

2025 Annual Report

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Strategic Report

The directors present the Strategic Report for Synairgen Limited (formerly Synairgen plc) (the 'Company') and its subsidiaries (together the 'Group') for the year ended 31 December 2025.

Principal Activity

Synairgen Limited is the parent company of Synairgen Research Limited, a UK-based respiratory drug development company.

Synairgen was developing SNG001, an investigative formulation of inhaled interferon beta (IFN- β '), for the possible treatment and prevention of severe viral lung infections in high-risk patient groups.

In the year ended 31 December 2025, the Company completed the following activities:

- **Fundraising:** Following an investor roadshow in the autumn of 2024, the Company held a General Meeting on 16 January 2025 to approve an £18 million subscription by Tetragon Partners UK LLP (formerly TFG Asset Management UK LLP) ("Tetragon"), and to pass all resolutions as set out in the corresponding Circular dated 20 December 2024. The commitments from the Bookbuild, Open Offer and director Subscriptions totaled £2.2 million, which did not exceed the Minimum Fundraising Condition of £2.9 million that was required to trigger a scaling back of the £18 million subscription from Tetragon. Following this, Tetragon's holding increased from 58 million ordinary shares (28.8%) to 958 million ordinary shares (86.9%), resulting in them becoming the ultimate controlling party.
- **Board of directors:** In conjunction with the fundraising, the previous Non-Executive Directors stood down from the Board at the conclusion of the General Meeting held on 16 January 2025. At this time, Martin Murphy joined the Board as a Non-Executive Director. On 1 May 2025, John Bradshaw also joined the Board as a Non-Executive Director. On 1 July 2025, Richard Marsden stepped down as Chief Executive Officer, Company Director, and Board member. As part of the transition of leadership of the Group, Richard was retained as a part-time Board Advisor, Joseph Colliver stepped up from Chief Financial Officer to the role of Chief Executive Officer, and Mark Parry-Billings became an Executive Director on 1 July 2025.
- **Trading on AIM:** As a result of not exceeding the Minimum Fundraising Condition in the fundraising detailed above, a General Meeting was held on 28 March 2025 to approve the cancellation of admission of ordinary shares to trading on AIM, and the adoption of new articles of association and re-registration as a private limited company.
- **Strategic Partnership:** The Company's wholly owned subsidiary Synairgen Research Limited, signed a strategic partnership with Aerogen, a global leader in acute care aerosol drug delivery, to develop, manufacture and exclusively supply a custom aerosol device for SNG001.
- **Launch of the global phase 2 INVENT trial:** Approval was obtained from six international regulatory authorities for this trial designed to evaluate the efficacy and safety of SNG001 in mechanically-ventilated patients infected with a range of respiratory viruses. Following a detailed feasibility study of more than 200 clinical sites and clinical investigators in the US, UK and four European countries, a network of over 60 clinical study sites was established. The first patient was dosed on 8 December 2025.

Post period end

- **Decision to stop the INVENT trial and conduct a strategic business review:** On 26 February 2026, the Company announced the decision to stop the INVENT study, due to recruitment being markedly behind expectations, and despite very active engagement and dialogue with the clinical sites it was judged that the number of patients projected for a robust study readout was not feasible in a realistic timeframe. There were a number of reasons for this significantly low patient recruitment, not least the very low intensity of the winter viral season; which although prevalent in the community, did not result in a significant number of patients being admitted to intensive care and requiring invasive mechanical ventilation. The directors conducted a comprehensive review of alternative phase 2 study design options and strategic alternatives, with insights from external clinical, regulatory and drug development experts. However, after careful deliberation, none of these options were considered feasible as they lacked both a material value-inflection generating readout in a realistic timeframe, and all demanded significant additional funding. The Company's majority shareholder, Tetragon,

confirmed that it would not provide further financing to the Company and recommended that the Company instead focus on returning the maximum available funds to its shareholders. The directors carefully reviewed various strategic alternatives for the business, taking into account the prevalent financing environment, clinical development options, and the capital requirements of the Company.

- **Members voluntary liquidation (“MVL”):** Following this strategic review, the directors determined that the Company was not in a position to secure the additional significant funding required given the challenging financing environment nor a strategic partnership necessary to continue its operations. Consequently, given that SNG001 is the sole asset of the business, the directors concluded that it was in the best interests of all shareholders that it winds-down its operations and returns available cash to shareholders. The directors intend to seek shareholder approval for the MVL in the second half of 2026.
- **Orderly wind-down of operations:** The Company and Group will meet its obligations to shareholders, employees, creditors, vendors, and stakeholders in accordance with applicable laws and contractual commitments. The Company has completed an all-staff redundancy process in line with relevant UK legislation, following a collective staff and individual consultation process. The Company wind-down plan has been designed and conducted to ensure that it maintains sufficient staff and expertise to facilitate the cost-effective closure of the business and its affairs in an orderly and efficient manner.
- **Outreach process:** In order to best meet the interests of all shareholders, and to maximise the return of funds, the directors have conducted a comprehensive outreach process to identify any third-party with an interest in acquiring or licensing SNG001. In addition to utilising the extensive industry contacts of the directors and advisors, the Company engaged a cost-effective firm specialised in intellectual property management and solutions, as well as an insolvency practitioner, to broaden the reach and maximise the chances of success. At the date of publication, the Company contacted over 170 target companies, including a range of large to mid-size pharmaceutical companies, biotechnology companies, funds, venture capitalist, and not-for profits, across the UK, Europe, the Americas and Asia. Whilst the Company has received some interest, it also received a series of responses from targets confirming that SNG001 is not in-line with their strategic priorities. Consequently, the directors have to date not entered into substantive due-diligence with any third-party interested in SNG001. Details of the non-confidential materials shared with target companies are available on the Company’s website, and the directors remain committed to this comprehensive outreach process.
- **Board of Directors:** As part of the wind-down of operations, Martin Murphy and John Bradshaw stepped down from the Synairgen Limited Board on 31 March 2026.

Future developments

Subject to any third-party acquiring SNG001 as a result of the outreach process detailed above, no future developments are anticipated as the Company intends to seek shareholder approval to enter MVL.

Financial Review

The Financial Review should be read in conjunction with the consolidated financial statements of the Company and its subsidiaries (together the ‘Group’) and the notes thereto on pages 19 to 35. The consolidated financial statements are prepared in accordance with UK-adopted international accounting standards.

The financial statements of the Company, set out on pages 36 to 42, are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework*.

Consolidated Statement of Comprehensive Income

The loss from operations for the year ended 31 December 2025 was £12.9 million (2024: £8.3 million loss) with R&D expenditure amounting to £9.3 million (2024: £5.6 million) and other administrative expenses of £3.5 million (2024: £2.7 million).

Expenditure on R&D activity increased in 2025 due to the preparation and start-up of the INVENT trial.

Clinical trial expenditure predominantly related to INVENT trial start up activities, including obtaining regulatory approval, contract research organisation expenditure, clinical site set-up, drug supply and delivery infrastructure, diagnostic technology, and clinical investigator grants.

Manufacturing activities increased significantly in the year, with spend focussed on drug manufacture for the INVENT trial, and the third-party laboratory testing (incorporating stability, comparison and release testing of drug product, qualification of new reference standards). All manufacturing costs were expensed to the income statement.

Other administrative expenses totalled £3.5 million in 2025, which comprise all expenses which are not R&D expenditure and predominantly reflect staff costs and professional fees. This represents an increase of £0.8 million on the prior year (2024: £2.7 million), due to increased legal fees and foreign exchange losses.

Interest receivable increased from £0.4 million to £0.7 million, as deposited amounts increased during 2025.

No R&D tax credit was accrued for in 2025 on the basis that it is probable that the company would be in liquidation or in the process of conducting a MVL at the date the payment from HMRC would be received in the second half of 2026. Therefore, the R&D tax credit decreased to £nil (2024: £1.1m).

The loss after tax for 2025 was £12.1 million (2024: £6.8 million loss) and the basic loss per share was 1.14p (2024: basic loss per share of 3.38p).

Consolidated Statement of Financial Position and Cash Flows

At 31 December 2025, net assets amounted to £12.1 million (2024: £6.3 million), including cash and deposit balances of £12.5 million (2024: £4.6 million cash and bank deposit balances).

The principal element of the £7.9 million increase during the year ended 31 December 2025 (2024: £7.5 million decrease) in cash and bank deposit balances was the January 2025 fundraise from Tetragon, less the costs of running the INVENT trial and administrative expenses.

The other significant change in the Statement of Financial Position was:

- Current tax receivable decreased from £2.4 million to £1.1 million as a result of the £1.3 million R&D tax credit relating to 2023 being received in February 2025. The R&D tax credit relating to 2024 of £1.1m was received in February 2026.

Parent Company Balance Sheet

Company only impairment review of investment in subsidiary.

The Company undertook an investment valuation and related impairment review of the carrying value of the Parent Company's investment in Synairgen Research Limited. This was performed in line with the requirements of IAS 36 'Impairment of Assets', which states that an asset's recoverable amount is the higher of the value in use and fair value less cost to sell amount, which is compared to the carrying value of the assets in order to determine whether or not there is an impairment. As part of this post year-end review of the recoverable amount of the asset at the balance sheet date, management considered the INVENT trial patient recruitment challenge and subsequent trial termination. Following this, a review of strategic alternatives was undertaken, however none were deemed to be viable when taking into account the capital requirements of the Company within the current financing environment. Therefore, the decision was made to wind-down operations with an intention to enter into a MVL. It has been concluded that the investment value was not recoverable. As a result, the investment should be fully impaired, which has resulted in an impairment charge of £44 million recognised in the Income Statement.

Determining the estimated recoverable amount of Synairgen Research Limited is judgmental in nature. Further details can be found in Notes 2 and 4 of the Parent Company financial statements.

Key Performance Indicators (KPIs)

The Board considers that the most important KPIs during the year under review are non-financial and relate to the progress of non-clinical and clinical programmes, and the advancement of manufacturing activities, which are discussed elsewhere in this report.

The most important financial KPIs are the R&D expenditure on clinical trial and manufacturing activities, and the cash position of the Group. Cash and deposit balances increased from £4.6 million to £12.5 million principally on account of the Tetragon investment. The financial results are discussed in the Financial Review above.

Section 172 statement

As required by section 172 of the Companies Act 2006 and during the ongoing wind-down process, a director of a company must continue to act in a way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the director must have regard, amongst other matters, to the:

- a) Likely consequences of any decisions in the long-term;
- b) Interests of the Group's employees;
- c) Need to foster the Group's business relationships with suppliers, customers and others;
- d) Impact of the Group's operations on the community and the environment;
- e) Desirability of the Group maintaining a reputation for high standards of business conduct; and
- f) Need to act fairly between members of the Company.

As a Board, its aim (taking into account the wind-down process) is always to uphold the highest standards of governance and business conduct, taking decisions in the interests of the Group, generating value for its shareholders. Engaging with stakeholders is key to ensuring the Board has informed discussions and factors stakeholder interests into decision-making.

The following table sets out the framework of its engagement with key stakeholder groups.

Our stakeholders	Material topics	How we engage
Investors The Group continues to consume cash resources and remains.	• Business strategy • Operational performance • Financial performance and cash requirements • Environmental, Social and Corporate Governance (ESG)	• Announcements • Website updates • Meetings with investors • Interviews • Responses to direct investor questions
Employees Synairgen had an average of 29 employees (including executive directors) throughout the year, who are multi-skilled and many of them have worked for the Group for many years. They play a key role in the business, and it is vital that they all understand and support the key decisions taken in the running of the business.	• Operational targets and progress • Opportunities to share ideas • Financial resources of the Group • Working time flexibility and working from home	• Regular company meetings (virtual and face-to-face) and a policy of open disclosure • Regular virtual and face to face team meetings • Open door policy to executive directors • Company intranet • Employee surveys • Use of share-based incentives for employees
University of Southampton Synairgen is a spin-out company from the University and still maintains links with it, which benefits both parties. The University is Synairgen's landlord and certain intellectual property is licensed from it.	• Operating facilities • Intellectual property • Joint projects • Published papers	• Communication with Founders • Interaction on projects and clinical trials with scientists and clinicians

Our stakeholders	Material topics	How we engage
Suppliers We have a number of key long-term suppliers who have played an important part in our development programs, and it is important that we understand their product/service development plans, and they understand our needs.	• Supplier product development plans • Our clinical trial, manufacturing and development needs	• Regular project meetings
Customers (licensees) Our potential customers are the large pharmaceutical and biotech companies who have the resources and infrastructure to take our product to market. It is therefore critical that we continue to interact with these companies at an early stage to make sure we are developing a product which they may wish to license.	• Program development plans, including clinical trial designs • Clinical trial read-outs • In-house and external competing products	• Attendance at key respiratory and anti-infective and meetings during business development conferences
Community We aim to offer a therapeutic which pharmaceutical companies can in future sell to the community and which governments will buy for stockpiling and it is therefore critical that there is an identified market need in the community.	• New therapeutics development • Involvement in clinical trials	• Interactions with government agencies • Interactions with clinicians and Key Opinion Leaders, including Advisory Boards • Patient data from clinical trials
Regulators We work in a highly regulated sector, and it is critical that we maintain full compliance with all appropriate regulations.	• Clinical trial approvals • Scientific advice for authorities on key development topics • Regulatory compliance	• Use of external consultants to ensure we comply with regulations • Interactions with Ethics Committees, MHRA, FDA, EMA and other regulatory agencies

Principal decisions in 2025

Synairgen has considered the decisions taken by the Board which will have an impact on the longer-term performance and prospects for the Group. The Board believes that two key decisions taken during the year fall into this category and were made with full consideration of both internal and external stakeholders.

- To process the cancellation of admission of ordinary shares to trading on AIM, on 3 April 2025.
- The commencement of the INVENT trial, as planned, with the first site activated in August 2025, and first patient entered into the trial in December 2025.

Principal risks

In addition to the fact that the Group has only one drug candidate (SNG001), albeit with a number of potential indications, at year end it was therefore dependent on there being a successful outcome to its development. The Board considers that the principal risks and uncertainties facing the Group, that ultimately came to fruition post year end, are summarised as follows:

Ability to design and deliver appropriate broad-spectrum clinical trials

The Group's strategy included developing SNG001 as a broad-spectrum antiviral, in combination with the nebuliser device (a combination product), which required a series of clinical trials, for which there was limited regulatory guidance or precedence.

Clinical trials fail to generate positive data

The development of pharmaceutical products has a high failure rate and there was a substantial risk of adverse, negative, undesirable, unintended or inconclusive results from non-clinical testing or clinical trials, which could have substantially delayed, halted entirely or made uneconomic any further development of SNG001 and therefore prevent its commercial use. The INVENT trial specifically failed to recruit sufficient patients due to the low rate of virally infected patients receiving invasive mechanical ventilation in the 2025 / 2026 virus season.

Funding risk

The Group continues to consume cash resources. The Company's majority shareholder, Tetragon, confirmed that it would not provide further financing to the Company and recommended that the Company instead focus on returning the maximum available funds to its shareholders.

The following risks were also relevant in the year ended 31 December 2025:

The regulatory approval processes of the UK (MHRA), European (EMA), US (FDA) and other comparable regulatory agencies can be lengthy, time-consuming and unpredictable

The Group's future success was dependent upon its ability to develop successfully, obtain regulatory approval for, and then successfully commercialise SNG001, which it may have done independently or in partnership with another pharmaceutical company. Even if SNG001 were successful in clinical trials, there could be no assurance it would receive regulatory approval at all or in a timely manner. A drug which has received approval in one territory may not succeed in getting approval in other territories and regulators in different jurisdictions may seek different criteria and endpoints in order for regulatory approval and marketing authorisations to be granted.

The Group took the advice of specialist regulatory advisers and maintains an on-going dialogue with regulators.

Clinical trials overrun

There were a number of factors which may have led to delays, including but not limited to: (i) delays to regulatory approvals; (ii) variations in labelling and other regulatory requirements between countries; (iii) dealing with protocol changes; and (iv) difficulty in finding suitable sites and patients, including competition for patients from competing clinical trials. As mentioned above, the INVENT trial specifically failed to recruit sufficient patients due to the low rate of virally infected patients receiving invasive mechanical ventilation in the 2025 / 2026 virus season.

Commercial risk

It is now unlikely that the Group will succeed in securing and maintaining the necessary contractual relationships with commercialisation partners for its programmes that were under development. Even if programmes were successfully out-licensed and pharmaceutical products were brought to the market by a partner, there was no guarantee that such products would succeed in the marketplace.

There were a number of competing antiviral therapeutics at different stages of development

There were a number of competing therapeutics for antiviral applications at varying stages of development, which could have been brought to market more quickly than SNG001 or prove to be more effective, desirable or cheaper. Some of the Group's competitors had substantially greater financial and other resources.

Synairgen was dependent on a small team of key personnel and scientific and clinical collaborators

The Group's success was highly dependent on the expertise and experience of a small team of key personnel and scientific and clinical advisers/contractors. While the Group had entered into employment and other agreements with each of these key personnel, the retention of such personnel could not be guaranteed. Should key personnel have left or no longer be party to agreements or collaborations with the Group, the Group's business prospects, financial condition and/or results of operations could have been adversely affected.

To mitigate that risk, the Group contracted with certain key partners to provide services to the Group, including clinical research organisation (CRO) services, regulatory affairs consultants and clinical management services.

Manufacturing complexity

SNG001 (beta Interferon-1a) is expressed as a recombinant protein using CHO cells. As a biological product the drug substance manufacturing process is well controlled to ensure product quality consistency. The purified drug substance is formulated and filled under sterile conditions to manufacture drug product.

Failure of a manufacturing batch due to process error or product quality may have delayed the timing for clinical resupply as well as deplete drug substance stocks.

Project risk was mitigated through the close involvement of experienced technical and scientific staff, combined with additional specialist consultants. This extended into careful selection and management of the drug product contract manufacturing organisations.

The Group was dependent on third party supply, manufacturing and clinical service relationships

In common with other drug developers of similar size, the Group engaged the expertise and resources of third parties in a number of key areas including: (i) the conduct of clinical trials; (ii) the manufacture, scale-up, fill/finish, analytical testing and supply of SNG001; and (iii) the manufacture and supply of the nebuliser. Critical and complex aspects of the Group's business, including the development and supply of the nebuliser device (integral to obtaining regulatory approval for a combination product) and ownership of the drug substance cell line, were therefore in the hands of third parties over whom the Group had limited control. The Group could not guarantee that those third parties or their suppliers (including suppliers of raw materials and components necessary for manufacturing activities) would be able to perform their contractual and regulatory obligations satisfactorily or on time.

Default, delay, non-compliance with law and regulation or other sub-optimal performance by a third party may have adversely affect the Group's business plans and prospects.

Regulatory requirements for pharmaceutical products tend to make the substitution of counterparties costly and time-consuming. Alternative suppliers may not have been able to manufacture products effectively, on time or obtain the necessary manufacturing licences from applicable regulatory authorities.

The Group sought to minimise risk by holding regular meetings with key suppliers and the use of internal staff, project managers and other consultants to manage the relationships.

Intellectual property

The commercial success of the Group depended upon its ability to obtain protection in the US, Europe and elsewhere from (i) data exclusivity for biologics, (ii) registration of a combination product in partnership with our nebuliser manufacturer, (iii) patents, (iv) combined with the complexities of a biosimilar product demonstrating comparability for an inhaled product, to preserve the confidentiality of its know-how. There was no guarantee that applications for these various sources of protection would succeed or be broad enough to provide protection for the Group's know-how and intellectual property rights and exclude competitors with similar pharmaceutical products. The success of the Group was also dependent on non-infringement of patents, or other intellectual property rights, held by third parties. Competitors and third parties may have held intellectual property rights which the Group may not have been able to license upon favourable terms, potentially inhibiting the Group's ability to develop and exploit its own products. Litigation may have been necessary to protect the Group's intellectual property, which may have resulted in substantial costs.

The Group sought to reduce this risk by working with patent attorneys and other advisors to maximise in-market protection where appropriate, and by minimising disclosure to third parties.

Insurance risk

The Group may not have been able to procure adequate insurance cover to enable it to continue its operations.

Cyber-attack or IT systems failure

The Group was at risk of cyber-attack or IT systems failure to it or its key suppliers, which could have caused operational harm, including potential theft or loss of data.

The Group sought to minimise this risk by retaining the services of external IT advisers, pursuing suitable back-up and security policies, and maintaining Cyber Essentials certification.

By order of the Board

Signed by:

 Signer Name: Mark Parry-Billings
 Signing Reason: I approve this document
 Signing Time: 17 August 2026 | 5:00 PM BST
 17 August 2026
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Directors' Report

The directors present their report and the audited financial statements for Synairgen Limited (formerly Synairgen plc) (the 'Company') and its subsidiaries (together the 'Group') for the year ended 31 December 2025.

The review of future developments is covered in the Strategic Report, wherein the following post-period end update is provided:

- **Members voluntary liquidation ("MVL"):** Following this strategic review, the directors determined that it was not in a position to secure the additional significant funding required given the challenging financing environment nor a strategic partnership necessary to continue its operations. Consequently, given that SNG001 is the sole asset of the business, the directors concluded that it was in the best interests of all shareholders that it winds-down its operations and returns available cash to shareholders. The directors intend to seek shareholder approval for the MVL in the second half of 2026.

Details of directors' remuneration can be found in Note 5, and share options in Note 16, to the Consolidated Financial Statements.

Re-registration

As proposed and passed at the general meeting of the Company's shareholder held on 28 March 2025, the Company re-registered as a private limited company (the 'Reregistration') with the name Synairgen Limited and adopted new articles of association with effect from the Reregistration. The Reregistration became effective on 19 May 2025.

Research and development

During the year ended 31 December 2025, the Group has invested £9,332,000 (2024: £5,607,000) in R&D activities and a review of this expenditure is included in the Strategic Report.

Going concern

Post the year-end, the directors decided to terminate the global phase 2 INVENT clinical study, due to the insufficient recruitment of mechanically-ventilated patients infected with a respiratory virus. The Company's majority shareholder, Tetragon, confirmed that it would not provide further financing to the Company and recommended that the Company instead focus on returning the maximum available funds to its shareholders. After completing a comprehensive review of alternative strategic options and their respective funding requirements, the directors determined it was in the best interest of shareholders to commence an orderly wind-down of its operations and return available cash to shareholders. The directors plan to obtain shareholder approval to liquidate the Company via a MVL in the second half of 2026.

Given the intention to liquidate the Company, the directors concluded that it is not appropriate to prepare these financial statements on a going concern basis; accordingly, the directors have prepared these financial statements on a basis other than going concern. As a result, the value of non-current assets have been impaired by £0.3 million to reflect their net realisable value.

Treasury policy and financial risk management

The Group's treasury and financial risk management policies are set out in Note 15 to the Consolidated Financial Statements on pages 31 to 32.

Dividends

The directors do not propose the payment of a dividend.

Directors

The directors of the Company during the year ended 31 December 2025 were:

Executive Directors

Name	Position	Appointment Date	Resignation Date
Richard Marsden (i)	Chief Executive Officer	16 September 2004	1 July 2025
Joseph Colliver (ii)	Chief Financial Officer	6 November 2023	
Dr Mark Parry-Billings (iii)	Executive Chairman	10 October 2024	

- (i) Richard Marsden stood down from the role of Chief Executive Officer and as Company Director and Board member with effect from 1 July 2025. As part of the transition of leadership of the Company, Mr Marsden was retained as a part-time Board Advisor to maintain continuity and to ensure his significant expertise in the field is secured for the Company.
- (ii) Joseph Colliver, previously Chief Financial Officer, stepped up to the role of Chief Executive Officer from 1 July 2025.
- (iii) Dr Mark Parry-Billings who joined Synairgen as Non-Executive Chairman in October 2024, transitioned on 1 July 2025 to the role of Executive Chairman, maintaining his leadership of the Board whilst leveraging his pharma and biotech R&D and business experience to further support the Company's core program.

Non-Executive Directors

Name	Appointment Date	Resignation Date
Martin Murphy	16 January 2025	31 March 2026
John Bradshaw	1 May 2025	31 March 2026
Dr Bruce Campbell	11 April 2006	16 January 2025
Dr Felicity Gabbay	29 September 2022	16 January 2025
Prof. Stephen Holgate	16 September 2004	16 January 2025
Amanda Radford	30 November 2022	16 January 2025

Directors' interests in ordinary shares

The directors, who held office at 31 December 2025, had the following interests in the ordinary shares of the Company:

	At 31 December 2025 Number of shares	At 1 January 2025 Number of shares
Joseph Colliver (i)	-	-
Dr Mark Parry-Billings (ii)	-	-
Martin Murphy (iii)	-	-
John Bradshaw (iv)	-	-

- (i) Joseph Colliver had no shareholding in the Company at his date of appointment (6 November 2023).
- (ii) Dr Mark Parry-Billings had no shareholding in the Company at his date of appointment (10 October 2024).
- (iii) Martin Murphy had no shareholding in the Company at his date of appointment (16 January 2025).
- (iv) John Bradshaw had no shareholding in the Company at his date of appointment (1 May 2025).

Directors' and officers' liability insurance

Qualifying indemnity insurance cover has been arranged in respect of the personal liabilities which may be incurred by directors and officers of the Group during the course of their service with the Group. This insurance has been in place during the year and to the date of this report.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

By order of the Board

Signed by:

Simon Holden

Signer Name: Simon Holden

Signing Reason: I have reviewed this document
as my Secretary

Signing Time: 17 August 2026 | 5:00 PM BST

August 2026
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Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with UK adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss 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 accounting estimates that are reasonable and prudent;
- State whether the Group financial statements have been prepared in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), subject to any material departures disclosed and explained in the financial statements; and,
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company and Group will continue in business. As stated in Note 1, the directors do not consider the Company and Group to be going concerns and have prepared the financial statements on a basis other than going concern.

The directors are responsible for keeping adequate 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 the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with the above responsibilities in preparing the financial statements.

Website Publication

The directors are responsible for ensuring the annual report and financial statements are made available on a website. Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

By order of the Board

Signed by:

 Signer Name: Simon Holden
 Signing Reason: I have reviewed this document
 Company Secretary
 17 August 2026
 925514726514B18A9878890A2EFA947

Independent Auditor's Report to the Members of Synairgen Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parents Company's financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Synairgen Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2025 which comprise of the following:

Group	Parent Company
Consolidated statement of comprehensive income	Statement of changes in equity
Consolidated statement of changes in equity	Balance sheet
Consolidated statement of financial position	Notes 1 to 10 to the company financial statements
Consolidated statement of cash flows	
Notes 1 to 21 to the consolidated financial statements	
Material accounting policy information	

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. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – financial statements prepared on a basis other than going concern

We draw attention to the going concern section in Note 1 to the financial statements, which explains that the directors determined it was in the best interests of the Company and shareholders as a whole to commence an orderly wind-down of its operations and return available cash to shareholders. Therefore, the Directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in the going concern section in Note 1. The adjustments required to the financial statements as a result of preparing them on a basis other than going concern are disclosed in the going concern section in Note 1. Our opinion is not modified in respect of this matter.

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.

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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.

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

We have nothing to report in respect of the following matters 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 Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent 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 Statement of Directors Responsibilities, 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 the Parent 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 Parent 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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and management.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management, those charged with governance and the Audit Committee; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be employment law and health and safety legislation.

Our procedures in respect of the above included:

- Enquires of management whether there were any litigations and claims;
- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud.

Our risk assessment procedures included:

- Enquiry with management, those charged with governance and the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we identified management override of controls and management bias in the application of significant estimates and judgements as the areas most susceptible to fraud.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias including investment impairment and going concern assumptions.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Alex Stansbury (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Southampton, UK
17 August 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Consolidated Statement of Comprehensive Income
for the year ended 31 December 2025**

	Note	2025 £000	2024 £000
Research and development expenditure		(9,332)	(5,607)
Other administrative expenses		(3,527)	(2,717)
Total administrative expenses and loss from operations		(12,859)	(8,324)
Finance income	6	728	395
Loss before tax		(12,131)	(7,929)
Tax	7	-	1,118
Loss and total comprehensive loss for the period attributable to equity holders of the parent		(12,131)	(6,811)
Loss per ordinary share			
Basic and diluted loss per share (pence)	8	(1.14)p	(3.38)p

**Consolidated Statement of Changes in Equity
for the year ended 31 December 2025**

	Share capital £000 17a	Share premium £000 17b	Merger reserve £000 17c	Retained deficit £000 17d	Total £000
At 1 January 2024	2,014	125,245	483	(115,085)	12,657
Loss and total comprehensive loss for the year	-	-	-	(6,811)	(6,811)
Transactions with equity holders of the Group:					
Issue of ordinary shares	13	-	-	-	13
Recognition of share-based payments	-	-	-	419	419
At 31 December 2024	2,027	125,245	483	(121,477)	6,278
Loss and total comprehensive loss for the year				(12,131)	(12,131)
Transactions with equity holders of the Group:					
Issue of ordinary shares	9,000	8,899	-	-	17,899
Recognition of share-based payments	-	-	-	48	48
At 31 December 2025	11,027	134,144	483	(133,560)	12,094

**Consolidated Statement of Financial Position
as at 31 December 2025**

	Note	2025 £000	2024 £000
Assets			
Non-current assets			
Intangible assets	9	17	100
Property, plant and equipment	10	51	101
		<u>68</u>	<u>201</u>
Current assets			
Current tax receivable	7	1,117	2,367
Trade and other receivables	12	902	700
Cash and cash equivalents	13	12,532	4,554
		<u>14,551</u>	<u>7,621</u>
Total assets		<u>14,619</u>	<u>7,822</u>
Liabilities			
Current liabilities			
Trade and other payables	14	(2,525)	(1,544)
Total liabilities		<u>(2,525)</u>	<u>(1,544)</u>
Total net assets		<u>12,094</u>	<u>6,278</u>
Equity			
Capital and reserves attributable to equity holders of the parent			
Share capital	16	11,027	2,027
Share premium	16	134,144	125,245
Merger reserve	17	483	483
Retained deficit	17	(133,560)	(121,477)
Total equity		<u>12,094</u>	<u>6,278</u>

The financial statements on pages 19 to 35 were approved and authorised for issue by the Board of Directors on 17 August 2026 and signed on its behalf by:

Signed by:

 **Joseph Colliver**
 Signer Name: Joseph Colliver
 Signing Reason: I approve this document
 Signing Time: 17 August 2026 | 5:34 PM BST
 ACCC2327F75246E4BA8626F42F9A709F

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

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Loss before tax		(12,131)	(7,929)
Adjustments for:			
Finance income		(728)	(395)
Depreciation of property, plant and equipment		260	19
Amortisation of intangible fixed assets		83	14
Share-based payment charge		48	419
Cash flows from operations before changes in working capital		(12,468)	(7,872)
(Increase) / decrease in trade and other receivables		(174)	82
Increase / (decrease) in trade and other payables		984	(20)
Cash used in operations		(11,658)	(7,810)
Tax credit received		1,248	-
Net cash used in operating activities		(10,410)	(7,810)
Cash flows from investing activities			
Interest received		699	441
Purchase of intangible assets		-	(12)
Purchase of property, plant and equipment		(210)	(94)
Cash paid for deposits		-	1,500
Net cash generated from investing activities		489	1,835
Cash flows from financing activities			
Proceeds from issue of ordinary shares		17,899	13
Net cash generated from financing activities		17,899	13
Increase / (decrease) in cash and cash equivalents		7,978	(5,962)
Cash and cash equivalents at beginning of the year		4,554	10,516
Cash and cash equivalents at end of the year	13	12,532	4,554

Notes to the Consolidated Financial Statements for the year ended 31 December 2025

1. Accounting policies

Basis of preparation

The Group financial statements have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The consolidated financial statements have been prepared on a historical basis.

The accounting policies adopted are consistent with those of the previous financial year.

New standards, interpretations and amendments adopted from 1 January 2025

With effect from 1 January 2025, the Group adopted the amendments to existing standards set out below that are effective for an annual period that begins on or after 1 January 2025:

- Amendments to IAS 21 – Lack of Exchangeability

The adoption of these amendments has not had a material impact on the disclosures or on the amounts reported in the Group's financial statements.

New standards, interpretations and amendments not yet effective

At the date of approval of these Group financial statements, the Group had not yet applied the following new and revised accounting standards, amendments and interpretations that have been issued by the IASB and have been adopted by the UK Endorsement Board (UKEB):

Effective 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The Group does not expect the adoption of these IFRS amendments to have a material impact on the Group in the current period or to have a material impact on future reporting periods and on foreseeable future transactions.

The Group financial statements are presented in Sterling.

Going concern

Post the year-end, the directors decided to terminate the global phase 2 INVENT clinical study, due to the insufficient recruitment of mechanically-ventilated patients infected with a respiratory virus. The Company's majority shareholder, Tetragon, confirmed that it would not provide further financing to the Company and recommended that the Company instead focus on returning the maximum available funds to its shareholders. After completing a comprehensive review of alternative strategic options and their respective funding requirements, the directors determined it was in the best interest of shareholders to commence an orderly wind-down of its operations and return available cash to shareholders. The directors plan to obtain shareholder approval to liquidate the Company via a MVL in the second half of 2026.

Given the intention to liquidate the Company, the directors concluded that it is not appropriate to prepare these financial statements on a going concern basis; accordingly, the directors have prepared these financial statements on a basis other than going concern. As a result, the value of non-current assets have been impaired by £0.3 million to reflect their net realisable value.

1. Accounting policies (continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (as detailed in Note 4 to the Parent Company Financial Statements on page 41) made up to the reporting date. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The formation of the Group arose from merger accounting and as the business combination took place prior to 1 July 2006, the date of transition to IFRS, the transaction has not been restated as permitted by IFRS 1 “First-time Adoption of International Financial Reporting”.

Research and development

All research expenditure is expensed in the period in which it is incurred.

Due to the regulatory and other uncertainties inherent in the development of the Group's products, the criteria for development costs to be recognised as an asset, as set out in IAS 38 “Intangible Assets”, are not met until a product has been submitted for regulatory approval and it is probable that future economic benefit will flow to the Group. The Group currently has no such qualifying expenditure.

Employee benefits

All employee benefit costs, notably salaries, holiday pay, bonuses and contributions to personal defined contribution pension schemes are charged to the consolidated statement of comprehensive income on an accruals basis.

Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where vested share options are exercised by the participants but settled by the Company net of shares withheld to meet the participant's tax and NIC liabilities ('net settlement'), the payment to meet such tax and NIC liabilities is treated as a deduction to equity to the extent that the payment equates to the settlement date fair value of the shares withheld, and in the consolidated statement of cash flows is included within cash flows from financing activities.

Intangible assets

Intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses. Patent costs are amortised over ten years on a straight-line basis and the amortisation cost is charged to R&D expenditure in the consolidated statement of comprehensive income.

Property, plant and equipment

Property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis at rates calculated to write off the cost of property, plant and equipment less their estimated residual value over their expected useful lives, which are as follows:

Computer equipment:	3 years
Laboratory and clinical equipment:	5 years

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

1. Accounting policies (continued)

Inventories

Raw materials inventory purchased and associated processing/manufacturing costs, related to therapeutics produced for clinical trial purposes or commercial use ahead of regulatory approval, are expensed as incurred through R&D expenditure.

Where inventory manufacturers invoice in advance of the manufacturing activities, the invoice is recorded as a prepayment within trade and other receivables.

Financial instruments

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

Financial assets

The Group classifies its financial assets as financial assets held at amortised cost.

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Group's financial assets measured at amortised cost comprise trade and other receivables, other financial assets and cash and cash equivalents in the consolidated statement of financial position. Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

Financial liabilities

The Group classifies its financial liabilities as financial liabilities held at amortised cost. Trade payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

Taxation

Income tax is recognised or provided at amounts expected to be recovered or to be paid using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date. R&D tax credits are included under current assets as current tax receivable. RDEC is included in other debtors.

Within the Comprehensive Statement of Income, R&D tax credits are accounted for as a tax credit; The gross RDEC value is accounted for as other income, with the applicable tax accounted as tax charge.

Deferred tax balances are recognised in respect of all temporary differences that have originated but not reversed by the reporting date except for differences arising on:

- Investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference could not reverse in the foreseeable future; and,
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction effects neither accounting nor taxable profit.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Recognition of deferred tax assets is restricted to those instances where it is probable that a taxable profit will be available against which the temporary difference can be utilised. Deferred tax balances are not discounted.

2. Critical accounting estimates and judgements

Critical accounting estimates, assumptions and judgements are continually evaluated by management based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

The directors have prepared these financial statements on a basis other than going concern. As a result, the value of Fixed Assets have been adjusted to reflect their net realisable value.

3. Segmental analysis

The Group operates in one area of activity, namely drug discovery and development.

4. Loss from operations

The loss from operations has been arrived at after charging:

	2025 £000	2024 £000
Depreciation/impairment of property, plant and equipment	261	20
Amortisation/impairment of intangible assets	83	14
Short term lease rentals payable:		
Office and laboratory space	108	110
Other short term lease rentals	99	93

The fees for the Group's auditor, BDO LLP, for services provided are analysed below:

	2025 £000	2024 £000
Fees payable to the Company's auditor for the audit of the Group and Company financial statements	55	49
Fees payable to the Company's auditor for other services:		
The audit of the Company's UK subsidiary, pursuant to legislation	37	32
Audit-related assurance services	-	19
Total fees	92	100

5. Employee benefit expense

The average monthly number of employees (including executive directors) was:

	2025	2024
Research	21	26
Administration	8	8
	29	34

5. Employee benefit expense (continued)

Their aggregate remuneration comprised:

	Note	2025 £000	2024 £000
Wages and salaries		2,350	2,857
Social security costs	(i)	311	336
Pension costs – defined contribution plans	(ii)	250	348
Total cash-settled remuneration		2,911	3,541
Accrued holiday pay		44	1
Share-based payment		48	419
Total remuneration	(iii)	3,003	3,961

Note

- (i) Social security costs for 2025 comprise (a) a credit in respect of the Employer National Insurance accrual for LTIPs of £nil (2024: credit £28,000) and (b) a charge in respect of wages, salaries and other benefits of £311,000 (2024: charge £364,000).
- (ii) This includes cash payments in lieu of pension plan contributions.
- (iii) For the purpose of presentation in the consolidated statement of comprehensive income, remuneration costs of £2,046,000 (2024: £2,839,000) are included in R&D expenditure and £957,000 (2024: £1,122,000) are included in other administrative expenses.

Key management compensation

The following costs were included in respect of key management personnel (i.e. the executive directors):

	Note	2025 £000	2024 £000
Salaries		456	747
Benefits		4	6
Pension costs – defined contribution plans	(i)	25	65
Share-based payment		48	138

- (i) This includes payments in lieu of pension plan contributions.
- (ii) The total gain on exercise of share options was £nil (2024: £nil).

Emoluments of highest paid director

Emoluments for the highest paid director were £248,000 (2024: £329,000), which includes £15,000 (2024: £16,000) of employer pension contributions.

Non-executive directors' remuneration

Fees payable to non-executive directors in respect of services provided during the year amounted to £176,000 (2024: £247,000). The non-executive directors received no pension contributions or other benefits from the Company.

6. Finance income and expense

Finance income represents bank interest receivable.

7. Taxation

Current tax

	2025 £000	2024 £000
UK corporation tax credit on loss for the year	-	(1,118)
Adjustment in respect of prior years	-	-
Total income tax credit	-	(1,118)

The tax assessed on the loss on ordinary activities for the year is different to the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are reconciled below:

	2025 £000	2024 £000
Loss on ordinary activities before tax	(12,131)	(7,929)
Loss on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK	(3,033)	(1,982)
Effects of:		
Expenses not deductible for tax purposes	41	154
Enhanced research and development relief	-	(892)
Variable rates on tax losses surrendered for research and development tax credit	-	810
Movement in unrecognised deferred tax	2,992	793
Remeasurement of deferred tax for changes in tax rates	-	-
Adjustment in respect of previous years	-	-
Foreign Tax - Other	-	(1)
Total tax credit for the current year	-	(1,118)

Deferred taxation

Changes in tax rates and factors affecting the future tax charge

The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

Recognised deferred taxation

	2025 £000	2024 £000
Accelerated capital allowances	-	-
Other temporary differences	-	25
Trading losses	-	(25)
Charge for the year	-	-

Unrecognised deferred taxation

At 31 December 2025, the Group has trading losses carried forward which are available for offset against future profits of the Group amounting to £84,612,387 (2024: £73,568,413) and non-trading losses of £4,842,706 (2024: £3,910,264). At 31 December 2025, the Group has an unrecognised deferred tax asset in respect of these losses of £22,388,427 (2024: £19,344,860). The full utilisation of these losses in the foreseeable future is uncertain and no deferred tax asset has therefore been recognised.

In addition to the deferred tax asset on losses, the Group has a potential future tax deduction on share options. The additional tax deduction will crystallise at the point the options are exercised. As the utilisation of this additional deduction against taxable profits in the Group is uncertain, no deferred tax asset has been recognised in respect of the future tax deduction on share options.

7. Taxation (continued)

The movement on the unrecognised deferred tax asset comprises the following:

	2025	2024
	£000	£000
Unrecognised deferred tax asset at the start of the year	(19,345)	(18,566)
Movement in the year	(3,043)	(779)
Unrecognised deferred tax asset at the year-end	(22,388)	(19,345)

8. Loss per ordinary share

	2025	2024
Loss attributable to ordinary equity holders of the parent company (£000)	(12,131)	(6,811)
Weighted average number of ordinary shares in issue (000)	1,068,140	201,596
Basic and diluted loss per share (pence)	(1.14)	(3.38)

Basic loss per share is calculated by dividing the loss attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares in issue during the year.

The loss attributable to ordinary shareholders and weighted average number of ordinary shares for the purpose of calculating the diluted earnings per ordinary share are identical to those used for basic loss per share. This is because the exercise of share options would have the effect of reducing the loss per ordinary share and is therefore antidilutive under the terms of IAS 33.

9. Intangible assets

	Patent costs £000
Cost	
At 1 January 2025	348
Additions	-
At 31 December 2025	348
Amortisation/Impairment	
At 1 January 2025	248
Amortisation charge for the year	13
Impairment charge for the year	70
At 31 December 2025	331
Net book amount	
At 31 December 2025	17
At 31 December 2024	100

At 31 December 2025 £17,000 (31 December 2024: £100,000) of the net book amount relates to interferon beta patent costs.

10. Property, plant and equipment

	Computer equipment £000	Laboratory and clinical equipment £000	Total £000
Cost			
At 1 January 2025	91	650	741
Additions	15	196	211
At 31 December 2025	106	846	952
Depreciation/Impairment			
At 1 January 2025	83	557	640
Depreciation charge for the year	8	38	46
Impairment charge for the year	8	207	215
At 31 December 2025	99	802	901
Net book value			
At 31 December 2025	7	44	51
At 31 December 2024	8	93	101

11. Leases

	2025 £000	2024 £000
Analysis of lease expense		
Short term lease expense	199	203
Charge to operating loss	199	203
Charge to loss before taxation	199	203

The Group leased two premises. A two-year lease with University of Southampton lease, which provided the Group with office space and access to laboratory equipment, was entered into with effect from 1 August 2019. Until 31 October 2025, the Group has continued to make payments on the same basis pending renegotiation of the lease. The renegotiation lease terms came into effect from 1 November 2025. Costs are accounted for as a short-term lease, applying paragraph 6 of IFRS 16 (i.e. by not recognising a lease liability and corresponding right-of-use asset).

12. Trade and other receivables

	2025 £000	2024 £000
Amounts receivable within one year:		
Other tax and social security	103	66
Prepayments and accrued income	793	515
Other debtors	6	119
	902	700

13. Cash and cash equivalents

	2025 £000	2024 £000
Cash at bank and in hand	12,532	4,554
	12,532	4,554

14 Trade and other payables

	2025	2024
	£000	£000
Trade payables	1,306	764
Social security and other taxes	94	118
Accrued expenses and deferred income	1,125	662
	2,525	1,544

15. Financial instruments

		2025	2024
		Book and	Book and
	Note	fair value	fair value
		£000	£000
Financial assets			
<i>Amortised cost</i>			
Trade and other receivables	(i)	48	18
Cash and cash equivalents (less than one year)		12,532	4,554
Total		12,580	4,572
Financial liabilities			
<i>Other financial liabilities</i>			
Trade and other payables (less than one year)	(ii)	2,432	1,426
Total		2,432	1,426

- (i) Trade and other receivables shown above excludes prepayments and other taxes, which are not a contractual right to receive cash, amounting to £856,000 (2024: £682,000).
- (ii) Trade and other payables shown above excludes amounts due in respect of social security and other taxes, which are not a contractual obligation to pay cash, amounting to £94,000 (2024: £118,000).

The objective of holding financial instruments is to have access to finance for the Group's operations and to manage related risks. The main risks arising from holding these instruments are interest rate risk, liquidity risk, credit risk and currency risk.

Interest rate risk

The Group's deposit balances are subject to the risk of fluctuating base rates. Interest rate risk profile of financial assets, excluding short-term debtors:

	2025		2024
	Floating rate	Total	Floating rate
	£000	£000	£000
			Total
			£000
Aus Dollar	9	9	-
Euro	3	3	5
Sterling	5,314	5,134	3,137
US Dollar	7,386	7,386	1,412
	12,532	12,532	4,554

Sensitivity analysis

It is estimated that an increase of a quarter of one percentage point in interest rates would have decreased the Group's loss before taxation by approximately £42,000 (2024: £21,000).

Liquidity risk

The Group's policy is to maintain adequate cash resources to meet liabilities as they fall due. All Group payable balances as at 31 December 2025 and 31 December 2024 fall due for payment within one year. Cash balances are placed on deposit with reputable banking institutions to ensure there is limited risk of capital loss. The Group does not maintain an overdraft facility.

15. Financial instruments (continued)

Credit risk

The Group’s credit risk is attributable to its banking deposits. The Group follows a risk-averse policy of treasury management. Sterling deposits are held with one or more approved UK-based financial institutions (HSBC UK Bank plc and National Westminster Bank Plc, which at 31 December 2025 had good short term credit ratings, being at least F1 for Fitch, P-1 for Moody’s and A-1 for Standard and Poor’s) and in the Institutional Cash Series plc Institutional Sterling Liquidity Fund managed by BlackRock Investment Management (UK) Limited (rated at 31 December 2025 as AAmmf by Fitch). The Group’s primary treasury objective is to minimise exposure to potential capital losses while at the same time securing prevailing market rates. The Group seeks to lessen risk by placing its cash deposits with the three above institutions.

Currency risk

During the year under review, the Group was exposed to Euro and US Dollar currency movement as some of the manufacturing costs and clinical trial costs are denominated in these currencies. To hedge against currency movement, the Group calculated its future US Dollar liability and purchased that currency in advance to limit exposure to currency fluctuations. Due to the immateriality of forecasted Euro payments, this currency was purchased in advance of payment due dates.

Capital structure and funding

The Group is funded by equity capital, reflecting the early-stage nature of its development programme.

The Group considers its capital to be its total equity, which at 31 December 2025 amounted to £12.1 million (2024: £6.3 million). The Group’s objectives when managing capital are to provide returns to equity holders of the Company and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group manages this objective through tight control of its cash resources and, upon reaching significant drug development programme milestones (to decrease investment risk), by raising additional equity from shareholders to meet its forecast future cash requirements.

Net funds held by the Group at 31 December 2025 amounted to £12.5 million (2024: £4.6 million) and comprised cash and cash equivalents as shown below:

	31 Dec	
	2025	2024
	£m	£m
Cash and cash equivalents	12.5	4.6
Net funds	12.5	4.6

The Group did not have any bank borrowings as at 31 December 2025 (2024: £nil).

16. Share capital, share premium and share-based payment

	Note	Number of shares	Ordinary shares of 1p each £000	Share Premium £000	Total £000
At 1 January 2025		202,660,697	2,027	125,245	127,272
Issue of ordinary shares	(i)	900,000,000	9,000	8,899	17,899
At 31 December 2025		1,102,660,697	11,027	134,144	145,171

(i) 900,000,000 ordinary shares of 1p were issued on 17 January 2025 at 2p per share.

All issued shares are fully paid.

Options

At 31 December 2025 there were options outstanding over 89,159,407 (2024: 13,814,271) un-issued ordinary shares, equivalent to 8.1% (2024: 6.8%) of the issued share capital, as follows:

Date of grant	Number of shares (i)	Exercise price	Earliest exercise date	Latest exercise date
5 April 2018 (LTIP)	2,137,169	1p	5 Apr 2021	4 Apr 2028
4 April 2019 (LTIP)	1,998,421	1p	4 Apr 2022	3 Apr 2029
21 June 2023 (LTIP) (ii)	2,706,714	1p	21 June 2026	20 June 2033
14 November 2023 (LTIP) (ii)	1,900,000	1p	14 Nov 2026	13 Nov 2033
30 June 2025 (iii)	78,157,103	2p	30 Jun 2028	29 Jun 2035
12 December 2025 (iii)	2,260,000	2p	12 Dec 2028	11 Dec 2035
	89,159,407			

Notes:

(i) Net of lapsed options

(ii) These awards are subject to two conditions. Firstly, awards will only vest to the extent that the percentage increase in the total shareholder return ('TSR', being the return earned by a shareholder over the performance period in terms of change in the share price and assuming re-investment of any dividends in more shares at the prevailing price on the relevant ex-dividend rate) of the Company over the three year performance period is equal or greater than the percentage increase in the techMARK Mediscience™ Index over the same period. Secondly, no award will vest unless the average annual growth in the TSR of the Company over the performance period is equal to or greater than RPI plus 2% or, for more than 75% of an award to vest, annual average TSR must exceed RPI by at least 5% rather than 2%. The LTIP awards made from 2022 until the end of 2023 are currently below vesting performance conditions.

(iii) No performance criteria. Options vest based on length of service.

(iv) All options are set to lapse due to impact of planned MVL.

16. Share capital, share premium and share-based payment (continued)

The Group has no legal or constructive obligation to repurchase or settle the options in cash. The movement in the number of share options is set out below:

	Number	2025 Weighted average exercise price	Number	2024 Weighted average exercise price
Outstanding at start of year	13,814,271	1p	18,940,446	1p
Granted during the year	82,837,103	2p	-	-
Exercised during the year	-	-	(1,285,722)	1p
Lapsed during the year	(7,491,967)	1.3p	(3,840,453)	1p
Number of outstanding options at year-end	89,159,407	1.9p	13,814,271	1p

At 31 December 2025, 4,135,590 share options were capable of being exercised, with an exercise price of 1p (2024: 4,135,590, with an exercise price of 1p). The options outstanding at 31 December 2025 had a weighted average remaining contractual life of 6.7 years (2024: 6.5 years).

The Group uses a number of share-based incentive schemes as detailed above. Vesting conditions are also detailed above. The fair value per award granted and the assumptions are as follows:

Date of grant	Type of award	Number of shares	Exercise price (p)	Share price at date of grant (p)	Fair value per option (p)	Award life (years)	Risk free rate	Expected volatility rate	Performance conditions
5 Apr 2018	LTIP (i)	2,137,169	1p	13.0p	7.5p	3	0.90%	56%	Market
4 Apr 2019	LTIP (i)	1,998,421	1p	12.5p	6.2p	3	0.70%	59%	Market
21 Jun 2023	LTIP (i)	1,243,126	1p	7.5p	6.2p	3	4.93%	171%	Market
14 Nov 2023	LTIP (i)	1,900,000	1p	6.5p	5.5p	3	4.20%	145%	Market
30 Jun 2025		78,157,103	2p						None
12 Dec 2025		2,260,000	2p						None
		89,159,407							

The Company has applied IFRS 2 to all the above share-based payments and the following comments apply to these options:

- (i) Stochastic valuation methodology was used for these awards.
- (ii) Expected dividend yield is nil, consistent with the directors' view that the Group's model is to generate value through capital growth rather than payment of dividends.
- (iii) The risk-free rate is equal to the prevailing UK Gilts rate at grant date that most closely matches the expected term of the grant.
- (iv) Volatility for the grants made in 2018 and 2019 was calculated by reviewing share price movement over the period of three years prior to grant, excluding any large share price movements (as these were not considered to be representative of future expectations of volatility).
- (v) The charge for the year ended 31 December 2025 for share-based payment amounted to £48,000 (2025: £419,000).

17. Capital and reserves

17a Share capital

Share capital represents the nominal value of shares issued.

17b Share premium

Share premium represents amounts subscribed for share capital in excess of nominal value less the related costs of share issues.

17c Merger reserve

The merger reserve represents the reserve arising on the acquisition of Synairgen Research Limited on 11 October 2004 via a share for share exchange accounted for as a Group reconstruction using merger accounting under UK GAAP.

17d Retained deficit

The retained deficit represents cumulative net gains and losses recognised in the consolidated statement of comprehensive income, adjusted for cumulative recognised share-based payments.

18. Related party transactions and balances

A list of the Company's subsidiaries is shown in Note 4 to the Parent Company Financial Statements.

19. Ultimate Controlling Party

Following the fundraise in January 2025, the controlling party and ultimate controlling party of the Group is Tetragon Partners UK LLP, which is incorporated in England and Wales. Prior to this, the directors considered that there was no individual controlling party.

20. Other commitments

At 31 December 2025 the Group had entered into non-cancellable purchase commitments amounting to £nil million (2024: £0.5 million) in respect of manufacturing-related activities.

21. Events after the reporting date

On 26 February 2026, the Company announced the decision to stop the INVENT study due to recruitment being markedly behind expectations.

Following a strategic review, the directors concluded that it is in the best interests of all shareholders that it winds-down its operations and returns available cash to shareholders. The directors intend to seek shareholder approval for the MVL in the second half of 2026.

As a result of the MVL, all employee share options will lapse at the date of liquidation.

Following a consultation process in March 2026, staff redundancies initiated from May 2026.

Parent Company Balance Sheet
as at 31 December 2025

Company number: 5233429

	Note	2025 £000	2024 £000
Fixed assets			
Investments	4	-	34,900
Current assets			
Debtors	5	223	337
Cash at bank and in hand	6	12,489	4,349
		<u>12,712</u>	<u>4,686</u>
Creditors: amounts falling due within one year	7	<u>(285)</u>	<u>(244)</u>
Net current assets		<u>12,427</u>	<u>4,442</u>
Total assets less current liabilities		<u>12,427</u>	<u>39,342</u>
Capital and reserves			
Called up share capital		11,027	2,027
Share premium account		134,144	125,245
Retained deficit		<u>(132,744)</u>	<u>(87,930)</u>
Shareholders' funds		<u>12,427</u>	<u>39,342</u>

As permitted by Section 408 of the Companies Act 2006, the Company's profit and loss account has not been included in these financial statements. The Company's loss for the year ended 31 December 2025 was £44,862,000 (2024: loss of £21,913,000).

The financial statements on pages 36 to 42 were approved and authorised for issue by the Board of directors on 17 August 2026 and signed on its behalf by:

Signed by:


Signer Name: Joseph Colliver
Signing Reason: I approve this document
Chief Executive Officer
Signed on 17 August 2026 | 5:34 PM BST
ACCC2327F75246E4BA8626F42F9A709F

**Parent Company Statement of Changes in Equity
for the year ended 31 December 2025**

	Share capital £000	Share premium account £000	Retained deficit £000	Shareholders' funds £000
At 1 January 2024	2,014	125,245	(66,436)	60,823
	-	-	(21,913)	(21,913)
Transactions with equity holders of the Company				
Issue of ordinary shares	13	-	-	13
Share-based payment credit	-	-	419	419
At 31 December 2024	2,027	125,245	(87,930)	39,342
Loss for the year and total comprehensive loss	-	-	(44,862)	(44,862)
Transactions with equity holders of the Company				
Issue of ordinary shares	9,000	8,899	-	17,899
Share-based payment credit	-	-	48	48
At 31 December 2025	11,027	134,144	(132,744)	12,427

Notes to the Parent Company Financial Statements for the year ended 31 December 2025

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain comparative information as otherwise required by international accounting standards in conformity with the Companies Act 2006;
- certain disclosures regarding the Company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and,
- disclosures of related party transactions with other wholly owned members of the Synairgen plc group of companies.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Company's consolidated financial statements. These financial statements do not include certain disclosures in respect of:

- share-based payments; or
- financial instruments.

Going Concern

Post the year-end, the directors decided to terminate the global phase 2 INVENT clinical study, due to the insufficient recruitment of mechanically-ventilated patients infected with a respiratory virus. The Company's majority shareholder, Tetragon, confirmed that it would not provide further financing to the Company and recommended that the Company instead focus on returning the maximum available funds to its shareholders. After completing a comprehensive review of alternative strategic options and their respective funding requirements, the directors determined it was in the best interest of shareholders to commence an orderly wind-down of its operations and return available cash to shareholders. The directors plan to obtain shareholder approval to liquidate the Company via a MVL in the second half of 2026.

Given the intention to liquidate the Company, the directors concluded that it is not appropriate to prepare these financial statements on a going concern basis; accordingly, the directors have prepared these financial statements on a basis other than going concern. As a result, the Company's investment in subsidiary undertakings has been fully impaired (£44.0 million) to nil carrying value.

Principal accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented.

Investments in subsidiary undertakings

Investments in subsidiary undertakings where the Company has control are stated at cost less any provision for impairment.

1. Accounting policies (continued)

Financial instruments

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

Financial assets

The Company classifies its financial assets as financial assets held at amortised cost.

These assets incorporate types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company's financial assets measured at amortised cost comprise debtors and cash and cash equivalents in the balance sheet. Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

Financial liabilities

The Company classifies its financial liabilities as financial liabilities held at amortised cost. Trade creditors are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

Share-based payments

When the Company grants options over equity instruments directly to the employees of a subsidiary undertaking, the effect of the share-based payment is capitalised as part of the investment in the subsidiary as a capital contribution, with a corresponding increase in equity.

Taxation

The charge for taxation is based on the loss for the period and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

Share capital

The Company's ordinary shares are classified as equity instruments. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

2. Critical accounting estimates and judgements

Critical accounting estimates, assumptions and judgements are continually evaluated by management based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

The Company performed an investment valuation and related impairment review of the carrying value of the Parent Company's investment in Synairgen Research Limited, performed in line with the requirements of IAS 36 'Impairment of Assets', which states that an asset should be valued at the higher of the value in use and fair value less cost to sell amount. As part of this post year-end review of the carrying amount of the investment at the balances sheet date, management considered the INVENT trial patient recruitment challenge and subsequent trial stop. Following this, a review of strategic alternatives was undertaken, however none were deemed to be viable when taking into account capital requirements of the Company within the current financing environment. Therefore, the decision was made to wind-down operations with an intention to liquidate. It has been concluded that the investment value was not recoverable. As a result, the investment should be fully impaired, which has resulted in an impairment charge of £44.0 million recognised in the Income Statement. Prior to the year end, trial recruitment being behind target represented an impairment indicator. The post year-end review, taking into account relevant post balance sheet events, resulted in a full impairment.

The directors have prepared these financial statements on a basis other than going concern. As a result, the Company's investment in subsidiary undertakings has been fully impaired to nil carrying value.

Determining the estimated recoverable amount of Synairgen Research Limited is judgmental in nature.

3. Profit and loss account

The only employees of the Company during 2025 and 2024 were the executive directors. Their aggregate remuneration, which is borne by the Company's subsidiary undertaking Synairgen Research Limited, comprised:

	Notes	2025 £000	2024 £000
Wages and salaries		456	747
Social security costs	(i)	53	79
Pension costs – defined contribution plans	(ii)	25	65
Total cash-settled remuneration		534	891
Accrued holiday pay		(9)	(1)
Share-based payment		48	138
Total remuneration		573	1,028

- (i) The social security charge for 2025 comprises (a) a credit in respect of the Employer National Insurance accrual for LTIPs of £nil (2024: credit £19,000); and (b) a charge in respect of wages, salaries and other benefits of £53,000 (2024: charge £98,000).
- (ii) This includes cash payments in lieu of pension plan contributions.

In respect of directors' remuneration, the disclosures required by Schedule 5 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 are included in the detailed disclosures in Note 5 to the Consolidated Financial Statements on pages 26 to 27.

Auditor's remuneration is disclosed in Note 4 to the Consolidated Financial Statements on page 26.

4. Investments

	Investment in subsidiary undertakings £000	Capital contribution £000	Total £000
At 1 January 2025	140	34,760	34,900
Capital contribution for the year	-	9,053	9,053
Subsidiary share-based payment	-	48	48
Impairment	(140)	(43,861)	(44,001)
At 31 December 2025	-	-	-

The Company performed an investment valuation and related impairment review of the carrying value of the Parent Company's investment in Synairgen Research Limited, performed in line with the requirements of IAS 36 'Impairment of Assets', which states that an asset should be valued at the higher of the value in use and fair value less cost to sell amount. As part of this post year-end review of the recoverable amount at the balance sheet date, management considered the INVENT trial patient recruitment challenge and subsequent trial stop. Following this, a review of strategic alternatives was undertaken, however none were deemed to be viable when taking into account capital requirements of the Company within the current financing environment. Therefore, the decision was made to wind-down operations with an intention to liquidate. It has been concluded that the investment value was not recoverable. As a result, the investment should be fully impaired, which has resulted in an impairment charge of £44.0 million recognised in the Income Statement.

At 31 December 2025, the Company has an investment in the following subsidiary undertakings:

Name of company	Registered address	Proportion of voting rights and ordinary share capital held	Nature of business
Synairgen Research Limited	Frobisher House 2nd Floor, Nelson Gate, Southampton, England, SO15 1GX	100%	Drug discovery and development
Synairgen Research (Ireland) Limited	12 Fitzwilliam Place, Dublin 2, Ireland	100%	Pharmaceutical commercialisation
Synairgen Inc	155 Federal Street, Suite 700, Boston, MA 02210, USA	100%	Pharmaceutical commercialisation

5. Debtors

	2025 £000	2024 £000
Other tax and social security	-	18
Prepayments and accrued income	223	206
Other debtors	-	113
	223	337

All amounts fall due for payment within one year.

6. Cash and cash equivalents

	2025 £000	2024 £000
Cash at bank and in hand	12,489	4,349
	12,489	4,349

7. Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Trade creditors	5	76
Accruals and deferred income	266	168
Other tax and social security	14	-
	285	244

8. Share capital and share premium

Details of the Company's share capital, share premium, share option schemes and LTIP can be found in Note 16 to the Consolidated Financial Statements on pages 33 to 34.

9. Ultimate Controlling Party

Following the fundraise in January 2025, the controlling party and ultimate controlling party of the Group is Tetragon Partners UK LLP, which is incorporated in England and Wales. Prior to this, the directors considered that there was no individual controlling party.

10. Events after the reporting date

On 26 February 2026, the Company announced the decision to stop the INVENT study due to recruitment being markedly behind expectations.

Following a strategic review, the directors concluded that it is in the best interests of all shareholders that it winds-down its operations and returns available cash to shareholders. The directors intend to seek shareholder approval for the MVL in the second half of 2026.

As a result of the MVL, all employee share options will lapse at the date of liquidation.

Following a consultation process in March 2026, staff redundancies initiated from May 2026.

Corporate Directory

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5233429

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