provide absolute assurance against material misstatement or loss.

The key risks facing the Company together with any mitigation taken are considered further in the Principal risks and uncertainties section of this statement and notes 2 and 12 of the consolidated financial statements.

Committees

The Audit Committee is chaired by Alastair Smith with Christopher Britten and Michael Palfreyman as members. The Audit Committee, *inter alia*, determines and examines matters relating to the financial affairs of the Company including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the annual audit. It receives and reviews reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and internal control systems in use throughout the Group. It also monitors and is responsible for ongoing compliance by the Company with the AIM Rules for Companies. The audit committee met once during the year (2024: once) and had full attendance at this meeting.

The Remuneration Committee is chaired by Christopher Britten with Alastair Smith and Edward Wardle as members. The Remuneration Committee *inter alia*, reviews and makes recommendations in respect of the Directors' remuneration and benefits packages, including share options and the terms of their appointment. The remuneration committee didn't meet during the year (2024: none).

Given the Company's current size, the Board has not considered it necessary to constitute a nomination committee and the Board, as a whole, will consider the appointment of directors and other senior employees of the Company as and when required.

In light of the size and stage of the Company the Board has reviewed and still considers it is not appropriate to publish an audit committee or remuneration committee report in this annual report and accounts but will again consider the matter annually as the Company grows.

Communication with shareholders and stakeholders

Details of the Company's current strategy and business model can be found in pages 4 to 7 and 10 to 11 of the Consolidated Financial Statements and is reflective of where the Company sits in the research and development cycle with Nuvec® and Nanogenics IP.

As an AIM company, the Company seeks to update investors on material matters through announcements via RNS supplemented by presentations and the engagement of a PR firm. Historical company documents can be found on the Company's website.

In addition, all shareholders can attend the Company's Annual General Meeting, where there is an opportunity to question the Directors as part of the agenda, or more informally after the meeting. Communication with shareholders is seen as an important part of the Board's responsibilities, and care is taken to ensure all price-sensitive information is made available to all shareholders at the same time, in accordance with the AIM Rules, which, by definition, means the Board may not always be able to answer questions as directly or immediately as shareholders may like.

Principal risks and uncertainties

The Group is exposed to a variety of financial risks including market risk, liquidity risk, tax risk and credit risk.

Overview

The Group has exposure to the following risks:

- Credit risk;
- Liquidity risk;
- Tax risk;
- Market risk;
- Operational risk; and
- Regulatory and legislative risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and its management of capital. Further quantitative disclosures are included throughout these Consolidated Financial Statements.

Risk management framework

The Board has overall responsibility for the establishment and oversight of the risk management framework and developing and monitoring the Group's risk management policies. Key risk areas have been identified and the Group's risk management policies and systems will be reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's bank deposits and receivables. See Note 12 for further detail. The risk of non-collection is considered to be low. This risk is deemed low at present due to the Group not yet trading and generating revenue but is a consideration for future risks.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors cash flow on a monthly basis through forecasting to help mitigate this risk.

Tax risk

Any change in the Group's tax status or in taxation legislation or its interpretations could affect the value of the investments held by the Group or the Group's ability to provide returns to shareholders or alter post-tax returns to shareholders.

The Group operates as a specialist pharmaceutical company engaged in the development of nanoparticle silica delivery systems to improve the cellular delivery and potency of cancer treatments and vaccines. The Group is entering into a market with existing competitors and the prospect of new entrants entering the current market. There is no guarantee that current competitors or new entrants to the market will not appeal to a wider portion of the Group's target market or command broader band awareness.

Market risk and competition

In addition, the Group's future potential revenues from product sales will be affected by changes in the market price of pharmaceutical drugs and could also be subject to regulatory controls or similar restrictions.

Market risk is monitored continuously by the Group and the Board reacts to any changes in market conditions as and when they arise.

Operational risk

The Group is at an early stage of development and is subject to several operational risks. The commencement of the Group's material revenues is difficult to predict and there is no guarantee the Group will generate material revenues in the future. The Group has a limited operational history upon which its performance and prospects can be evaluated and faces the risks frequently encountered by developing companies. The risks include the uncertainty as to which areas of pharmaceuticals to target for growth.

Failure of studies at any time could have a material impact on the value of that particular asset and, by extension, the Company and its prospects.

Operational risk is managed by adapting the future plans of the Group based on results and feedback from employees, suppliers, potential licensing partners and contractors.

Regulatory and legislative risk

The operations of the Group are such that it is exposed to the risk of litigation from its suppliers, employees and regulatory authorities. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though monetary consequences may not be significant.

Any changes to regulations or legislation are reviewed by the Board on a regular basis and the Group applies any that are relevant accordingly.

Changes to legislation, regulations, rules and practices may change and is often the case in the pharmaceutical industry which is highly regulated and susceptible to regular change. Any changes may have an adverse effect on the Group's operations.

Corporate Governance Statement (Continued)

Protection of intellectual property
The Group's ability to compete significantly relies upon the successful protection of its intellectual property, in particular its licenced patents and owned patent applications for Nuvec®. The Group seeks to protect its intellectual property through the filing of worldwide patent applications, as well as robust confidentiality obligations on its employees. However, this does not provide assurance that a third party will not infringe on the Group's intellectual property, release confidential information about the intellectual property or claim technology which is registered to the Group.

Capital management

The Group has no loans or borrowings and has sufficient resources for its current work streams albeit further funds may be required to expand its work streams.

The Group manages its capital through the preparation of detailed forecasts, and tracks actual receipts and outlays against the forecasts on a regular basis, to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders.
Capital management (Continued)

The capital structure of the Group consists of cash and cash equivalents and equity comprising, capital, reserves and accumulated losses.

Financial instruments and associated risks:

The Board of Directors is committed to effective risk management and is responsible for ensuring that the Group has an appropriate framework in place to identify and effectively manage business risks and to monitor business performance and the Group's financial position. The Board is also responsible for overseeing compliance with regulatory, prudential, legal and ethical standards. These risks are discussed in detail in Note 12.

By order of the Board

Chris Britten

Chris Britten
Chairman

23 June 2026

Thalia Therapeutics plc

Independent auditor's report to the members

Opinion

We have audited the financial statements of Thalia Therapeutics Plc ('the Company') and its subsidiaries (together 'the Group') for the year ended 31 December 2025 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted International Accounting Standards (IFRSs). The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and UK-adopted International Accounting Standards (IFRSs) as applied in accordance with the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards (IFRS);
- the Company financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards (IFRS) as applied in accordance with the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to Note 1.3 of the financial statements which indicates that according to the Directors' forecast, in a base case scenario, the Group's required financing is dependent on a number of assumptions and events which are outside the control of the Group. The Group is reliant on securing additional equity funding to meet its projected obligations as they fall due. Additionally, should the Group acquire additional assets this is expected to require funding to progress technical work over the course of the going concern review period to 30 June 2027. Whilst the Group has a record of fundraising through equity placement, any future investment is outside the Group's control and therefore uncertain.

As stated in the respective disclosures, these conditions along with the other matters set out in those disclosures, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included the following procedures:

- We performed a detailed review of the Group's cash flow forecasts in comparison to audited cash balances held shortly before the approval of these financial statements to assess the reasonableness of the starting point for projections;
- We confirmed that the forecasts cover an appropriate period, being at least 12 months from the date of approval of the financial statements;
- We challenged management on the nature and financial effects of any potential future asset acquisitions including the projected cash requirements and obligations which could arise;
- We considered the effects of a change in CEO post year end in terms of committed cash costs for the coming period;
- We reviewed the suitability of disclosures surrounding going concern including the assumptions made by management in forming their conclusions and the nature of the uncertainties identified in forming their conclusions; and
- We reviewed the basis for projected corporate overheads including by reference to recent actual expenditures and other planned activities.

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

Our approach to the audit

We tailored the scope of our audit work to ensure we obtained sufficient evidence to support our opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls and the industry in which the Group operates.

As Group auditor we carried out the audit of the Company financial statements and, in accordance with ISA (UK) 600, obtained sufficient appropriate evidence regarding the audit of the Group's subsidiaries N4 Pharma UK Limited and Nanogenics Limited. These subsidiaries were deemed to be significant to the Group financial statements due to their size. Audit work on the subsidiaries was performed at a materiality level of £36,000, which is lower than Group materiality.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement.

Key audit matters

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

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

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Treatment of Research and Development expenditure The key focus of the Group in the year was in progressing its research activities, notably in respect of Nuvec. The Group recorded all expenditures relating to R&D projects within profit or loss on the basis that the projects do not meet the capitalisation criteria of IAS 38. Where the criteria of IAS 38 are met, qualifying expenditures should be capitalised as a development asset. Given that progressing the Group's R&D activities is the main objective of management, we consider this matter to be a Key Audit Matter.	We noted the R&D projects which were actively pursued by the Group during the year and sought explanations from management of the basis on which such expenditures are not capitalised. We challenged management to understand their expectations for the future development of the projects and the expected routes to commercialisation. We selected a sample of research expenditures and agreed payments to underlying research contracts and project scopes. We noted the continued R&D activities in the year and examined indicators arising from those activities which could indicate a material change in the likelihood of successful commercialisation of those projects. We considered evidence of the intellectual property rights held by the Group in respect of its R&D work performed. We concluded that there is a sufficient justification not to capitalise R&D expenditures and that the Board's policy is formed on a reasonable basis.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group	Company
Overall materiality	£60,000	£20,000
How we determined it	Based on 5% of gross expenses.	Based on 5% of gross expenses.

Our application of materiality (Continued)

	Group	Company
Rationale for benchmark used	The Group's principal activity is a pharmaceutical company engaged in research and development with limited revenue being generated. For this reason, a materiality measure based on gross expenses was considered an appropriate approach.	The Company acts as a holding company and incurs corporate overheads which support the wider group's activities. For this reason, a materiality measure based on gross expenses was considered an appropriate approach.

We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceed materiality for the financial statement as a whole. Performance materiality was set at £36,000 and £12,000 for the Group and Company respectively.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £3,000 and £1,000 for the Group and Company audits respectively as well as misstatements below this amount that, in our view, warranted reporting for qualitative reasons.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Independent auditor's report to the members (Continued)

Matters on which we are required to report by exception (Continued)

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

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 14, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company including taxation legislation, company law and AIM Rules.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and

Independent auditor's report to the members (Continued)

The extent to which the audit was considered capable of detecting irregularities including fraud (Continued)

- we assessed the susceptibility of the Group and Company financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
  - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
  - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the notes to the financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
  - agreeing financial statement disclosures to underlying supporting documentation;
  - reading the minutes of meetings of those charged with governance;
  - enquiring of management as to actual and potential litigation and claims;
  - reviewing the available correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of this report

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

Joseph Brewer

Senior Statutory Auditor
For and on behalf of
Gravita Audit II Limited (Statutory Auditors and Chartered Accountants)
Aldgate Tower
2 Leman Street
London, E1 8FA

23 June 2026

Thalia Therapeutics Plc
Consolidated Statement of Comprehensive Income for the year ended 31 December 2025

	Notes	2025	2024
		£	£
Revenue		7,264	7,282
Gross profit		**7,264**	**7,282**
Research and development costs		(214,120)	(390,387)
General and administration costs		(1,019,490)	(837,996)
Other operating income - merged R&D expenditure credit		61,125	-
Loss for the year before tax		(1,165,221)	(1,221,101)
Taxation	5	(42,993)	101,112
Loss and total comprehensive loss for the year after tax		(1,208,214)	(1,119,989)
Total comprehensive loss for the year is attributable to:			
Equity owners of Thalia Therapeutics Plc		(1,205,008)	(1,058,622)
Non-controlling interest		(3,126)	(61,367)
		(1,208,214)	**(1,119,989)**
Loss per share attributable to owners of the parent	11		
Weighted average number of shares:			
Basic		724,403,637	340,386,906
Diluted		724,403,637	340,881,486
Basic loss per share		**(0.17)**	**(0.31)**
Diluted loss per share		**(0.17)**	**(0.31)**

All results were derived from continuing operations.
The notes on pages 34 to 53 are an integral part of the Financial Statements

Thalia Therapeutics Plc
Consolidated Statement of Financial Position as at 31 December 2025

	Notes	2025 £	2024 £
Current assets			
Trade and other receivables	7	89,180	149,797
Cash and cash equivalents		1,079,307	625,972
		1,168,487	775,769
Total assets		1,168,487	775,769
Liabilities			
Current liabilities			
Trade and other payables	8	(30,437)	(28,796)
Accruals		(67,524)	(95,571)
Total liabilities		(97,961)	(124,367)
Net current assets and net assets		1,070,526	651,402
Equity			
Share capital	10	11,599,946	9,849,946
Share premium	10	14,689,313	14,940,829
Share option reserve	10	201,747	114,775
Reverse acquisition reserve	10	(14,138,244)	(14,138,244)
Merger reserve	10	279,347	279,347
Retained earnings	10	(11,562,212)	(10,399,006)
Non-controlling interest	14	629	3,755
Total equity		**1,070,526**	**651,402**

The notes on pages 34 to 53 are an integral part of the Financial Statements.

The Financial Statements were approved by the Board of Directors on 23 June 2026 and signed on its behalf:

David H Solomon
Director

Thalia Therapeutics Plc

Company Statement of Financial Position as at 31 December 2025

Company Registration No. 01435584 (England and Wales)

	Notes	2025 £	2024 £
Assets			
Non-current assets			
Investments	6	103,101	106,614
		103,101	106,614
Current assets			
Trade and other receivables	7	13,359	17,082
Intercompany loan receivable	7	20,000	20,000
Cash and cash equivalents		981,442	563,810
		1,014,801	600,892
Total assets		1,117,902	707,506
Liabilities			
Current liabilities			
Trade and other payables	8	(4,503)	(8,019)
Accruals		(42,866)	(48,079)
Total liabilities		(47,369)	(56,098)
Net current assets		967,432	544,794
Total assets less current liabilities		1,070,533	651,408
Net assets		**1,070,533**	**651,408**
Equity			
Share capital	10	11,599,946	9,849,946
Share premium	10	14,689,313	14,940,829
Share option reserve	10	201,747	114,775
Merger reserve	10	279,347	279,347
Retained earnings	10	(25,699,820)	(24,533,489)
Total equity		**1,070,533**	**651,408**

The Company recorded a loss of £1,208,213 for the year (2024: £1,082,579).

The notes on pages 34 to 53 are an integral part of the Financial Statements.

The Company Financial Statements were approved by the Board of Directors on 23 June 2026 and signed on its behalf:

David H Solomon
Director

Thalia Therapeutics Plc
Consolidated Statement of Changes in Equity for the year ended 31 December 2025

Year ended 31 December 2025	Share capital	Share premium	Share option reserve	Reverse acquisition reserve	Merger reserve	Retained earnings	Non-controlling Interest	Total equity
	£	£	£	£	£	£	£	£
Balance at 1 January 2025	**9,849,946**	**14,940,829**	**114,775**	**(14,138,244)**	**279,347**	**(10,399,006)**	**3,755**	**651,402**
Total comprehensive loss for the year	-	-	-	-	-	(1,205,088)	(3,126)	(1,208,214)
Share issue	1,750,000	-	-	-	-	-	-	1,750,000
Share issue costs - cash	-	(135,500)	-	-	-	-	-	(135,500)
Share issue costs - warrants	-	(222,183)	222,183	-	-	-	-	-
Option charge	-	-	12,838	-	-	-	-	12,838
Option lapse	-	-	(29,889)			29,889	-	-
Warrant lapse	-	-	(11,993)	-	-	11,993	-	-
At 31 December 2025	**11,599,946**	**14,583,146**	**307,914**	**(14,138,244)**	**279,347**	**(11,562,212)**	**629**	**1,070,526**

	Share capital	Share premium	Share option reserve	Reverse acquisition reserve	Merger reserve	Retained earnings	Non-controlling Interest	Total equity
	£	£	£	£	£	£	£	£
Balance at 1 January 2024	**9,345,946**	**14,874,469**	**107,385**	**(14,138,244)**	**279,347**	**(9,341,267)**	**66,005**	**1,193,641**
Total comprehensive loss for the year	-	-	-	-	-	(1,058,622)	(61,367)	(1,119,989)
NCI shares gifted back	-	-	-	-	-	883	(883)	-
Share issue	504,000	126,000	-	-	-	-	-	630,000
Share issue costs	-	(59,640)	-	-	-	-	-	(59,640)
Share based payment charge	-	-	7,390	-	-	-	-	7,390
At 31 December 2024	**9,849,946**	**14,940,829**	**114,775**	**(14,138,244)**	**279,347**	**(10,399,006)**	**3,755**	**651,402**

The notes on pages 34 to 53 are an integral part of the Financial Statements.

Thalia Therapeutics Plc
Company Statement of Changes in Equity for the year ended 31 December 2025

Year ended 31 December 2025	Share capital	Share premium	Share option reserve	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£	£
Balance at 1 January 2025	**9,849,946**	**14,940,829**	**114,775**	**279,347**	**(24,533,489)**	**651,408**
Total comprehensive loss for the year	-	-	-	-	(1,208,213)	(1,208,213)
Share issue	1,750,000	-	-	-	-	1,750,000
Share issue costs - cash	-	(135,500)	-	-	-	(135,500)
Share issue costs - warrants	-	(222,183)	222,183	-	-	-
Option charge		-	12,838	-	-	12,838
Option lapse	-	-	(29,889)	-	29,889	-
Warrant lapse	-	-	(11,993)	-	11,993	-
At 31 December 2025	**11,599,946**	**14,583,146**	**307,914**	**279,347**	**(25,699,820)**	**1,070,533**

Year ended 31 December 2024	Share capital	Share premium	Share option reserve	Merger reserve	Retained earnings	Total equity
	£	£	£	£	£	£
Balance at 1 January 2024	**9,345,946**	**14,874,469**	**107,385**	**279,347**	**(23,450,810)**	**1,156,337**
Total comprehensive loss for the year	-	-	-	-	(1,082,579)	(1,082,579)
Share issue	504,000	126,000	-	-	-	630,000
Share issue costs	-	(59,640)	-	-	-	(59,640)
Share based payment charge	-	-	7,390	-	-	7,390
At 31 December 2024	**9,849,946**	**14,940,829**	**114,775**	**279,347**	**(24,533,489)**	**651,408**

The notes on pages 34 to 53 are an integral part of the Financial Statements.

Thalia Therapeutics Plc

Consolidated Statement of Cash Flows for the year ended 31 December 2025

	Notes	2025 £	2024 £
Operating activities			
Loss after tax		(1,208,214)	(1,119,989)
Share based payment charge		12,838	7,390
Tax charge/(credit)		42,993	(101,112)
Impairment of Goodwill		-	61,210
Operating cash outflow before changes in working capital		**(1,152,383)**	**(1,152,501)**
Movements in working capital:			
Increase in trade and other receivables		(52,108)	(9,456)
(Decrease)/Increase in trade, other payables and accruals		(26,406)	42,641
Cash used in operations		(1,230,897)	(1,119,316)
Taxation credit received		69,732	147,816
Net cash flows used in operating activities		**(1,161,165)**	**(971,500)**
Financing activities			
Proceeds of ordinary share issue		1,750,000	630,000
Costs of share issue		(135,500)	(59,640)
Net cash flows from financing activities		**1,614,500**	**570,360**
Net increase/(decrease) in cash and cash equivalents		**453,335**	**(401,140)**
Cash and cash equivalents at beginning of the year		625,972	1,027,112
Cash and cash equivalents at year end		**1,079,307**	**625,972**

The notes on pages 34 to 53 are an integral part of the Consolidated Financial Statements

Thalia Therapeutics Plc

Company Statement of Cash Flows for the year ended 31 December 2025

	2025 £	2024 £
Operating activities		
Loss after tax	(1,208,213)	(1,082,579)
Interest receivable	(361,142)	(334,180)
Share based payment charge	12,838	7,390
Impairment of investment in subsidiaries	3,513	372,129
Impairment of loan to subsidiary	1,151,142	734,180
Operating cash outflow before changes in working capital	**(401,862)**	**(303,060)**
Movements in working capital:		
Decrease in trade and other receivables	3,723	3,543
Increase/(decrease) in trade and other payables	1,271	15,117
Net cash flows used in operating activities	**(396,868)**	**(284,400)**
Investing activities		
Loan to subsidiaries	(800,000)	(420,000)
Net cash flows used in investing activities	**(800,000)**	**(420,000)**
Financing activities		
Proceeds of ordinary share issue	1,750,000	630,000
Costs of share issue	(135,500)	(59,640)
Net cash flows from financing activities	**1,614,500**	**570,360**
Net increase/(decrease) in cash and cash equivalents	**417,632**	**(134,040)**
Cash and cash equivalents at beginning of the year	563,810	697,850
Cash and cash equivalents at year end	**981,442**	**563,810**

The notes on pages 34 to 53 are an integral part of the Consolidated Financial Statements

1. Accounting policies

1.1 Reporting entity

Thalia Therapeutics Plc [formerly N4 Pharma Plc until 17 March 2026] (the "Company"), is the holding Company for N4 Pharma UK Limited ("N4 UK"), and Nanogenics Limited ("Nanogenics") which, together form the Group (the "Group"). N4 Pharma UK Limited is a specialist pharmaceutical company engaged in the development of mesoparticulate silica delivery systems to improve the cellular delivery and potency of vaccines. The nature of the business is not deemed to be impacted by seasonal fluctuations and as such performance is expected to be consistent.

Nanogenics is a specialist pharmaceutical company engaged in the development of a Liptide platform to deliver a proprietary siRNA sequence to silence a fibrotic gene. The nature of the business is not deemed to be impacted by seasonal fluctuations and as such performance is expected to be consistent.

The Company was incorporated and registered in England and Wales on 6 July 1979 as a public limited company and its shares are admitted to trading on AIM (LSE: THAT). The Company's registered office: 2 Portman Street, London, United Kingdom, W1H 6DU.

The Consolidated and Company Financial Statements have been prepared in accordance with UK-adopted International Financial Reporting Standards and applied to the Company Accounts in accordance with the provisions of the Companies Act 2006.

The Consolidated and Company Financial Statements are presented in Great British Pounds ("GBP" or "£"), rounded to the nearest £.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Consolidated Financial Statements.

The Company has taken advantage of the exemption granted by Section 408 of the Companies Act 2006 from presenting its own Statement of Comprehensive Income. The loss incurred by the Company is disclosed under the Company Statement of Financial Position.

1.2 Measurement convention

The Consolidated Financial Statements are prepared on the historical cost basis, except for the following items:

- Share-based payments related to investment acquisition are measured at fair value shown in the Merger Reserve.
- Share-based payments related to employee costs are measured at fair value at the date of grant shown in the Statement of Comprehensive Income.
- Share-based payments related to share issue costs are measured at fair value at the date of grant shown in Share Premium.
- The associated Share Options and Warrants are measured at fair value at the date of grant using the Black Scholes model (see note 9).

1.3 Going concern

These Consolidated Financial Statements have been prepared on the basis of accounting principles applicable to a going concern.

The Group currently has no significant source of operating cash inflows, other than royalty and government grant under the merged R&D expenditure credit scheme, and has incurred net operating cash outflows after tax for the year ended 31 December 2025 of £1,161,165 (2024: £971,500 outflow). At 31 December 2025, the Group had cash balances of £1,079,307 (2024: £625,972) and a surplus in net working capital (current assets, including cash, less current liabilities) of £1,070,526 (2024: £651,402).

1. Accounting policies (Continued)

1.3 Going concern (Continued)

The Group prepares regular business forecasts and monitors its projected cash flows, which are reviewed by the Board. Forecasts are adjusted for reasonable sensitivities that address the principal risks and uncertainties to which the Group is exposed, thus creating a number of different scenarios for the Board to challenge. In those cases, where scenarios deplete the Group's cash resources too rapidly, consideration is given to the potential actions available to management to mitigate the impact of one or more of these sensitivities, in particular the discretionary nature of costs incurred by the Group, in order to ensure the continued availability of funds.

The Group's projections indicate that additional funding will be required to support ongoing development of its assets and execution of the strategic plan. The Board has a track record of accessing capital markets and believes that further funds could be raised if and when required to support the next phase of growth.

Accordingly, although these circumstances give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, the Directors have a reasonable expectation that the Group will be able to secure the necessary resources to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

The Board remains focused on prudent cash management, phased investment and capital flexibility as we progress towards commercial scale.

1.4 Basis of consolidation

The Group financial statements consist of the financial statements of the Company together with the entities controlled by the Company (its subsidiaries), N4 UK and Nanogenics.

The financial statements for N4 UK and Nanogenics are made up to 31 December 2025. Where necessary, adjustments are made to the financial statements of N4 UK and Nanogenics to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the Group's financial statements from the date that control commences until the date that control ceases.

1.5 Revenue

The Group generates license fees for the licencing of its intellectual property. Fee income is recognised on the accruals basis.

1.6 Government grants

Research and development expenditure credit

The Group recognises government grants under merged R&D expenditure credit scheme as taxable income in the Group's Consolidated Statement of Comprehensive income on the accruals basis and subject to notional tax using the small profits corporation tax rate of 19%.

Employment Allowance in respect of employer's National Insurance contributions

The Company benefits from the Employment Allowance in respect of employer's National Insurance contributions. The allowance is recognised as a reduction in the related employment costs within staff costs in the statement of profit or loss.

1. Accounting policies (Continued)

1.7 Expenses

Research and development
Research costs are charged against the Consolidated Statement of Comprehensive Income as they are incurred. Certain development costs will be capitalised as intangible assets when it is probable that the future economic benefits will flow to the Group. Such intangible assets will be amortised on a straight-line basis from the point at which the assets are ready for use, over the period of the expected benefit, and are reviewed for impairment at each year end date. Other development costs are charged against the Consolidated Statement of Comprehensive Income as incurred since the criteria for their recognition as an asset is not met.

The criteria for recognising expenditure as an asset are:
- It is technically feasible to complete the product;
- Management intends to complete the product and use or sell it;
- There is an ability to use or sell the product;
- It can be demonstrated how the product will generate probable future economic benefits;
- Adequate technical, financial and other resources are available to complete the development, use and sale of the product; and
- Expenditure attributable to the product can be reliably measured.

The costs of an internally generated intangible asset comprise all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Directly attributable costs include employee costs incurred on technical development, testing and certification, materials consumed and any relevant third-party cost. The costs of internally generated developments are recognised as intangible assets and are subsequently measured in the same way as externally acquired intangible assets. However, until completion of the development project, the assets are subject to impairment testing only.

To date, the criteria for recognition of an internally generated intangible asset have not been met as explained in note 1.17.

General and administration costs are recognised on an accruals basis in the Consolidated Statement of Comprehensive Income.

1.8 Taxation

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax
Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the Consolidated Statement of Financial Position date.

Deferred tax
Deferred tax is recognised in respect of all taxable temporary differences that have originated but not reversed at the Consolidated Statement of Financial Position date.

Taxable temporary differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Consolidated Financial Statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1. Accounting policies (Continued)

Deferred tax (Continued)

The Group records other income in relation to claims under the Research and Development Expenditure Credits ("RDEC") scheme. These credits are recognised as Other income when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the credits will be received.

1.9 Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into GBP at the rate of exchange ruling at the Consolidated Statement of Financial Position date. Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Foreign exchange gains and losses are included in the Consolidated Statement of Comprehensive Income.

1.10 Earnings per share

The Group presents basic and diluted earnings or loss per share data for its ordinary shares. Basic earnings/loss per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings/loss per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise of share options granted.

1.11 Operating segments

The Group operated in one business segment, that of the development and commercialisation of medicines via its delivery system called Nuvec® and its liptide platform called ECP105.

The Directors consider that there are no identifiable business segments that are subject to risks and returns different to the core business. The information reported to the Directors, for the purposes of resource allocation and assessment of performance, is based wholly on the overall activities of the Group.

1.12 Presentation and classification of financial instruments issued by the Group

In accordance with IAS 32, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these Consolidated Financial Statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

Financial assets and liabilities are offset and the net amounts presented in the Financial Statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. Accounting policies (Continued)

1.13 Non-derivative financial instruments

Non-derivative financial instruments comprise warrants, investments, trade and other receivables, cash and cash equivalents and trade and other payables.

Warrants

As part of the equity fundraising completed during the year, the Group issued warrants to brokers and investors that entitle the holders to subscribe for a fixed number of ordinary shares at a fixed exercise price. In accordance with IAS 32, the warrants meet the definition of an equity instrument.

Warrants are recognised in equity at their fair value on initial issue. When warrants lapse or expires unexercised, no gain or loss is recorded in profit or loss. Any remaining balance within the warrant reserve is retained in equity, with the balance transferred to retained earnings as an internal reclassification.

Investments

Investments are investments held in subsidiaries accounted for at cost less provision for impairment under IAS 27.

Trade and other receivables
Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost less provisions for expected credit losses.

Trade and other payables
Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and comprise of cash at bank. Any overdrafts are shown within borrowings in current liabilities.

1.14 Impairment

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Consolidated Statement of Comprehensive Income.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

1. Accounting policies (Continued)

1.14 Impairment (Continued)

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash generated units are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (Group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.15 Share based payment arrangements

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

Share-based payment transactions, other than those with employees, are measured at the value of goods or services received where this can be reliably measured. Where the services received are not identifiable, their fair value is determined by reference to the grant date fair value of the equity instruments provided. Should it not be possible to measure reliably the fair value of identifiable goods and services received, their fair value shall be determined by reference to the fair value of the equity instruments provided measured over the period of time that the goods and services are received.

The expense is recognised in the Consolidated Statement of Comprehensive Income or capitalised as part of an asset when the goods are received or as services are provided, with a corresponding increase in equity.

The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no "true-up" for differences between expected and actual outcomes.

1.16 Adoption of new and revised International Financial Reporting Standards

The following IFRS standards, amendments or interpretations became effective during the year ended 31 December 2025 but have not had a material effect on this Consolidated Financial Information:

Standard	Effective date
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendments) - Lack of exchangeability	1 January 2025

All new standards and amendments to standards and interpretations effective for annual periods beginning on or after 1 January 2025 that are applicable to the Group have been applied in preparing these Consolidated Financial Statements.

1. Accounting policies (Continued)

1.16 Adoption of new and revised International Financial Reporting Standards (Continued)

The standards and interpretations that are issued and relevant to the Group, but not yet effective, up to the date of issuance of the Consolidated Financial Statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard	Effective date
Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS18 Presentation and Disclosure in Financial Statements	1 January 2027

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, have not been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed.

Standard	Effective date
Amendments to IFRS19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Directors are continuing to assess the potential impact that the adoption of the standards listed above will have on the Consolidated Financial Statements for the year ended 31 December 2025.

The Board are currently assessing the impact of these new amendments on the Group's financial reporting for future periods. However, the Board does not expect any of the above to have a material impact on future reporting except for IFRS 18 which is expected to result in changes in the presentation of certain primary financial statements. A full assessment will be performed once the standard is adopted.

1.17 Use of estimates and judgements

The preparation of Consolidated Financial Statements in conformity with IFRSs requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses during the period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, the Directors have decided the following estimates and assumptions are material to the carrying amounts of assets and liabilities recognised in the Consolidated Financial Statements.

Critical judgements

Research and development expenditure
The key judgements surrounding the Research & Development expenditure is whether the expenditure meets the criteria for capitalisation. Expenditure will only be capitalised when the recognition criteria is met and is otherwise written off to the Consolidated Statement of Comprehensive Income. The recognition criteria include the identification of a clearly defined project with separately identifiable expenditure where the outcome of the project, in terms of its technical feasibility and commercial viability, can be measured or assessed with reasonable certainty and that sufficient resources exist to complete a profitable project. In the event that these criteria are met, and it is probable that future economic benefit attributable to the product will flow to the Group, then the expenditure will be capitalised.

Impairment of investments
N4 UK has sustained losses and the Statement of Financial position is in deficit. The recoverability of the cost of investment is dependent on the future profitability and success of the entity, which is in a research phase and has not therefore generated any revenue to date. Having considered research progress during the year and future prospects of N4 UK, the Directors consider that there are indicators of impairment in respect of these balances. This is a significant judgement. Further detail is given in Note 6.

2. Risk management

Overview
The Group has exposure to the following risks:

- Credit risk;
- Liquidity risk;
- Tax risk;
- Market risk; and
- Operational risk
- Regulatory and legislative risk

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and its management of capital. Further quantitative disclosures are included throughout these Consolidated Financial Statements.

Risk management framework
The Board has overall responsibility for the establishment and oversight of the risk management framework and developing and monitoring the Group's risk management policies. Key risk areas have been identified and the Group's risk management policies and systems will be reviewed regularly to reflect changes in market conditions and the Group's activities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's bank deposits and receivables. See Note 12 for further detail. The risk of non-collection is considered to be low. This risk is deemed low at present due to the Group not generating material revenue but is a consideration for future risks.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors cash flow on a monthly basis through forecasting to help mitigate this risk.

Tax risk
Any change in the Group's tax status or in taxation legislation or its interpretations could affect the value of the investments held by the Group or the Group's ability to provide returns to shareholders or alter post-tax returns to shareholders.

Market risk and competition
The Group operates as a specialist pharmaceutical Company engaged in the development of mesoparticulate silica delivery systems to improve the cellular delivery and potency of vaccines and development of a Liptide platform to deliver a proprietary siRNA sequence to silence a fibrotic gene for the treatment of glaucoma. The Group is entering into a market with existing competitors and the prospect of new entrants entering the current market. There is no guarantee that current competitors or new entrants to the market will not appeal to a wider portion of the Group's target market or command broader band awareness.

In addition, the Group's future potential revenues from product sales will be affected by changes in the market price of pharmaceutical drugs and could also be subject to regulatory controls or similar restrictions.

2. Risk management (Continued)

Market risk and competition (Continued)

Market risk is monitored continuously by the Group and the Board reacts to any changes in market conditions as and when they arise.

Operational risk
The Group is at an early stage of development and is subject to several operational risks. The commencement of the Group's material revenues is difficult to predict and there is no guarantee the Group will generate material revenues in the future. The Group has a limited operational history upon which its performance and prospects can be evaluated and faces the risks frequently encountered by developing companies. The risks include the uncertainty as to which areas of pharmaceuticals to target for growth.

Operational risk is managed by adapting the future plans of the Group based on results and feedback from employees, suppliers and contractors.

Regulatory and legislative risk

The operations of the Group are such that it is exposed to the risk of litigation from its suppliers, employees and regulatory authorities. Exposure to litigation or fines imposed by regulatory authorities may affect the Group's reputation even though monetary consequences may not be significant.

Any changes to regulations or legislation are reviewed by the Board on a regular basis and the Group applies any that are relevant accordingly.

Changes to legislation, regulations, rules and practices may change and is often the case in the pharmaceutical industry which is highly regulated and susceptible to regular change. Any changes may have an adverse effect on the Group's operations.

Regulatory and legislative risk will become more significant once the current research generates revenue.

Protection of intellectual property
The Group's ability to compete significantly relies upon the successful protection of its intellectual property, in particular its licenced and owned patent applications for Nuvec® and ECP105. The Group seeks to protect its intellectual property through the filing of worldwide patent applications, as well as robust confidentiality obligations on its employees. However, this does not provide assurance that a third party will not infringe on the Group's intellectual property, release confidential information about the intellectual property or claim technology which is registered to the Group.

Capital management
The Group has no loans or borrowings and is expected to have access to sufficient resources, in the view of the Directors, to meet its working capital requirements for the next 12 months.

The Group manages its capital through the preparation of detailed forecasts, and tracks actual receipts and outlays against the forecasts on a regular basis, to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders.

The capital structure of the Group consists of cash and cash equivalents and equity comprising, capital, reserves and accumulated losses.

3. *Employees and directors*

The average monthly number of employees during the year was 3 (2024: 4). The Directors of the Group are employed by both the Company and N4 UK and as such are included in the employee figure. Total Directors' remuneration is detailed in Note 13 of these Consolidated Financial Statements.

There are no employees other than the Directors (2024: none).

3. Employees and directors (Continued)

Group

	2025 £	2024 £
Wages and Salaries	220,058	207,467
Social security costs	4,034	17,761
	224,092	225,228

4. Expenses by nature

	2025 £	2024 £
Administrative expenses include the following:		
Fees payable to the Group's auditor for the audit of the Group and Company Financial Statements	35,000	35,000
Impairment of goodwill	-	61,210
Salary costs	224,092	225,228

5. Taxation

	2025 £	2024 £
Current tax		
Research and development tax credit payable/(receivable)	42,993	(101,112)
	42,993	(101,112)
Deferred tax		
Origination and reversal of temporary differences	-	-
Tax in Statement of Comprehensive Income	42,993	(101,112)

The tax charge for the year can be reconciled to the loss in the Consolidated Statement of Comprehensive Income as follows:

	2025 £	2024 £
Loss before taxation	(1,165,221)	(1,221,101)
Tax at the UK corporation tax rate of 25% (2024: 25%)	(291,305)	(305,275)
Net Research and development tax credits	-	(101,112)
Notional tax of 19% on merged RDEC scheme	11,614	-
Changes in unrecognised deferred tax asset	291,305	305,275
Adjustments in respect of prior periods Research and development tax credits	31,379	-
Tax expense/(credit) for the year	42,993	(101,112)

5. Taxation (Continued)

At the year end the Group had estimated trading losses carried forward of £12,203,913 (2024: £11,356,029) for use against future profits. There are no other factors which may impact future tax charges. A deferred tax asset has not been recognised on unrelieved trading losses as the timing, extent and availability of future profits is not yet certain.

6. Investments

Investment in subsidiaries

Cost	N4 Pharma UK	Nanogenics Limited	Total
	£	£	£
Balance at 31 December 2023	228,743	250,000	478,743
Impairment	(135,174)	(236,955)	(372,129)
Balance at 31 December 2024	93,569	13,045	106,614
Reversal of impairment / (Impairment)	7,345	(10,858)	(3,513)
Balance at 31 December 2025	100,914	2,187	103,101

In respect of the Company's investment in its subsidiaries of £103,101 (2024: £106,614) a net impairment of £3,513 (2024: impairment of £372,129) has been recorded to reflect the Board's assessment that, given the early stage of the development of the subsidiaries' R&D projects, and therefore the uncertainty over future cash flows, the best estimate of the recoverable amount is based on the subsidiaries' respective net assets at the reporting date.

On 31 December 2025, loans to subsidiaries of £9,533,348 including capital and accrued interest were capitalised into equity. However, as the loan balance was fully provided at that date, no addition to the cost of investments in equity of subsidiaries has been recorded.

Details of the Company's subsidiaries at 31 December 2025 are as follows:

	Registered Office	Principal activity	Proportion of ownership and voting rights held
N4 Pharma UK Limited	2 Portman Street, London, W1H 6DU	Delivery of vaccines and therapeutics	100%
Nanogenics Limited	C/O Arch Law Limited, Level 2 Huckletree, 8 Bishopsgate, London, EC2N 4BQ	Research and experimental development on biotechnology	71.21%

Goodwill

	2025	2024
	£	£
At 1 January	-	61,210
Additions	-	-
Impairment	-	(61,210)
At 31 December	-	-

At the year end the Group held goodwill of £nil (2024: £nil) in respect of the 2023 acquisition of Nanogenics Limited.

7. Trade and other receivables

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Prepayments	15,434	15,130	6,589	11,572
VAT receivable	20,412	25,714	6,770	5,510
R&D tax credits receivable	49,511	101,112	-	-
Other debtors	3,823	7,841	-	-
	89,180	149,797	13,359	17,082

The carrying value of trade and other receivables is considered to approximate to their fair value.

The Company's loans to subsidiaries were as follows:

	2025 £	2024 £
At 1 January	8,402,205	7,648,026
Brought forward credit loss provision	(8,382,205)	(7,648,026)
Additional loans made	790,000	420,000
Interest charged	361,142	334,179
Additional to credit loss provision	(1,151,142)	(734,179)
At 31 December	20,000	20,000

The Company funds the activities of its subsidiaries through loans. The Company held a loan receivable from N4 Pharma UK Limited at year end of £nil (2024: £8,382,205). Additional funds of £790,000 were advanced during the year. Interest is charged at 5% and so interest income of £361,142 was recorded in the Company's income statement for the year. An additional credit loss charge was recorded in respect of additional loaned amounts and interest, totalling £1,151,142. On 31 December 2025, the loan receivable from N4 Pharma UK Limited amounting to £9,533,347, representing the total outstanding capital of £7,649,000 and interest of £1,884,347, was converted into an equity investment in N4 Pharma UK Limited.

On 31 December 2025, the outstanding loan receivable from Nanogenics Limited amounted to £20,000. The loan attracts interest at Bank of England base rate and matured in September 2025. The Company has the option to convert the loan balance to equity by reference to an agreed formula. In view of the strategy review, management are considering the structuring of this balance.

8. Trade and other payables

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade payables	26,951	23,324	3,620	6,871
Other payables	3,486	5,472	883	1,148
	30,437	28,796	4,503	8,019

The carrying value of trade and other payables is considered to approximate to their fair value.

9. Share-based payments

Options

The Company has the ability to issue options to Directors to compensate them for services rendered and incentivize them to add value to the Group's longer-term share value. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined is charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the vesting period based on the Group's estimate of the number of shares that will vest.

The vesting period is defined as the period in which the options are unable to be exercised. The period commences on the date the options are issued. For the options to vest, the holder must remain an employee of the group throughout the vesting period. Once the vesting period is complete the options may be exercised on any date up to the lapse date.

Fair value is measured using a Black Scholes pricing model. The key assumptions used in the model at the grant date were adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations.

The Company's number of options was as follows:

	2025 £	2024 £
Opening number of options	22,046,513	7,046,513
Additional options granted	5,000,000	15,000,000
Options expired unexercised	(2,743,655)	-
Closing number of options	24,302,858	22,046,513

Options in existence at 31 December 2025 are as follows:

Name	Date of Grant	Ordinary shares under option	Vesting Date	Expiry Date	Exercise Price £
2017 Options					
Luke Cairns	03.05.17	717,143	03.05.20	03.05.27	0.0700
David Templeton	03.05.17	717,143	03.05.20	03.05.27	0.0700
Paul Titley	03.05.17	717,143	03.05.20	03.05.27	0.0700
2019 Options					
Christopher Britten	21.05.19	717,143	21.05.22	21.05.29	0.0355
2020 Options					
David Templeton	18.05.20	717,143	18.05.23	18.05.30	0.0480
Luke Cairns	18.05.20	717,143	18.05.23	18.05.30	0.0480
2024 Options					
Nigel Theobold	27.11.24	2,000,000	27.11.25	27.11.34	0.0075
Michael Palfreyman	27.11.24	1,000,000	27.11.25	27.11.34	0.0075
Christopher Britten	27.11.24	1,000,000	27.11.25	27.11.34	0.0075
Luke Cairns	27.11.24	1,000,000	27.11.25	27.11.34	0.0075
Nigel Theobold	27.11.24	2,000,000	27.11.26	27.11.34	0.0075
Michael Palfreyman	27.11.24	1,000,000	27.11.26	27.11.34	0.0075
Christopher Britten	27.11.24	1,000,000	27.11.26	27.11.34	0.0075

9. Share-based payments (Continued)

Options (Continued)

Name	Date of Grant	Ordinary shares under option	Vesting Date	Expiry Date	Exercise Price £
Luke Cairns	27.11.24	1,000,000	27.11.26	27.11.34	0.0075
Nigel Theobold	27.11.24	2,000,000	27.11.27	27.11.34	0.0075
Michael Palfreyman	27.11.24	1,000,000	27.11.27	27.11.34	0.0075
Christopher Britten	27.11.24	1,000,000	27.11.27	27.11.34	0.0075
Luke Cairns	27.11.24	1,000,000	27.11.27	27.11.34	0.0075
2025 Options					
Alastair Smith	08.01.25	1,666,666	08.01.26	08.01.35	0.0075
Alastair Smith	08.01.25	1,666,667	08.01.27	08.01.35	0.0075
Alastair Smith	08.01.25	1,666,667	08.01.28	08.01.35	0.0075
Total options		24,302,858			

The weighted average remaining contractual life of the share options outstanding as at 31 December 2025 was 7.8 years (2024: 7.7 years).

Weighted average exercise price of options outstanding as at 31 December 2025 was £0.0162 (2024: £0.02).

Each option entitles the holder to subscribe for one ordinary share in the Company. Options do not confer any voting rights on the holder.

An amount of £12,838 has been recognised in the Consolidated Statement of Comprehensive Income and in the Share Option Reserve in relation to the share options (2024: £550 increase).

During the year 2,743,655 options expired unexercised. In accordance with the Group's policy, the balance of £29,889 transferred from the share option reserve to retained earnings as an internal reclassification. This transfer does not affect total equity.

The aggregate fair value of the share options in issue was £76,448 (2024: £95,941).

Warrants

The Company's number of warrants issued was as follows:

	2025 £	2024 £
Opening number of warrants	10,722,000	3,162,000
Additional warrants issued	525,000,000	7,560,000
Warrants expired unexercised	(3,162,000)	-
Closing number of warrants	532,560,000	10,722,000

As part of the placing in June 2024 which raised £630,000 before fees and expenses, the Company issued 7,560,000 warrants at an exercise price of 0.5p per warrant to the Company's brokers on the transaction as part of their fees. The warrants entitle holders to subscribe for new ordinary shares at any time in the period of three years following the grant of the warrants. The expiry date for the warrants is 6 June 2027.

9. Share-based payments (Continued)

Warrants (Continued)

On 1 April 2025 the Company announced a placing and subscription for 437,500,000 new ordinary shares at an issue price of 0.4p to raise gross proceeds of £1,750,000. Each share carries one warrant, exercisable at 0.8p for a period of three years from the second admission date. The warrants entitle holders to subscribe for new ordinary shares at any time in the period of three years following the grant of the warrants. The expiry date for the warrants is 21 April 2028.

As part of the placing in April 2025 which raised £1,750,000 before fees and expenses, the Company issued 87,500,000 warrants at an exercise price of 0.4p per warrant to the Company's brokers on the transaction as part of their fees. The warrants entitle holders to subscribe for new ordinary shares at any time in the period of five years following the grant of the warrants. The expiry date for the warrants is 21 April 2030.

Fair value is measured using a Black Scholes pricing model.

An amount of £222,183 was recognised in the year ended 31 December 2025 in the Share Option Reserve in relation to the warrants issued (2024: £6,840). This relates solely to broker warrants and as such the expense was recorded against share premium.

During the year 3,162,000 warrants expired unexercised. In accordance with the Group's policy, the balance of £11,993 transferred from the share option reserve to retained earnings as an internal reclassification. This transfer does not affect total equity. The weighted average remaining life of warrants at year end was 2.7 years (2024: 2.0 years).

The weighted average exercise price of warrants at the year end was 0.7p (2024: 0.9p)

The number of warrants exercisable at year end was 532,560,000 (2024: 10,722,000)

The number of options exercisable at year end was 9,302,858 (2024: 7,046,513)

10. Capital and reserves

Issued, allotted and fully paid	2025	2024
	£	£
832,280,349 Ordinary Shares of 0.4p each *(2024: 394,780,349)*	3,329,121	1,579,121
137,674,431 Deferred Shares of 4p each	5,506,977	5,506,977
279,176,540 Deferred Shares of 0.99p each	2,763,848	2,763,848
	11,599,946	9,849,946

All ordinary shares rank equally in all respects, including for dividends, shareholder attendance and voting rights at meetings, on a return of capital and in a winding-up.

During the year 437,500,000 new ordinary shares of 0.4p each were issued through a placing in April 2025 at a share price of 0.4p per share.

The 137,674,431 deferred shares of 4p, have no right to dividends nor do the holders thereof have the right to receive notice of or to attend or vote at any general meeting of the Company. On a return of capital or on a winding up of the Company, the holders of the deferred shares shall only be entitled to receive the amount paid up on such shares after the holders of the ordinary shares have received their return on capital.

10. Capital and reserves (Continued)

The 279,176,540 deferred shares of 0.99p shall be entitled to receive a special dividend, which is payable upon the repayment to the Company of any amount owed under certain loan agreements, after which the Company shall, in priority to any distribution to any other class of share, pay to the holders of the Special Deferred Shares an aggregate amount equal to the amount repaid pro rata according to the number of such shares paid up as to their nominal value held by each shareholder. They shall be entitled to no other distribution save for a special dividend and shall not be entitled to receive notice of or attend or vote at a general meeting of the Company. On a return of capital on a winding up of the Company, they shall only be entitled to receive the amount paid up on such shares up to a maximum of 0.9 pence per share after the holders of the Ordinary Shares and the Deferred Shares have received their return on capital.

Reserves
The equity structure presented in the Consolidated Financial Statements reflects the equity structure of the Group, including the equity instruments issued as part of the Reverse Takeover transaction which occurred in 2017 and followed accounting treatment in accordance with IFRS 3.

The reverse acquisition reserve and the merger reserve are derived as part of the Reverse Takeover transaction and the balances within these reserves have had no movement since the point of the Reverse takeover in 2017.

The share premium reserve comprises the excess of consideration received over the par value of the shares issued, plus the nominal value of share capital at the date of redesignation at no par value.

The share option reserve comprises the fair value of options granted, less the fair value of lapsed and expired options.

Retained earnings
Retained earnings comprises of accumulated results to date.

11. Earnings per share

The calculation of basic loss per share at 31 December 2025 was based on the loss of £1,205,088 (2024: £1,058,622), and a weighted average number of ordinary shares outstanding of 724,403,637 (2024: 340,386,906), calculated as follows:

	2025 £	2024 £
Losses attributable to ordinary shareholders	(1,205,088)	(1,058,622)
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	394,780,349	268,780,349
Effect of shares issued during the year	329,623,288	71,606,557
Weighted average number of shares at 31 December	724,403,637	340,386,906

	2025 pence per share	*2024 pence per share*
Basic loss per share	(0.17)	(0.31)

Diluted loss per share

As the Group reported a loss for the year, there is no dilutive effect of options and warrants in issue. Therefore Diluted Earnings Per Share is the same as Earnings Per Share for both the current and comparative period.

11. Earnings per share (Continued)

	2025 pence per share	*2024 pence per share*
Diluted loss per share	(0.17)	(0.31)

12. Risk management and analysis

(a) Credit risk

Financial risk management
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables and cash and cash equivalents. The carrying amount of cash, cash equivalents and term deposits represents the maximum credit exposure on those assets. The cash and cash equivalents are held with UK banks and financial institution counterparties which are rated by S&P at least A-2.

(a) Credit risk (Continued)

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the reporting date of the Group was £1,153,053 (2024: £760,639), being the total of the carrying amount of financial assets, shown in the Consolidated Statement of Financial Position.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

(b) Liquidity risk (Continued)

Group:

Financial liabilities	**Carrying amount** £	**Contractual cash flows** £	**6 months or less** £	**6-12 months** £	**1 -2 years** £
31 December 2025					
Trade and other payables	30,437	30,437	30,437	-	-
31 December 2024					
Trade and other payables	28,796	28,796	28,796	-	-

Company:

Financial liabilities	**Carrying amount** £	**Contractual cash flows** £	**6 months or less** £	**6-12 months** £	**1 -2 years** £
31 December 2025					
Trade and other payables	4,503	4,503	4,503	-	-
31 December 2024					
Trade and other payables	8,019	8,019	8,019	-	-

(c) Currency risk

The Group does not have significant exposure to foreign currency risk at present. The Group does not have any monetary financial instruments which are held in a currency that differs from that entity's functional currency.

12. Risk management and analysis (Continued)

(d) Interest rate risk

Profile
At the reporting date the interest rate profile of interest-bearing financial instruments was:

	Carrying amount	
Group:	**2025**	**2024**
	£	**£**
Variable rate instruments		
Cash and cash equivalents	1,079,307	625,972

	Carrying amount	
Company:	**2025**	**2024**
	£	**£**
Variable rate instruments		
Cash and cash equivalents	981,442	563,810

Cash flow sensitivity analysis for variable rate instruments
The Group's interest-bearing assets at the reporting date were invested with financial institutions in the United Kingdom with a S&P rating of A-2 and comprised solely of bank accounts.

A change in interest rates would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2024.

Group:	**2025**		**2024**	
	Profit or loss		**Profit or loss**	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable rate instruments	10,793	(10,793)	6,260	(6,260)

Company:	**2025**		**2024**	
	Profit or loss		**Profit or loss**	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable rate instruments	9,814	(9,814)	5,838	(5,838)

13. Related parties

Key management personnel

The remuneration below relates to key management personnel; there are no key management personnel employed by the Group in addition to the Directors.

	2025	2024
	£	£
Short-term employee benefits	220,058	207,467
Social security costs of short-term employee benefits	4,034	17,761
Share based payments	12,838	550
	236,930	225,778

Employer's National Insurance contributions are shown net of Employment Allowance claimed during the year.

13. Related parties (Continued)

Directors' remuneration

The below remuneration relates to the Directors of the Group.

2025	Remuneration		
Director	Cash-based payments	Share-based payments	Totals
	£	£	£
Nigel Theobald	82,500	4,160	86,660
Luke Cairns	44,000	2,079	46,079
Christopher Britten	24,000	2,079	26,079
Michael Palfreyman	24,000	2,079	26,079
Edward Wardel	6,122	-	6,122
Alastair Smith	39,436	2,441	41,877
	220,058	12,838	232,896

Directors' remuneration

2024	Remuneration		
Director	Cash-based payments	Share-based payments	Totals
	£	£	£
Nigel Theobald	82,500	220	82,720
David Templeton	49,500	-	49,500
Luke Cairns	44,000	110	44,110
Christopher Britten	24,000	110	24,110
Michael Palfreyman	7,467	110	7,557
	207,467	550	208,017

No contributions are paid by the Group to a pension scheme on behalf of the Directors.

Nigel Theobald was the Group's highest paid director (2024: Nigel Theobald). His remuneration in each year is disclosed above.

Thalia Therapeutics Plc made loans to its subsidiary N4 Pharma UK Limited in the year. Details are given in Note 7.

There are no further related party transactions identified.

There is no ultimate controlling party of the Company or Group.

14. Non-controlling interest

Below is financial information for Nanogenics given that it has non-controlling interest that is material to the Group. The amounts disclosed are before inter-company eliminations.

Statement of Financial Position	2025	2024
	£	£
Current Assets	28,025	47,365
Current liabilities	(25,838)	(34,320)
Current Net assets	2,187	13,045
Accumulated NCI	629	3,755

14. Non-controlling interest (Continued)

Statements of Comprehensive Income	2025	2024
	£	£
Revenue	7,264	7,282
Expenses	(13,552)	(235,164)
R&D Tax (debit)/ credit	(4,570)	14,727
Loss for the period	(10,858)	(213,155)
Loss allocated to NCI	(3,126)	(61,367)

15. Subsequent events

Nigel Theobald resigned on 24 February 2026 with his share options remaining in place.

Dr David H Solomon was appointed Chief Executive Officer on 24 February 2026.

The Company changed its name from N4 Pharma Plc to Thalia Therapeutics Plc on 18 March 2026.