VIDAC PHARMA HOLDING PLC

Annual Report and Financial Statements for the year ended 31 December 2025

Company registration number 13479728 (England and Wales)

Company Information

DIRECTORS:	Max Herzberg Yochai Richter Christian Policard Joseph Tenne
REGISTERED NUMBER:	13479728 (England and Wales)
COMPANY SECRETARY:	Nataliia Kronik
REGISTERED OFFICE:	20-22, Wenlock Road London England N1 7GU
INDEPENDENT AUDITOR:	MHA The Pinnacle 150 Midsummer Boulevard Milton Keynes MK9 1LZ

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Strategic Report

The company is an investment holding company, with its primary activity being the holding of interests in its subsidiary. the principal activity of the subsidiaryis the discovery and development of anticancer medicines. This subsidiary is registered and operating in Israel. The company does not have any branches either within the UK or internationally.

Review of business
The Directors are satisfied with the results for the company and the group for the reporting year. The group has successfully met its planned milestones in research and development activities within the allocated budget.

As anticipated, the parent company and the group incurred losses for the year ended 31 December 2025. In 2025 the group's primary focus was on the discovery and development of first-in-class anticancer medicines, which are expected to generate revenue and profits in the future. For the year ended 31 December 2025, the group incurred research and development costs of GBP'000 784. Overall, the group's after-tax losses amounted to GBP'000 1 890, and the group's net assets were negative GBP'000 656.

Principal risks and uncertainties
The group is exposed to risks associated with business operations, geopolitical uncertainties, market conditions and finances:

Risk	**Mitigations**
Clinical Drug Development Uncertainty: Clinical trials are expensive and uncertain; failures or delays could harm the business.	• Conduct thorough preclinical studies. • Implement robust project management. • Diversify the product pipeline. • Secure partnerships to share costs and risks.
Patent Protection Compliance: Dependency on patent protection; noncompliance could reduce or eliminate protection.	• Establish a dedicated patent management team. • Implement a patent tracking system. • Engage experienced patent attorneys. • Regularly audit patent processes.
Regulatory and Manufacturing Challenges: Ongoing regulatory requirements and potential difficulties post-clinical trial completion.	• Develop a comprehensive regulatory strategy. • Maintain open communication with regulatory bodies. • Hire regulatory experts. • Invest in quality assurance systems. • Establish contingency plans.
Ongoing Operating Losses: The subsidiary has a history of operating losses and may continue to incur losses in the future.	• Monitor and manage operational expenses. • Focus on milestone achievements. • Explore diverse revenue streams. • Implement cost-saving initiatives.
Financing Challenges: The group could fail to obtain necessary financing, hindering its growth.	• Develop a comprehensive financing strategy. • Maintain strong investor relationships. • Demonstrate clear milestones to attract investment. • Explore strategic partnerships. • Implement robust cash flow management.

Financial key performance indicators
The following are the key performance indicators the Directors are focused on:

- *Research and development costs:* The research and development costs were GBP’000 784 in 2025, reflecting an increase by 265% from GBP’000 215 in 2024. The group is in the ongoing process of developing its key products, thus the company expects the growth in R&D costs to continue year over year.

- *Operating cash flow:* Net cash used in operating activities was GBP’000 1,734 in 2025, reflecting an increase of 134% from GBP’000 742 in 2024. This increase is due to an increase in research and development activities and public relations.

- *Current ratio:* The current ratio for 2025for 2025 was 0.51, compared to 2.11 in 2024. The company understands the importance of maintaining a high current ratio and is striving to achieve it. Nonetheless, due to growing operating needs, the current ratio decreased and remains low.

The group management regularly monitors its performance by producing periodic management reports.

Future developments
The group is actively reviewing its activities while looking for opportunities to enhance its business by successfully finishing clinical research studies and launching the products on the markets. The Directors are confident that the group will be profitable once the products' clinical researchis successfully completed and revenue targets will be achieved. The company is planning to look for financing through private placements, venture capital investment and co-development deals with pharma companies. This reflects the company's strategic vision of expanding its reach and unlocking new opportunities for growth and investment. Obtaining a listing on a main exchange and/or any of the other alternatives such as creating an affiliate company open to private placements should help the company to raise substantial capital that will further fuel its research and development initiatives, as well as support the commercialisation of its groundbreaking products.

Future outlook
We look forward to realising incremental growth in the coming years. Our overall intent is to leverage strategic drivers and identify development opportunities for achieving sustainable and profitable growth.

Research and development
During the reporting period the company has undertaken research and development activities related to the products which are at the development stage, particularly for treating Actinic Keratosis, Cutaneous T-cell lymphoma and pre-clinical activities in a potent small molecule with novel mechanism of action that selectively modulates VDAC/HK2 interaction,VDA-1275.

Energy and carbon report
As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low-energy user under existing regulations. It is not required to report on its emissions, energy consumption or energy efficiency activities.

Implications on the business arising from the disruption caused by the wars in Israel and Ukraine

Although the wars in Israel and Ukraine have disrupted the global supply chain, demand, economy and from time to time the ongoing activities of the subsidiary, Directors do not expect any material impact on Vidac Pharma Holding PLC and its subsidiary business.

The Directors have forecast that the group's business has projected sufficient funds that will be available to settle its liabilities and maintain its planned budget spend over the next 12 months from the date of signing these accounts.

Statement by the Directors in the performance of their statutory duties in accordance with Section 172(1) of the Companies Act 2006

Purpose, strategy and values
The parent company was incorporated on 24 June 2021 to empower its subsidiary to unlock its full potential for the benefit of all stakeholders, while providing shareholders with a superior return on their investments and completing the development stage of the company's products and launching their production. This is being delivered through continuous improvements of the company's processes and adhering to the duty of a public company. The company's purpose and strategy are underpinned by the principles and values on which the group was founded. We act with integrity, honesty, transparency, and decisiveness. We invest in the research and development of the company's products. We provide opportunities to empower people to perform. These principles lie at the heart of the company's success and form the basis on which we strive for future success.

In executing our strategy, Directors must act in accordance with a set of general duties detailed in section 172 of the Companies Act 2006. These general duties include the duty to promote the success of the company, and specifically to act in a way that the Director considers, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so, having regard (amongst other matters) to the:

- likely consequences of any decisions in the long-term;
- interests of the company's and group's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly as between shareholders of the company.

This statement has been prepared in accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, which require the company to describe how the directors have had regard to the matters set out in section 172 of the Companies Act 2006 during the financial year under review. It is noted that the Directors have always acted in accordance with such duties in their decision-making and will continue to do so. Considering the additional disclosure requirements, we have set out below further details on how the Directors fulfilled their duties during the course of 2025.

Duty to promote the long-term success of the company
The Board has established an organisational structure with clear reporting procedures, lines of responsibility, and delegated authority, in line with the group's governance framework, which the Board reviews regularly. During 2025, the Board was ultimately accountable to the company's shareholders for setting the group's strategy and for overseeing the group's financial and operational performance in line with the company's strategic objectives. Implementation of the group's strategic objectives, as determined and overseen by the Board, is delegated to senior management teams, with day-to-day operational management delegated to the business unit executive teams.

The Board cultivated strong relationships with key stakeholders so that it is well placed and sufficiently informed to take their considerations into account when making decisions where appropriate to discharge their legal obligations and to pursue the company's strategic objectives. Our purpose is to create long-term value for stakeholders, and in order to do this, we need to understand our stakeholders and what matters to them. Financial robustness is also an important part of this value-creation process, and we aim to provide our shareholders with sustained returns.

We currently operate (i) a no-dividend policy as the group focuses on deepening the development of the products; and (ii) a prudent approach to capital allocation that considers working capital requirements, investment, research and development, and capital distribution. For both (i) and (ii), relevant events and circumstances that have arisen during the relevant period are considered, alongside the interests of the company's shareholders as a whole, and the long-term viability of the company, including research and development. Building a stronger business is not limited purely to financial returns but also encompasses a wide range of non-financial improvement areas, including risk management and compliance, and environmental, social, and governance matters, all of which we seek to improve for the long-term. With this in mind, we apply the same high standards of responsible stewardship to our business as if it were to last forever. It is this approach to decision-making that requires the Directors to have regard to the likely consequences of decisions for the long-term. The Board is ultimately responsible for determining and reviewing the company's strategy, which during 2025 was very much focused on the development of the products. The Board has been, and continues to be, available to support the business in this area as and when required.

Duty to protect the interests of the company's and group's employees
We implemented development and training programs for our employees, creating a safe and motivating work environment. During 2025, we increased investment in professional development and employee well-being to support their motivation and productivity. Initiatives were developed and implemented to improve work-life balance and promote healthy living.

Duty to foster the company's business relationships with suppliers, customers and others
We have maintained and developed relationships with our key business partners, suppliers and others, striving for mutually beneficial cooperation. Our company actively participated in international pharmaceutical and investment communities, concluding strategic alliances and partnerships that contribute to expanding our presence in the global market.

Positive impact of the company's operations on the community and environment
Having regard to the impact of the company's operations on the community and environment in their decision-making, the Directors need to have regard to the impact of the company's operations on the community and environment. The Board plays a constructive role in tackling issues through engagement and investment. It is important for the long-term future of our business that we protect and enhance the environment. Climate change will affect how much non-renewable energy is available and stakeholders are rightly concerned about the resilience of supplies and are looking to companies to adapt and take the necessary steps to reduce their climate change risk.

Having regard to the desirability of the company maintaining a reputation for high standards of business conduct
The Board recognises that culture, values, and standards are key contributors to how a company creates and sustains value over the longer term, enabling it to maintain a reputation for high standards of business conduct. High standards of business conduct guide and assist in the Board's decision-making, and in doing so, help promote the company's success, recognising amongst other things, the likely consequences of any decision in the long-term and wider stakeholder considerations. The standards set by the Board mandate certain requirements and behaviours with regard to the activities of the directors, the group's employees, and others associated with the group.

Having regard to the need to act fairly as between shareholders of the company
The Company has one class of ordinary shares, all of which carry the same rights in respect of voting, dividends, and return of capital on a winding up. The Board is committed to treating all shareholders fairly and equally, ensuring that no shareholder gains an unfair advantage at the expense of others. Decisions are taken with regard to the interests of shareholders as a whole, and communications with shareholders are conducted in a transparent and consistent manner.

Strategic Report Approval
The Strategic Report was approved by the Board and signed on its behalf by:

....
Max Herzberg - Director

Date: 29 August 2026

Directors' report

The Directors present their report with the consolidated financial statements of the group for year ended the 31 December 2025. The consolidated financial statements comprise the financial statements of Vidac Pharma Holding PLC ('the parent company') and its subsidiary undertaking Vidac Pharma Ltd (together - 'the group').

Statement under Section 172(1) of the Companies Act 2006
The Statement by the Directors in the performance of their statutory duties in accordance with Section 172(1) of the Companies Act 2006 is set out in the Strategic Report.

Future developments and outlook
The future developments and outlook relating to the group are described in the Strategic Report and are therefore not repeated in the Directors' Report in accordance with Section 414C (11) of the Companies Act 2006 and related statutory requirements.

Directors and their interests
The Directors of the Company who were in office during the year and up to the date of signing the Group financial statements were:
Max Herzberg
Yochai Richter
Christian Policard
Joseph Tenne

Directors' third-party and pension scheme indemnity provisions
The Company maintained qualifying third-party indemnity provisions for the benefit of its directors throughout the year ended 31 December 2025. Such provisions remained in force at the date of approval of these financial statements. The Company did not maintain any qualifying pension scheme indemnity provisions during the year.

Financial instruments
The Group's financial instruments comprise cash and cash equivalents, receivables, trade and other payables, related party balances and convertible loan notes. The principal financial risks arising from these instruments are liquidity risk, credit risk, foreign currency risk and market risk.
The Board reviews and manages these risks on an ongoing basis and considers liquidity risk to be the most significant risk due to the Group's development-stage activities and ongoing funding requirements. Information regarding the Group's financial risk management objectives, policies and exposure to financial risks is included in Note 22 to the financial statements.

Independent auditor
MHA Audit Services LLP has indicated its willingness to serve in office as the Company's auditor and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Research and development
During the reporting period the company has undertaken research and development activities related to the products which are on the development stage, particularly for treating Actinic Keratosis , Cutaneous T-cell lymphoma and pre-clinical activities in a potent small molecule with novel mechanism of action that selectively modulates VDAC/HK2 interaction, VDA-1275.

Dividends
No dividends will be distributed for the year ended 31 December 2025 (for the year ended 31 December 2024: nil).

Political contributions
During the year, the group did not make any political contributions (2024: nil).

Post statement of financial position events
Details of significant events (if any) since the statement of financial position date are contained in Note 23.

Directors
Max Herzberg held office from 28 June 2021 until the date of issue of this report. Yochai Richter held office from 20 May 2022 until date of issue of this report. Christian Policard and Joseph Tenne held office from 15 May 2023 until the date of issue of this report.

Going concern assessment
The Directors have assessed the ability of the group and the company to continue as a going concern, including considering the impact of the recent and ongoing wars in Israel and Ukraine, and the results of this assessment are set out in Note 2.

Directors' responsibility statement
The Directors are responsible for preparing the Strategic report, the Directors' report, the remuneration report and the financial statements in accordance with applicable law and regulations.

The Companies Act 2006 requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Consolidated and parent company financial statements in accordance with UK-adopted international accounting standards and applicable UK Company 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 company and the group and of the profit or loss of the group for the year. 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 applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

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

Statement as to disclosure of information to the auditors
So far as the Directors are aware there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Directors' Report Approval
The Directors' Report was approved by the Board and signed on its behalf by:

....
Max Herzberg - Director

Date: 29 August 2026

Remuneration report

This report has been prepared in accordance with section 420 of the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). The Company is not a quoted company and is therefore not required to prepare a remuneration report. The following information is provided voluntarily for transparency.

Remuneration Committee

The Company does not currently have a separate remuneration committee. The Board as a whole is responsible for determining the remuneration policy of the Directors.

Directors' Remuneration

For the financial year ended 31 December 2025, no remuneration, fees, bonuses, pension contributions or benefits in kind were paid or accrued to any of the directors of the Company.

Letters of Appointment

The directors serve under appointment letters and no remuneration was payable for the period under review.

Implementation for 2026

It is the current intention of the Company that no remuneration will be payable to directors until otherwise resolved by the Board and/or approved by shareholders in general meeting.

Remuneration Report Approval
The Remuneration Report was approved by the Board and signed on its behalf by:

....
Max Herzberg - Director

Date: 29 August 2026

Independent auditor's report to the members of Vidac Pharma Holding PLC

For the purpose of this report, the terms "we" and "our" denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Vidac Pharma Holding PLC. For the purposes of the table on pages 14 to 15 that sets out the key audit matters and how our audit addressed the key audit matters, the terms "we" and "our" refer to MHA. The Group financial statements, as defined below, consolidate the accounts of Vidac Pharma Holding PLC and its subsidiaries (the "Group"). The "Parent Company" is defined as Vidac Pharma Holding PLC, as an individual entity. The relevant legislation governing the Parent Company is the United Kingdom Companies Act 2006 ("Companies Act 2006").

Opinion

We have audited the financial statements of Vidac Pharma Holding PLC for the year ended 31 December 2025.

The financial statements that we have audited comprise:

- the Consolidated Statement of Profit or Loss and Comprehensive Income
- the Company statement of Profit or Loss and Other Comprehensive Income
- the Consolidated Statement of Financial Position
- the Company Statement of Financial Position
- the Consolidated Statement of Changes in Equity
- the Company Statement of Changes in Equity
- the Consolidated Statement of Cash Flows
- the Company Statement of Cash Flows
- Notes 1 to 25 to the consolidated and company financial statements, including material accounting policies

The financial reporting framework that has been applied in the preparation of the Group and Parent Company's financial statements is applicable law and UK adopted International Financial Reporting Standards (UK adopted IFRS).

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 for the year then ended;
- have been properly prepared in accordance with UK adopted IFRS; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Separate opinion in relation to IFRSs as adopted by the EU

As explained in Note 2 to the group financial statements, the group in addition to complying with its legal obligation to apply UK adopted IFRS, has also applied IFRSs as adopted by the European Union (EU).

In our opinion the group financial statements give a true and fair view of the consolidated financial position of the group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with EU adopted IFRSs.

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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which explains that the Group and the Company are dependent on continued investor support and future funding in order to meet their day-to-day working capital requirements while the Group continues its development activities. Note 2 also discloses that the Group incurred a loss of £1,890k for the year ended 31 December 2025 and had accumulated losses of £28,848k at that date.

As stated in Note 2, these conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining and reviewing management's going concern assessment and supporting cash flow forecasts for the Group and the Parent Company;
- Considering the Group's and the Parent Company's forecast cash requirements for a period of at least twelve months from the expected date of approval of the financial statements;
- Reviewing post year-end financial information and cash balances;
- Assessing the key assumptions used by management in preparing the forecasts, including expected expenditure, future funding requirements and the availability of continued investor support;
- Evaluating management's assumptions regarding future fundraising activities, including continued support from existing investors pending the outcome of the AK clinical trial and other development milestones; and
- Considering whether the disclosures in Note 2 adequately describe the material uncertainty relating to the Group's dependence on future funding and investor support in order to continue its operations.

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

Overview of our audit approach

Scope	Our audit was scoped by obtaining an understanding of the Group, including the Parent Company, and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement. The Group comprises Vidac Pharma Holding PLC and its wholly owned Israeli subsidiary, Vidac Pharma Ltd. Audit work on the financial information of Vidac Pharma Ltd was performed by component auditors under our group audit instructions. The group audit instructions focused on those classes of transactions, account balances and disclosures where we identified an increased risk of material misstatement at Group level, including the valuation of intellectual property, research and development expenditure, convertible loan arrangements and going concern. We maintained regular communication with the component auditors and evaluated the results of their work as part of our assessment of the Group financial statements.

Overall Materiality	**2025**	
Group	£118k	6.5% of the Group's loss for the year
Parent Company	£54k	Parent Company materiality was determined by reference to gross assets, reflecting the Parent Company's role as an investment holding entity.

Key audit matters	
Recurring	• Valuation of investment in subsidiary (Parent Company)

Going concern also represented a Key Audit Matter in this engagement. However, due to the existence of a material uncertainty in this respect, and in accordance with the reporting requirements of ISA (UK) 570, the issues giving rise to this uncertainty, and an explanation of how we evaluated management's assessment of the Group's and Parent Company's ability to continue as a going concern, are included within the material uncertainty relating to going concern section of this report.

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Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment in subsidiary

Key audit matter description	At 31 December 2025, the Parent Company held its investment in Vidac Pharma Ltd at £93,926k (2024: £112,590k) as disclosed in Note 9 to the Company financial statements. The investment is measured at fair value through other comprehensive income and represents the most significant balance in the Parent Company financial statements. The valuation of the investment in subsidiary was considered a key audit matter because the investment represents substantially all of the Parent Company's assets and of the materiality of the balance and the significant judgement and estimation uncertainty involved. Vidac Pharma Ltd is an early-stage biotechnology company with no current revenue. Its value is highly dependent on successful clinical development, regulatory approval, future funding and eventual commercialisation of its products. The valuation is based on projected future cash flows from potential licensing or commercialisation of intellectual property and includes significant unobservable Level 3 inputs. These include forecast future royalty income, expected development and market entry timelines, probability of technical and regulatory success, royalty rates, royalty deductions and discount rates. The valuation is highly sensitive to changes in these assumptions and relatively small changes could have a material impact on the carrying value of the investment.

How the scope of our audit responded to the key audit matter	Our audit procedures included: - obtaining management's valuation assessment and the independent valuation report supporting the fair value of the investment; - assessing the competence, capability and objectivity of management's valuation expert; - involving our valuation specialists to assist in evaluating the valuation methodology and significant assumptions applied; - agreeing key inputs used in the valuation model to supporting documentation; - challenging the reasonableness of significant assumptions, including forecast income, probability of success, royalty rates, royalty deductions and discount rates; - testing the mathematical accuracy of the valuation model; - considering the impact of sensitivity analysis over key assumptions; and -
Key observations	Based on the procedures performed, we identified no material issues in relation to management's valuation of the investment in subsidiary.

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Materiality in respect of the Group was set at £118k which was determined on the basis of 6.5% of the Group's total comprehensive loss for the year. Total comprehensive loss was considered to be the most appropriate benchmark as the Group is a development-stage biotechnology group and remains pre-revenue. The primary focus of shareholders and potential investors is the Group's consumption of shareholder funds, funding requirements and progress towards commercialisation. Accordingly, total comprehensive loss was considered the benchmark most closely aligned to the information used by users of the financial statements in assessing the Group's performance.

In selecting this benchmark, we considered that the primary users of the financial statements are shareholders and potential investors, who are principally focused on the consumption of shareholder funds, the Group's ability to continue funding its operations, changes in the Group's net asset position and the overall movement in shareholder value during the year.

Materiality in respect of the Parent Company was initially considered by reference to gross assets, reflecting its investment holding activities. As this exceeded the amount allocated under the group audit materiality methodology, Parent Company materiality was capped at the allocated amount.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality for the Group was set at £71k and at £37k for the Parent Company which represents 60% of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding £6k and £3k in respect of the Group and Parent Company respectively to the Board of Directors as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

Overview of the scope of the Group and Parent Company audits

Our assessment of audit risk, evaluation of materiality and our determination of performance materiality sets our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. This assessment takes into account the size, risk profile, organisation / distribution and effectiveness of group-wide controls, changes in the business environment and other factors such as recent internal audit results when assessing the level of work to be performed at each component.

In assessing the risk of material misstatement to the consolidated financial statements, and to ensure we had adequate quantitative and qualitative coverage of significant accounts in the consolidated financial statements, of the 2 reporting components of the Group, we identified 2 components in the United Kingdom and Israel, which represent the principal business units within the Group.

The Group comprises Vidac Pharma Holding PLC and its wholly owned Israeli subsidiary, Vidac Pharma Ltd. We performed audit procedures on the Parent Company and directed the work performed by the component auditor in Israel through our group audit instructions. These instructions focused on those classes of transactions, account balances and disclosures where we identified increased risks of material misstatement at Group level, including the valuation of intellectual property, research and development expenditure, convertible loan arrangements and going concern.

We maintained regular communication with the component auditor throughout the audit, including discussions regarding identified risks, planned procedures and audit findings. We evaluated the results of the work performed and the audit evidence obtained in those areas significant to the Group financial statements when forming our Group audit opinion.

Specified procedures - No components were subject only to specified audit procedures.

The group audit team was involved in the audit work performed by the component auditors in Israel through a combination of group planning meetings and calls, the provision of detailed group audit instructions, regular communication throughout the audit, review and challenge of the component auditor's reporting and findings, and review of relevant component auditor working papers. The group audit team evaluated the component auditor's work over the significant and elevated risks of material misstatement and considered the appropriateness of the conclusions reached for the purposes of the Group audit.

Reporting on other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Strategic report and directors report

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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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 directors' responsibilities statement, 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 Parent Company or to cease operations, or have no realistic alternative but to do so.

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Auditor 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered 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.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Identifying and assessing potential risks arising from irregularities, including fraud

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We obtained an understanding of the Group's business, control environment and financial reporting processes, including the implications of its small finance function and limited segregation of duties. We made enquiries of management regarding their assessment of fraud risk, their processes for identifying and responding to fraud, and whether they were aware of any actual, suspected or alleged fraud. Management had performed a fraud risk assessment and confirmed that they were not aware of any specific fraud risks or instances of fraud.
- We also considered the potential for management override of controls and management bias in significant judgements and estimates, particularly in relation to the valuation of the investment in subsidiary, accounting for convertible loan agreements and the going concern assessment. We considered the applicable legal and regulatory framework, including the Companies Act 2006, the applicable financial reporting framework and UK tax legislation.
- We enquired of the directors and management including those charged with governance concerning the Group's and the Parent Company's policies and procedures relating to:
    - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included evaluating the risk of management override of controls and considering the susceptibility of significant estimates and judgements to management bias. We determined that the principal risks related to management override of controls through inappropriate journal entries and management bias in significant accounting estimates and judgements, particularly those relating to going concern, valuation of the investment in subsidiary and the accounting treatment of convertible loan arrangements.

Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Group's and the Parent Company's board meetings, inspection of legal correspondence and consideration of other documentation relevant to compliance with laws and regulations.
- audit procedures performed by the engagement team in connection with the risks identified included:
  - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements.
  - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
  - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
  - enquiry of management around actual and potential litigation and claims.
  - challenging the assumptions and judgements made by management in its significant accounting estimates; and
  - obtaining confirmations and inspecting supporting documentation in respect of selected balances and transactions.
- the Group and the Parent Company operate in the biotechnology and pharmaceutical research sector. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, including experts, and the component auditors and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Other requirements

We were appointed by the Directors on 27 April 2026 and this is our first year of acting as auditor to the Group and Parent Company.

We did not provide any non-audit services which are prohibited by the FRC's Ethical Standard to the Group or the Parent Company, and we remain independent of the Group and the Parent Company in conducting our audit.

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.

Stephen Poleykett BA(Hons) FCA

(Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom
29 August 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)
PLCPLC

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended the 31 December 2025

	Note	2025 GBP'000	2024 GBP'000
Revenue		-	-
Research and development expenses	5	(784)	(215)
General and administrative expenses	6	(1 117)	(895)
Operating loss		**(1 901)**	**(1 110)**
Finance (income) costs, net	19	11	(276)
Loss before income tax		**(1 890)**	**(1 386)**
Income tax expense		-	-
Loss for the year		**(1 890)**	**(1 386)**
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation adjustment		12	228
Total comprehensive loss for the year		**(1 878)**	**(1 158)**
Loss per share attributable to the ordinary equity holders of the company	16		
Basic earnings per share		(0.000033)	(0.000025)
Diluted earnings per share		(0.000033)	(0.000025)

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

Company Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2025

	Note	2025 GBP'000	2024 GBP'000
Revenue		-	-
Research and development expenses		-	-
General and administrative expenses	6	(642)	(603)
Operating loss		**(642)**	**(603)**
Finance income (costs), net	19	(9)	(248)
Loss before income tax		**(651)**	**(851)**
Income tax expense		-	-
Loss for the year		**(651)**	**(851)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation adjustment		5 950	(2 786)
Items that will not be reclassified subsequently to profit or loss			
Changes in fair value of investment in subsidiary at FVOCI	11	(25 275)	43 945
Income tax relating to these items	11	4 828	(10 236)
Other comprehensive income/(loss) for the year		(14 497)	30 923
Total comprehensive (loss) income for the year		**(15 148)**	**30 072**

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

Consolidated Statement of Financial Position
as at 31 December 2025

ASSETS	Note	2025 GBP'000	2024 GBP'000
Non-current assets			
Equipment		3	3
Total non-current assets		**3**	**3**
Current assets			
Receivables	7	19	24
Receivables for shares issued	`10, 24	370	1 895 *
Prepaid expenses		10	-
Restricted deposit	8	4	-
Cash at bank	8	250	440
Total current assets		**653**	**2 359***
Total assets		**656**	**2 362***
EQUITY AND LIABILITIES			
Equity			
Share capital	10	56 946	56 946
Share premium	10	51	51
Additional paid-in capital	10	6	6
Translation reserve		484	472
Other reserves	10	(29 272)	(29 272)
Accumulated losses		(28 848)	(26 958)
Total equity		**(633)**	**1 245***
Current liabilities			
Employee and payroll payables		27	2
Trade payables	14	70	72
Related party liabilities	17	713	661
Accrued expenses		164	62
Convertible loans	14;20	315	320
Total liabilities		**1 289**	**1 117**
Total equity and liabilities		**656**	**2 362***

*Reclassified

The financial statements were approved by the Board and authorised for issue and were signed by

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Max Herzberg - Director

Date: 29 August 2026 ....

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

Company Statement of Financial Position
as at 31 December 2025

The financial statements were approved by the Board and authorised for issue and were signed by

ASSETS

	Note	2025 GBP'000	2024 GBP'000
Non-current assets			
Investments in subsidiaries	9	93 926	112 590
Total non-current Assets		**93 926**	**112 590**
Current assets			
Receivables for shares issued	10,24	370	1 895*
Prepaid expenses		4	-
Cash at bank	8	213	1
Total current assets		**587**	**1 896***
Total assets		**94 513**	**114 486***
EQUITY AND LIABILITIES			
Equity			
Share capital	10	56 946	56 946
Share premium	10	51	51
Additional paid-in capital	10	6	6
Translation reserve		3 164	(2 786)
Fair value reserve through OCI, net of tax	11	26 576	47 023
Accumulated losses		(2 510)	(1 859)
Total equity		**84 233**	**99 381***
Non-current liabilities		**-**	**-**
Deferred tax liabilities	12	9 837	14 665
Total non-current liabilities		**9 837**	**14 665**
Current liabilities			
Accrued expenses		102	49
Convertible loans	14;20	315	320
Trade payables		26	71
Total current liabilities		**443**	**440**
Total liabilities		**10 280**	**15 105**
Total equity and liabilities		**94 513**	**114 486***

*Reclassified

....

Max Herzberg - Director

Date: 29 August 2026 ....

The notes on pages 29 to 52 are an integral part of these financial statements.

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Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

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

	Share capital	Share premium	Additional paid-in capital	Other reserve	Translation reserve	Accumulated losses	Total equity
	GBP'000	GBP'000	GBP'000	GBP'000	GBP'000	GBP'000	GBP'000
Balance as at 31 December 2023	**53 815**	**51**	**6**	**(29 300)**	**244**	**(25 572)**	**(756)**
Comprehensive income for 2024:							
Loss for the year	-	-	-	-		(1 386)	(1 386)
Foreign currency translation differences					**228**		228
Total comprehensive income for the year	-	-	-	-	**228**	**(1 386)**	**(1 158)**
Transactions with owners in their capacity as owners:							
Issue of share capital	2 681	-	-	28	-	-	2 709*
Issue of share capital for assumption of company liability	450	-	-	-	-	-	450*
Total transactions with owners	**3 131**	-	-	**28**	-	-	**3 159**
Balance as at 31 December 2024	**56 946**	**51**	**6**	**(29 272)**	**472**	**(26 958)**	**1 245***
Comprehensive income for 2025:							
Loss for the year	-	-	-	-		(1 890)	(1 890)
Foreign currency translation differences					12		12
Total comprehensive income for the year	-	-	-	-	**12**	**(1 890)**	**(1 878)**
Balance as at 31 December 2025	**56 946**	**51**	**6**	**(29 272)**	**484**	**(28 848)**	**(633)**

*Reclassified

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

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

	Share capital GBP'000	Share premium GBP'000	Additional paid-in capital GBP'000	Fair value reserve GBP'000	Translation reserve GBP'000	Accumulated losses GBP'000	Total equity GBP'000
Balance as at 31 December 2023	**53 815**	**51**	**6**	**13 286**	**-**	**(1 008)**	**66 150**
Comprehensive income for 2024:							
Loss for the year	-	-	-	-	-	(851)	(851)
Fair value reserve movement				33 709	-	-	33 709
Foreign currency translation differences	-	-	-	-	(2 786)	-	(2 786)
Total comprehensive income for the year	**-**	**-**	**-**	**33 709**	**(2 786)**	**(851)**	**30 072**
Transactions with owners in their capacity as owners:							
Issue of share capital	2 681	-	-	28	-	-	2 709*
Issue of share capital for assumption of company liability	450	-	-	-	-	-	450*
Total transactions with owners	**3 131**	**-**	**-**	**28**	**-**	**-**	**3 159**
Balance as at 31 December 2024	**56 946**	**51**	**6**	**47 023**	**(2 786)**	**(1 859)**	**99 381***
Comprehensive income for 2025:							
Loss for the year	-	-	-	-	-	(651)	(651)
Fair value reserve movement				(20 447)	-	-	(20 447)
Foreign currency translation differences	-	-	-	-	5 950	-	5 950
Total comprehensive income for the year	**-**	**-**	**-**	**(20 447)**	**5 950**	**(651)**	**(15 148)**
Balance as at 31 December 2025	**56 946**	**51**	**6**	**26 576**	**3 164**	**(2 510)**	**84 233**

* Reclassified

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

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

	Note	2025 GBP'000	2024 GBP'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss for the year		(1 890)	(1 386)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation		*	*
Finance income		(27)	-
Finance costs		-	40
Foreign exchange loss (income)		(19)	220
Non-cash settlement of expenses		-	266
Other non-cash items		(21)	22
Changes in operating assets and liabilities:			
(Increase)/ decrease in receivables		(5)	32
Increase/ (decrease) in trade payables		(3)	(126)
Increase/ (decrease) in accrued expenses		107	26
Increase/ (decrease) in employees and payroll accruals		25	(12)
Increase in related party liabilities		99	176
Net cash used in operating activities		**(1 734)**	**(742)**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net cash outflow from investing activities		**-**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from shares issued in previous year		1 525	998
Proceeds from loans received	**20**	-	149
Net cash inflow from financing activities		**1 525**	**1 147**
NET(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS		(209)	405
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		23	(25)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		440	60
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**8**	**254**	**440**

* Less than GBP'000 1**.**

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

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

	Note	2025 GBP'000	2024 GBP'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss for the year		(651)	(851)
Adjustments to reconcile net loss to net cash used in operating activities:			
Foreign exchange loss		(2)	202
Finance costs (income)	20	(21)	40
Non-cash settlement of expenses		-	266
Changes in operating assets and liabilities:			
(Increase)/decrease in receivables		(4)	52
Increase/(decrease) in trade payables		(45)	(110)
Increase/(decrease) in accrued expenses		58	49
Net cash used in operating activities		**(665)**	**(352)**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in subsidiary		(648)	(804)
Net cash outflow from investing activities		**(648)**	**(804)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from shares issued in previous year		1 525	998
Proceeds from loans received	**20**	-	149
Net cash inflow from financing activities		**1 525**	**1 147**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		212	(9)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1	10
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**8**	**213**	**1**

The notes on pages 29 to 52 are an integral part of these financial statements.

Vidac Pharma Holding PLC (Registered number: 13479728 England and Wales)

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

1. CORPORATE INFORMATION

VIDAC PHARMA HOLDING PLC was incorporated in England on 28 June 2021 as a private limited liability company and was re-registered as a public limited company on 26 May 2022.

The company is limited by shares, with its registered office at 20-22 Wenlock Road, London, England, N1 7GU. The company's principal place of business is in Israel.

These financial statements present the financial information of VIDAC PHARMA HOLDING PLC ("the parent company") for the year ended 31 December 2025 and the consolidated financial statements encompass VIDAC PHARMA HOLDING PLC and its subsidiary (together "the group").

The registered office of Vidac Pharma Ltd ('subsidiary') is Weizmann Science Park, 7 Oppenheimer Street, Rehovot, Israel.

The beneficial owners of the group are Max Herzberg and Yochai Richter.

Principal activities

The principal activities of the group are research and development activities in the field of biotechnology.

Group structure

The group consists of the company and its directly owned subsidiary. Information on the group structure is provided in Note 4.

2. MATERIAL ACCOUNTING POLICIES

Basis for preparation

Parent company and consolidated financial statements are prepared in accordance with UK-adopted international accounting standards ("UK adopted IFRS"), with the requirements of the Companies Act 2006 (the Act). The consolidated financial statements comply also with International Financial Reporting Standards as adopted by the European Union (EU).

The company and consolidated financial statements have been prepared on an accruals basis and under the historical cost convention, except where indicated otherwise.

The material accounting policies adopted by the group in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements are presented in Britain pounds (GBP) rounded to the nearest thousand (GBP'000).

Adoption of new or revised standards and interpretations

The group's consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The accounting policies applied are consistent with those of the previous financial year except as described below.

Standards and amendments adopted in the current year

The following amendments became effective for annual reporting periods beginning on or after 1 January 2025 and have been applied by the Group for the first time in these financial statements:

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. These amendments did not have a material impact on the Group's consolidated financial statements.

Standards and interpretations issued but not yet effective

At the date of authorisation of these consolidated financial statements, the following new and amended Standards and Interpretations had been issued by the IASB but were not yet effective and have not been early adopted by the Group:

Standard / Amendment	Effective date (annual periods beginning on or after)	Expected impact on the Group
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	Will replace IAS 1 and introduce a new structure for primary financial statements, including new subtotals and enhanced disclosures. The Group expects the impact to be limited to presentation and disclosure; no effect on recognition or measurement.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	Provides reduced disclosure requirements for eligible subsidiaries. The Group will assess eligibility; adoption would reduce disclosure volume but not affect measurement.
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	1 January 2026	Amendments address matters identified during the post-implementation review, including derecognition and contractual cash flow characteristics. The Group is assessing the impact, but does not expect material changes to recognition or measurement.
Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027	Addresses the effects of changes in foreign exchange rates to clarify the translation of financial statements from a non-hyperinflationary functional currency into a hyperinflationary presentation currency and to introduce related disclosure requirements. The Group is assessing the impact, but does not expect these amendments to have a material impact on the Group's consolidated financial statements

The Group does not intend to adopt any of the above Standards and amendments early. Management does not expect that their adoption will have a material impact on the consolidated financial statements of the Group in future periods, except for changes to presentation and disclosure.

No new IFRIC interpretations have been issued that are applicable to the Group.

Going concern

The group is engaged in research and development of new anticancer medicines with no revenue from operations. The group incurred a pre-tax loss of GBP'000 1 890 for the year. The accumulated losses were GBP'000 28 848 as at 31 December 2025. Management expects operating losses and negative operating cash flows to continue for the foreseeable future because of additional costs and expenses related to product development activities. Continued operation of the group is dependent upon future infusion of funds as the group meets their day-to-day working capital requirements through support from investors.

Considering the above, the group has assessed the going concern assumption based on which the financial statements have been prepared.

In order to analyse the impact of the risk of losing financing and the group's ability to continue as a going concern management has prepared the revised financial forecast. The group finances its activity in 2026 by investment of one of its main shareholders, month by month, which is estimated to be sufficient for maintaining operation for the next 12 months. These provide the evidence that the group is able to operate as a going concern. From the beginning of 2026 and up to the date these financial statements were authorised for issue the main shareholder transferred to the Group about GBP'000 695.

Based on these steps undertaken by the group, management concluded that it is appropriate to prepare the financial statements on a going concern basis. However, due to the uncertain impact of the future developments, management concludes that a material uncertainty exists, which may cast significant doubt about the group's ability to continue as a going concern and, therefore, the group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, income and expenses, unrealised gains and losses and dividends resulting from intra-group transactions that are recognised in assets, are eliminated in full.

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity. The group treats transactions with non-controlling interests as transactions with equity owners of the group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or retained earnings, as appropriate.

Foreign currencies

The consolidated financial statements are presented in British pounds (GBP), which is the presentation currency of the Group. The Directors consider GBP to be the most appropriate presentation currency as the Company is incorporated as a UK public limited company. The parent company's functional currency is the Euro (EUR), reflecting the primary economic environment in which it incurs expenses and expects to receive funding and revenues. The subsidiary's functional currency is the United States Dollar (USD), reflecting its own economic environment. For each entity, the group determines the functional currency and items included in the functional statements of each entity are measured using that functional currency which is the currency of the primary economic environment in which the entity operates.

Entities whose functional currencies differ from the reporting currency were translated according to IAS 21 as follows:

- Income and expenses of foreign operations are translated at average rates (unless rates fluctuate significantly).
- Assets and liabilities are translated at closing rate.
- Exchange differences go to Other Comprehensive Income (OCI) under translation reserve.

The relevant exchange rates were:

Currency	Closing rate as at 31 December 2025	Average 2025	Closing rate as at 31 December 2024	Average 2024
GBP/EUR	1.1454	1.1678	1.2059	1.1814
GBP/USD	1.348	1.3176	1.2574	1.2781

Transactions and balances

Transactions in foreign currencies are initially recorded by the group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit and loss.

Non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the items.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amount of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into British Pound (GBP) at the rate of exchange prevailing at the reporting date and their income statements are translated at average exchange rates prevailing during the year. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

Investments in subsidiaries (relates to parent company)

In the company's separate financial statements, investments in subsidiaries are measured at fair value through other comprehensive income (FVOCI) in accordance with IAS 27 and IFRS 9. This irrevocable election is applied to all subsidiaries. Investments are initially recognised and subsequently measured at fair value in accordance with IFRS 13. Changes in fair value are recognised in other comprehensive income and are not reclassified to profit or loss on disposal. Dividends received from subsidiaries are recognised in profit or loss when the right to receive payment is established, unless they represent a recovery of part of the investment cost.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at the bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows, and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Property, plant and equipment

Property, plant and equipment are measured at acquisition cost.

Depreciation is calculated on a straight-line basis over the useful life of the assets at annual rates as follows:

	%
Computers and peripheral equipment	33
Office equipment	7

The useful life and depreciation method of an asset are reviewed at least each year-end and any changes are accounted for prospectively as a change in accounting estimate. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised.

Research and development expenses

Research and development (hereinafter – "R&D") incurred in the development of the group's technologies are charged to research and development expenses in the statement of profit and loss when incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, the group can demonstrate all of the following:

- The technical feasibility of completing the development of the intangible asset so that it will be available for use or for sale;
- Its intention to complete the development of the intangible asset and use or sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits, which includes the existence of a market for the output of the intangible asset or the intangible asset itself or, if the intangible asset is to be used internally, the usefulness of the intangible asset;
- The availability of adequate technical, financial and other resources to complete the development of, and to use or sell the intangible asset.
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

As of 31 December 2025, the Group has not yet capitalised any development costs.

Government grants

The group has received grants from the Israeli Innovation Authority to fund R&D activities. These grants are offset against the related R&D expenses in the profit and loss statements. These grants are not recognised as liabilities at the receipt due to an assessment that future economic benefits from the R&D activities, which could result in royalty-bearing sales, are not expected.

Per IAS 20, grants are recognised when there is reasonable assurance that the conditions will be met and the grants received. They are based on incurred cost.

The company reassesses the potential of future economics benefits at each reporting date. As of 31 December 2025, the assessment remains unchanged, and the royalty obligation is treated as a contingent liability under IAS 37, as the outflow of resources is not considered probable.

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares,
- By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to account for:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares,
- The weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

(iii) Loss per share

If the company incurs a loss instead of earnings, diluted loss per share is the same as basic loss per share. This is because including potential dilutive instruments would decrease the loss per share, which would be anti-dilutive. As a result, no adjustments are made for dilutive potential ordinary shares when calculating loss per share.

Fair value estimations

The company requires measuring the fair value of financial instruments using the following hierarchy:

- Quoted prices (unadjusted) in active markets where identical assets and liabilities are traded (level 1).
- Inputs other than quoted prices, which were not included in level 1, that are observable relating to the assets or liability, either directly (i.e., price) or indirectly (i.e., derived from the price) (level 2).
- Inputs about the asset or liability that are not based on observable market information (unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers the observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Financial assets

Financial assets - Classification

The company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depend on: (i) the company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the company may irrevocably designate a debt financial asset that otherwise meets the requirements tobe measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.
All other financial assets are classified as measured at FVTPL, except for trade and other receivables.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). Items of other comprehensive income will not be reclassified subsequently to profit or loss and will be reclassified subsequently to profit or loss when specific conditions are met.

Financial assets - Recognition and derecognition
All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price, which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - impairment - credit loss allowance for expected credit losses (ECL)

The company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets”. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the company applies the general approach - three stage model for impairment. The company applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 22, Credit risk section, for a description of how the company determines when a SICR has occurred. If the Company determines that a financial asset is credit- impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally, the company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 22, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written off, in whole or in part, when the company has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The company may write-off financial assets that are still subject to enforcement activity when the company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets – modification

The company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The company assesses whether the modification of contractual cash flows is substantial considering, among others, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the company compares the original and revised expected cash flows to assess whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Financial liabilities - modifications

An exchange between the company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch-up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are recognised in equity as a deduction, net of tax, from the proceeds. Where any group company purchases the company’s equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company’s equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company’s equity holders.

Share capital and share premium are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of tax effects.

Replacement shares as part of equity transactions are recorded at their nominal value in the share capital account, with any excess proceeds credited to the share premium account.

Additional paid-in capital

Additional paid-in capital relates to equity instruments, which are contracts that provides an interest in the company's equity. Equity instruments issued by the company are recorded at the proceeds received, net of any direct issue costs.

Fair value reserve through OCI

Investment in subsidiaries is carried out at fair value at the date of the revaluation less any accumulated impairment losses. Revaluation is undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the statement of financial position date.

Fair value is determined from the market-based evidence undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the other comprehensive income unless losses exceed the previously recognised gains.

Convertible loans

Convertible loan agreements may contain multiple components, including a debt host, conversion features and, where applicable, detachable warrants.

Initial recognition
On issue, the proceeds received are allocated between the components of the instrument based on their relative fair values. Where a conversion or warrant feature meets the definition of equity (the "fixed-for-fixed" test), that component is recognised in equity. Otherwise, conversion and warrant features are classified as derivative financial liabilities and recognised at fair value through profit or loss. Transaction costs that are directly attributable to the issue of the instrument are allocated to each component on a rational basis.

Debt component
The residual amount is recognised as a financial liability at amortised cost. It is subsequently measured using the effective interest rate method, with finance charges recognised in profit or loss over the term of the instrument.

Derivative component
Derivative features (such as conversion options or warrants that do not qualify as equity) are measured at fair value at each reporting date, with changes recognised in profit or loss. Fair value is determined using valuation techniques consistent with IFRS 13, typically Level 3 inputs such as volatility, risk-free rates and expected conversion dates.

Conversion or settlement
On conversion, the carrying amount of the liability is derecognised and equity instruments issued are recorded at their nominal value, with any difference recognised in equity. If the instrument is repaid rather than converted, the liability is recognised on settlement and any difference between the carrying amount and the amount paid is recognised in profit or loss.

Upon initial recognition, convertible loan agreements are classified as a financial liability and measured at fair value, considering any transaction costs directly attributable to the issuance. The fair value of the liability components is determined based on valuation of those components. The embedded derivative component, representing the conversion and option features is separated from the liability component and accounted for as derivative financial instruments. It is initially recognised at fair value and subsequently measured at fair value through profit or loss, with changes in fair value recognised in the income statement.

The financial liability component of the convertible loan agreements is subsequently measured at amortised cost using the effective interest method. Any difference between the carrying amount and the repayment amount is recognised in the income statement over the loan's term. Upon conversion of the loan, the financial liability component is derecognised.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method. For trade payables with a short-term maturity, the carrying amount approximates to fair value due to their short-term nature.

Foreign currency

Foreign currency transactions are translated at the rates of exchange applicable at the dates of the transactions. Foreign currency balances outstanding at the statement of financial position date are translated at the rates of exchange ruling on that date.

Deferred tax

Deferred tax is recognised on temporary differences between carrying amounts and tax bases of assets and liabilities. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available. Deferred tax is measured using tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is not recognised on goodwill or on initial recognition of assets/liabilities in transactions that are not business combinations and affect neither accounting nor taxable profit. No deferred taxes were recognised with respect of carryforward losses for tax purposes in the parent company. The only deferred taxes which were recognised are due to the revaluation of the subsidiary.

Critical accounting estimates, judgments and assumptions

The preparation of financial statements in conformity with UK Adopted IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Investment in subsidiary (relates to parent company) (Note 9)

The parent company uses an independent valuation specialist to conduct an annual fair-value valuation of its investment in the subsidiary. Key estimates and assumptions with a risk of material adjustment are discussed below. Refer to Note 9 for further details.

The impairment assessment involves forecasting future cash flows based on the expected market conditions, determining an appropriate discount rate reflecting market assessments and subsidiary-specific risks, and establishing growth rates based on industry trends and economic conditions.

When market data is unavailable, fair value is estimated using valuation techniques, including comparable transactions and discounted cash flow analysis.

Management regularly reviews these judgments and updates them based on actual outcomes and changes in the business environment. Material adjustments are recognised in the period they are determined.

Deferred taxes (Note 12)

The company assesses the recoverability of deferred tax assets based on future taxable income projections, which are inherently uncertain and may be subject to changes over time. Judgment is required to assess the impact of such changes on the measurement of these assets and the time frame for their utilisation. As of 31 December 2025, the group and the company did not recognise deferred tax assets.

The group applies judgment to recognise deferred tax liabilities when probable and can be reasonably estimated depending on the interpretation of applicable tax laws and regulations, which may be uncertain. The management periodically reviews its estimates to reflect changes in facts and circumstances, see Note 12.

Government grants (Note 21)

Management exercises significant judgment in assessing whether R&D activities funded by IIA grants will generate future sales bearing royalties, currently judged as unlikely. Grants are recognised when there is reasonable assurance that the conditions will be met and the grants will be received, based on costs incurred. The potential royalty obligations are classified as contingent liabilities, reflecting the assessment that the outflow of resources is not considered probable at this stage.

recognised *Convertible loan agreements (Note 20)*

Classification of conversion and warrant features
The Group has exercised judgement in determining the appropriate classification of conversion and warrant features embedded within its convertible loan agreements. In particular, management assessed whether these features meet the "fixed-for-fixed" criterion under IAS 32. As the conversion price and warrant exercise price are linked to future listing valuations and include a discount mechanism, the terms do not meet the fixed-for-fixed test. Accordingly, the conversion and warrant features have been classified as derivative financial liabilities and measured at fair value through profit or loss.

Valuation of derivative financial instruments
The fair value of the conversion and warrant features is determined using a Monte Carlo simulation model and involves the use of significant unobservable inputs, including expected share price volatility, risk-free interest rates, and the expected timing of a future listing. These inputs are inherently uncertain and could result in a material change in fair value if assumptions vary. Management believes that the assumptions used represent the best estimate of market conditions at the reporting date.

3. SEGMENT INFORMATION

The Directors believe that the group's operations represent one segment, and they are treated as such when evaluating performance.

4. GROUP INFORMATION

The consolidated financial statements of the Group include

Name	**Principal activities**	**Country of incorporation**	**% Equity interest**
Vidac Pharma LTD	Biotechnology	Israel	100

On 6 July 2021, VIDAC PHARMA HOLDING PLC acquired 100% of the share capital of Vidac Pharma LTD ("Vidac Pharma"). The acquisition represented a group restructuring of the existing business since Vidac Pharma LTD and VIDAC PHARMA HOLDING PLC were under common control. There were no material transactions between 6 July 2021 and 1 August 2021; therefore, 1 August 2021 was chosen as the starting date for the group's reporting period.

Business combination under common control

The group elected to apply the predecessor values method for transactions under common control. No assets or liabilities were restated to their fair values. Instead, the group incorporated predecessor carrying values.

5. RESEARCH AND DEVELOPMENT EXPENSES

	2025 **GBP'000**	**2024** **GBP'000**
Materials, subcontractors and consultants	542	125
Salaries and related expenses	84	32
Patents	141	54
Maintenance and office expenses	17	4
Total expenses	**784**	**215**

6. GENERAL AND ADMINISTRATIVE EXPENSES

GROUP	2025 GBP’000	2024 GBP’000
Professional fees	1,037	836
Others	30	44
Salaries and related expenses	40	10
Maintenance, office and sundries	10	5
Depreciation	*	-
Total expenses	**1,117**	**895**

COMPANY	2025 GBP’000	2024 GBP’000
Professional fees	625	572
Others	17	31
Total expenses	**642**	**603**

* Less than GBP’000 1.

The company incurred expenses in the amount of GBP’000 642 in 2025 (GBP’000 603 in 2024) related mainly to the registration for trading in the “Primärmarkt” of the Düsseldorf Stock Exchange GBP’000 357.

The company incurred statutory audit fees of GBP’000 42 for 2025 and GBP’000 28 for 2024.

7. RECEIVABLES

Receivables are financial assets classified and measured at amortised cost under IFRS 9. They are subject to the expected credit loss (ECL) model. Given the short-term nature and high credit quality of counterparties, management has assessed that the ECL is immaterial, and therefore no loss allowance has been recognised in either 2025 or 2024.

GROUP	2025 GBP’000	2024 GBP’000
Receivables	19	24
	19	**24**

8. CASH AT BANK

The cash balances are held with major financial institutions. These balances are available for use by the Group and the company and are not restricted, pledged as collateral, or otherwise encumbered.

Cash balances are analysed as follows:

GROUP	2025 GBP’000	2024 GBP’000
Restricted deposit	4	-
Cash at bank	250	440
	254	**440**

In 2025, the subsidiary obtained a credit card with a credit line. For this purpose, it recorded a lien in the amount of 4 thousand pounds in favour of the bank.

COMPANY

	2025 GBP'000	2024 GBP'000
Cash at bank	213	1
	213	**1**

9. INVESTMENT IN SUBSIDIARY

	GBP'000
Balance as of 31 December 2023	**70 840**
Addition – new subscribed capital	804
Change in fair value recognised in OCI	43 945
Foreign currency translation adjustment	(2 999)
Balance as of 31 December 2024	**112 590**
Addition – new subscribed capital	648
Change in fair value recognised in OCI	(25 275)
Foreign currency translation adjustment	5 963
Balance as of 31 December 2025	**93 926**

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	Holding %	**2025 GBP'000**
Vidac Pharma Ltd	Israel	Biotechnology	100	**93 926**

On 6 July 2021, 100% of the shares of Vidac Pharma Ltd were contributed to the company's share capital at a fair value of GBP'000 48 023.

Vidac Pharma Holding PLC subscribed for additional equity shares in Vidac Pharma Ltd in 2024 and 2025, with a total net contribution of GBP'000 804 in 2024 and GBP'000 648 in 2025.

Based on the valuation performed as at the year ended 31 December 2025, the subsidiary's overall value is GBP'000 93 926 (2024: GBP'000 112 590).

The company has elected to measure the investment in the subsidiary at fair value through other comprehensive income (FVOCI).

The fair value was based on an independent valuation report as at 31 December 2025. The fair value of the subsidiary has been estimated by applying a Royalty Income Model. The fair value measurements are based on significant inputs that are not observable in the market (Level 3).

The fair value estimate is based on key assumptions:

- An assumed discount rate between 8.9% to 16.2% is calculated based on the capital asset pricing model (2024: between 7.9% to 19.5%).
- The probability of approval for each of the two products, as the valuation is based on a risk-based approach, is 20% and 25% for Products 1 and 2 respectively, see explanation below (2024: Product 1:15%, Product 2: 20%).
- Royalty rates of 22% and 17% as a percentage of sales revenue generated by the licensed intellectual property for Products 1 and 2 respectively (2024: 22% and 17%).

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at the 31 of December 2025 and 2024, are shown below:

Sensitivity analysis and impact on Profit or loss and equity by changing the listed parameters below as opposed the parameters which were used in the valuation as mentioned above at 31 December 2025:

Significant unobservable inputs		Profit or loss		Other comprehensive income (net of tax)	
		Increase GBP'000	Decrease GBP'000	Increase GBP'000	Decrease GBP'000
Discount rate*	+2%	-	-	-	(8 300)
	-2%	-	-	16 500	-
Probability of success*	-5%	-	-		(11 100)
	+5%	-	-	3 000	
Royalties rate*	+2%	-	-	7 400	
	-2%	-	-		(7 400)

Sensitivity analysis and impact on Profit or loss and equity by changing the listed parameters below as opposed the parameters which were used in the valuation as mentioned above as at 31 December 2024:

Significant unobservable inputs		Profit or loss		Other comprehensive income (net of tax)	
		Increase GBP'000	Decrease GBP'000	Increase GBP'000	Decrease GBP'000
Discount rate*	+2%	-	-	-	(13 725)
	-2%	-	-	17 100	-
Probability of success*	+5%	-	-	9 812	-
	-5%	-	-	-	(9 895)
Royalties rate*	+2%	-	-	9 975	
	-2%	-	-		(9 975)

** Holding all other variables constant*

In relation to the fair valuation of the investment in the subsidiary, the parent company is exposed to market risk. The market is the risk that a financial instrument's fair value or future cash flows will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and liquidity risk.

Interest rate risk
The parent company is exposed to the risk of changes in market interest rates, which relates primarily to their impact on the estimate of the discount rate used for the valuation of the investment in the subsidiary.

The parent company estimates that significant fluctuations in interest rates are unlikely under current market conditions. Base rates are expected to either remain unchanged or see a slight reduction in the foreseeable future. Even if there is a base rate change due to increased inflation, such changes are anticipated to be minor, as there is a global trend towards declining inflation. This aligns with the expectations of international capital markets.

Foreign currency risk
Foreign currency risk is the risk that the fair value of the investment in the subsidiary will fluctuate due to changes in foreign exchange rates. The parent company is primarily exposed to this risk through the subsidiary's operating activities, where expenses are denominated in U.S. dollars and Israeli shekels. Despite the exposure to foreign currency risk from costs denominated in U.S. dollars and Israeli shekels, favourable exchange rate fluctuations could potentially reduce operating costs and improve the subsidiary's profitability.

Liquidity risk
Since its inception, the subsidiary has not generated any product revenue and has incurred operating losses and negative cash flows from operations. It anticipates incurring significant expenses and operating losses for the foreseeable future as it advances product candidates through clinical development. To date, the company has primarily funded its operations with proceeds from the sale of ordinary shares and shareholder loans.

10. SHARE CAPITAL

	2025	2025	2024	2024
	Number of shares	GBP'000	Number of shares	GBP'000
Authorised				
Ordinary shares of £1 each	56 946 204	56 946	56 946 204	56 946
Issued				
Issued and paid ordinary shares	56 946 204	56 946	56 946 204	56 946
Balance at the 31 December	56 946 204	56 946	56 946 204	56 946

Company receivables as at 31 December 2025 and 2024 include GBP'000 370 and GBP'000 1 895 for share capital, respectively.

Events in 2025

In 2025 GBP 1,525,849 was transferred to the company to pay the issuance of replacement shares of GBP 3,131,062 which were issued in 2024. The shares above have been paid in cash and through services in an amount equal to GBP 1,235,427 in 2024. Up to the date these financial statements were authorized for issue, the outstanding GBP 369,786 had been paid by the shareholder.

Events in 2024

In 2024, following a resolution by the Shareholders and acting as an agent in accordance with an agency agreement, a Director of the company and shareholder sold his shares on the stock market at the nearest market price, as requested by the Board and the Shareholders. The net proceeds were deposited into the company's bank account in order for the company to fulfill its obligations. Subsequently, the company issued 3 131 062 replacement shares to a Director, equal to the number of shares sold by him, each with a nominal value of GBP 1. This transaction is treated as an equity transaction, with the proceeds recognised in equity. The issuance of replacement shares increased the share capital by GBP 3,131,062. The shares above have been paid in cash and through services in an amount equal to GBP 1,235,427 in 2024. The GBP 1 895 128 remained unpaid as at 31 December 2024.

ADDITIONAL PAID-IN CAPITAL

	2025 GBP'000	2024 GBP'000
Additional paid-in capital	6	6
	6	6

Additional paid-in capital pertains to a Convertible Loan Agreement, a financial instrument that includes a contractual option for converting the loan into an equity interest in the company.

OTHER RESERVES

	2025 GBP'000	2024 GBP'000
Other reserves	(29 272)	(29 272)
	(29 272)	(29 272)

This reserve pertains to an acquisition under common control and represents the difference between the acquirer's investment cost and the acquiree's equity. In the consolidated financial statements, it is presented as a separate reserve, described as "Other Reserve", within equity. The reserve is used to cover the differences between the face value of each issued share and the amount received for it, which is lower than its face value.

11. FAIR VALUE RESERVE THROUGH OCI, NET OF TAX

	2025 GBP'000	2024 GBP'000
Items that will not be classified to profit or loss:		
Fair value through other comprehensive income:		
Valuation gains on fair value through other comprehensive income investment in subsidiary	(25 275)	43 945
Tax relating items that will not be reclassified	4 828	(10 236)
	(20 447)	**33 709**

The investment is classified as a Level 3 fair value measurement under IFRS 13. Valuation methodology and key inputs are disclosed in Note 9.

12. DEFERRED TAX LIABILITIES

Deferred tax is calculated in full on temporary differences under the liability method using a UK corporation tax rate of 25%.

	2025 GBP'000	2024 GBP'000
Deferred tax liabilities		
As at the 1 January	(14 665)	(4 429)
Additional tax on revaluation increase	4 828	(10 236)
As at the 31 December	**(9 837)**	**(14 665)**

Deferred tax liability has been recognised in respect of temporary differences due to fair value revaluation of investment in a subsidiary recognised through other comprehensive income.
Carry forward operating tax losses of the Company total approximately GBP'000 2 533.

13. EMPLOYEES AND DIRECTORS

	2025 GBP'000	2024 GBP'000
Salaries	86	35
Social security costs	40	7
	126	**42**

The group's average number of employees during the year was as follows:

	2025	2024
Directors	4	4
Administrative and managing personnel	1	1
Research and development staff	2	1
	7	**6**

All staff costs are incurred by the group component. The parent company has no employees, except four Directors.

No remuneration, fees, pension contributions or other benefits were paid or are payable to the directors of the company for the years ended 31 December 2025 and 2024.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE AND MORE THAN ONE YEAR

Amounts falling due within one year	Group		Company	
	2025 GBP'000	2024 GBP'000	2025 GBP'000	2024 GBP'000
Trade payables	70	72	26	71
Convertible loans	315	320	315	320
Related party liabilities	713	661	-	-
Accrued expenses	164	62	102	49
Employee and payroll payables	27	2	-	-
	1 289	**1 117**	**443**	**440**

Amounts falling due within more than one year	Group		Company	
	2025 GBP'000	2024 GBP'000	2025 GBP'000	2024 GBP'000
Deferred tax liabilities	-	-	9 837	14 665

15. FINANCIAL ASSETS AND LIABILITIES

Financial assets	Group				Company			
	2025 GBP'000		2024 GBP'000		2025 GBP'000		2024 GBP'000	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Cash and cash equivalents	-	250	-	440	-	213	-	1
Restricted deposit		4				-	-	-
Receivables for shares issued		370		1 895		370		1 895
Account receivables	-	19	-	24	-	4	-	**4**
	-	**643**	**-**	**2 359**	**-**	**587**	**-**	**1 900**

Financial liabilities	Group				Company			
	2025 GBP'000		2024 GBP'000		2025 GBP'000		2024 GBP'000	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Convertible loans	51	264	37	283	51	264	37	283
Account payables	-	70	-	72	-	26	-	71
Related party		713		661		-		-
Accrued expenses	-	164	-	62	-	102	-	49
Other payables	-	-	-	-	-	-	-	-
	51	**1 211**	**37**	**1 078**	**51**	**392**	**37**	**403**

16. LOSS PER SHARE

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	For year ended 31 December 2025 GBP'000	For year ended 31 December 2024 GBP'000
Loss attributable to ordinary equity holders, GBP'000	(1 890)	(1 386)
Weighted average number of shares outstanding	56 946 204	54 579 468
Basic and diluted earnings per share (GBP'000 per share)	**(0.000033)**	**(0.000025)**

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the period multiplied by a time weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been in issue. This means that they were issued at the start of the year and presented as comparative figures.
No diluted loss per share is required to be calculated for the year because the company incurred a loss, and including potential dilutive instruments would have an anti-dilutive effect.

17. RELATED PARTy TRANSACTIONS

On 15 March 2023, VIDAC PHARMA HOLDING PLC formalised Convertible Loan and Warrant Agreements with Directors and investors, securing a total of GBP'000 205.

On 14 May 2023, Directors and investors converted the Convertible Loan and Warrant Agreements into shares, as detailed in Note 10.

On 19 December 2023, the company entered into additional Convertible Loan and Warrant Agreements with Directors and investors totalling GBP'000 123. The outstanding balance as at 31 December 2025 was GBP'000 132.

During 2023 and 2024, a company's Director and shareholder acted as an agent to sell shares, with proceeds deposited into the company's bank account, followed by the issuance of replacement shares. For further details, please refer to Note 10.

On 1 May 2024, the company entered into additional Convertible Loan and Warrant Agreements with Directors totalling GBP'000 90. The outstanding balance as at 31 December 2025 was GBP'000 122.

In 2025, the parent company invested GBP'000 648 as new subscribed capital in its subsidiary and GBP'000 804 in 2024.

The subsidiary entered into an agreement with a related party to secure an investment, under which the related party waived its right to receive compensation for services rendered (USD'000 15 per month). As at 31 December 2025, related party payables amounted to GBP'000 713 (2024: GBP'000 661), with the year-on-year increase representing accruals.

18. CONTINGENT LIABILITIES

In 2019, the subsidiary modified payment and performance terms with some of its service providers to restructure payment terms following the board of Directors' decision to cease and close its business operations. As a result, liabilities to these service providers amounting to GBP'000 137, at 31 December 2025, were reversed and will be paid and recognised upon the occurrence of certain future equity events. As of the date of approval of the financial statements, these equity events had not occurred.

In 2025, the company modified the Compensation Agreement with a service provider according to which the service provider will be paid a fixed amount for the services provided and the entire amount of the fee will be invoiced at 1% of the proceeds received by the company in connection with share placements.
As a result, liability to this service provider amounting to GBP'000 274, as it stands as at 31 December 2025, was reversed and will be paid and recognised upon the occurrence of certain future placement shares . As of the date of approval of the financial statements, placement shares events had not occurred.

The company had no other contingent liabilities, except for those mentioned above, as at 31 December 2025 and 31 December 2024.

See note 21 regarding the grants the subsidiary received in the past from the Israel Innovation Authority.

19. FINANCIAL(IMCOME)/COSTS, NET

	Group		Company	
	2025 GBP'000	**2024 GBP'000**	**2025 GBP'000**	**2024 GBP'000**
Bank commissions	29	16	26	6
Interest (income)/expenses on loan hosts (amortised cost)	(33)	67	(33)	67
Fair value changes on conversion features/warrants (FVTPL)	12	(27)	12	(27)
Foreign exchange loss/(income)	(19)	220	4	202
	(11)	**276**	**9**	**248**

20. CONVERTIBLE LOANS

On December 19, 2023, the company entered into Convertible Loan and Warrant Agreements (CLA) with investors, totalling GBP'000 123 which carry an interest rate of 7% per annum ("CLA 12.23"). The loan shall become due and repayable after one year if not converted earlier according to the following terms. If the company's shares are admitted to a regulated EU Stock Exchange (Direct Listing). Every investor has the right to convert its respective portion of the loan amount into shares of the company at a conversion price reflecting a discount of 25%.

In addition, the Company granted each investor a warrant to purchase the company's shares for an aggregate amount equal to 100% of its principal amount at an exercise price per share equal to the lower of: (i) the price per share of the company's shares at the time of the Direct Listing, as applicable; and (ii) a price per share reflecting a 25% discount over the closing price of the 7 trading days average prior to the date of warrant exercise, during the Warrant Period of one year.

On January 24, 2024, the company entered into a CLA with investors, totaling GBP'000 59 ("CLA1.24"). The terms of this agreement are aligned with those of the agreement signed on December 2023.

On May 1, 2024, the company entered into a CLA with investors, totalling GBP'000 90 ("CLA 5.24"). The terms of this agreement are aligned with those of the agreement signed on December 2023.

The Group did not incur any directly attributable transaction costs on the issue of these instruments.

In December 2025 the company agreed with the lenders to prolong the CLA in a way that the maturity date was set to 31 December 2026 .31 December 2025 was set as a re-valuation date.

The conversion component and warrant were measured at fair value by an independent valuer which used the Monte Carlo model assuming that, in each scenario, investors would prefer to convert the option into company shares instead of receiving the loan and assuming an expected conversion dateduring 2028 and key inputs (volatility 38.78%, risk-free rate 4.02%, expected conversion date 30.11.28) (Level 3). The loan component was initially recognised at residual value and subsequently measured using the effective interest rate method.

The annual effective interest rate of the loan component is16.1%

During 2025 none of the loans were converted or paid and all changes are related to changes in fair value and accrued interest, which was recognised in Profit and Loss (see Note 19).

Management has considered reasonably possible changes in the key assumptions used in valuing derivative financial liabilities and the investment in the subsidiary. Given the immaterial impact of such changes, no sensitivity analysis has been presented.

	2025 GBP'000	2024 GBP'000
Amortised loans components	264	283
Warrant	9	17
Conversion components	42	20
	315	**320**

	GBP'000
Balance as of 31 December 2023	**142**
Addition – new CLAs	149
Change in fair value	40
Foreign currency translation adjustment	(11)
Balance as of 31 December 2024	**320**
Change in fair value recognised	(21)
Foreign currency translation adjustment	16
Balance as of 31 December 2025	**315**

21. COMMITMENTS

In 2012, the subsidiary signed a license agreement with Ramot at Tel Aviv University Ltd ("TAU"), granting the subsidiary an exclusive, worldwide, royalty-bearing license. In March 2012, the company signed a similar agreement with B.G. Negev Technologies and Applications Ltd and the National Institute of Biotechnology in the Negev ("BGU"), granting an exclusive, worldwide, royalty-bearing, sub-licensable license. Both agreements grant the subsidiary the right to use patents and know-how. Under these agreements, the subsidiary is committed to paying royalties and milestone fees to TAU and BGU according to the terms specified in the agreements. The subsidiary does not anticipate that it will make any payments in respect of the above agreements. To date, the subsidiary has not paid anything.

In the early years of the subsidiary's operations, it received and utilised research and development grants from the State of Israel, following the guidelines and procedures established by the Israel Innovation Authority (IIA). Under the agreement, the company is obligated to pay royalties on its sales, with total royalties not exceeding the amount of the grants, which are linked to the U.S. Dollar and accrue annual interest. Repayment is conditional on generating future sales, the timing and likelihood of which remain uncertain.
As at 31 December 2025, the total royalties' amount that may be payable by the Company including annual interest, is approximately USD'000 6thousand.

In 2019, the subsidiary's Board approved a monthly compensation for a related party serving as an executive officer (USD'000 15 per month). This compensation will be accrued and payable once the subsidiary secures a specified investment through investments, loans, R&D collaborations, or other financing (see Note 17). The company recorded this obligation in the report.

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital risk management

The group's objectives when managing capital are:

- to safeguard the group's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the group's growth; and
- to provide capital for the purpose of strengthening the group's risk management capability.

The group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure, taking into consideration the future capital requirements of the group and capital efficiency, prevailing and projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves for capital management purposes.

For the purposes of capital management, the Group defines capital as total equity, which amounted to GBP'000 (633)at 31 December 2025 (2024: GBP'000 1 245). There were no changes in the Group's objectives, policies, or processes for managing capital during the year ended 31 December 2025 compared with the prior year.

The Group is not subject to externally imposed capital requirements other than those arising from the Companies Act 2006 and its Articles of Association. Management regularly monitors the adequacy of capital to ensure the Group can meet its liabilities as they fall due and support future growth.

Financial Risk Factors

The group is exposed to market risk, foreign currency risk, credit risk and liquidity risk. Within the operating subsidiary, the entities' senior management oversees the management of these risks for their operations and periodically identifies, measures, and manages these risks. These risks are summarised below:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in market prices. Given that the group is not yet selling any final products this risk is not a risk that affects the group in the current year, however, when the group does begin to sell products, it is a risk that will have to be considered.

Foreign currency risk

Foreign currency risk is the risk that the value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The group is primarily exposed to this risk through its subsidiary, which operates in Israeli Shekels, conducts transactions in U.S. Dollars, and has operational currency in Euros, while the group's presentation currency is British Pounds.

31 December 2025 GBP'000	**GBP**	**USD**	**EUR**	**NIS**	**Total**
Receivables				19	19
Receivables for shares issued			370		370
Restricted deposit				4	4
Cash at bank		2	226	22	250
Employee and payroll payables				(27)	(27)
Trade payables	(24)		(46)		(70)
Related party liabilities		(713)			(713)
Accrued expenses	(44)		(81)	(39)	(164)
Convertible loans		(315)			(315)
Net exposure	(68)	(1 026)	469	(21)	(646)

A 10% strengthening/weakening of GBP against each currency at the reporting date would have the following approximate effect on profit or loss:

Currency	**+10% movement impact**	**-10% movement impact**
	GBP'000	
USD	102	(102)
EUR	(47)	47
NIS	2	(2)

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a customer contract leading to financial loss. The group is exposed to credit risk from its operating activities and from its financial activities, including tax receivables, foreign exchange transactions and other financial instruments.

GBP'000	2025	2024
	GBP'000	
Receivables	19	24
Receivables for shares issued	370	1 895
Restricted deposit	4	-
Cash at bank	250	440
Total maximum exposure	**643**	**2 359**

The group does not have trade receivables since it is at the research and development stage. Other receivables are not considered substantial. The Group's principal credit risk arises from cash balances held with banks. Management considers the credit risk associated with these balances to be low as they are placed with reputable financial institutions.

Liquidity risk
Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses.

As at 31 December 2025, the group is not facing imminent liquidity risks due to its cash reserves, financing commitments from shareholders, and funding plans. The group maintains its liquidity by attracting additional investments from both existing and potential investors as needed to support its operations. However, there is some inherent uncertainty because the group relies on external financing rather than operational income. Despite this, management is confident in their ability to secure the necessary financing to sustain the group's business activities over the next 12 months.

	<3m	**3–12m**	**Total**
	GBP'000		
Employee and payroll payables	27		27
Trade payables	70		70
Related party liabilities		713	713
Accrued expenses	164		164
Convertible loans		315	315
Total	**261**	**1 028**	**1 289**

Fair value measurement

The Group's financial instruments measured at fair value relate to its investment in a subsidiary, which is classified as a Level 3 fair value measurement under IFRS 13.

The valuation technique, significant unobservable inputs, and the reconciliation of movements in Level 3 instruments are disclosed in Note 9 – Investment in Subsidiary and Note 20 Convertible loans.

AUDITOR LIABILITY LIMITATION AGREEMENT

An auditor's limitation of liability agreement has been approved by the members for the financial year ended 31 December 2025.

The principal terms and conditions are set out below:

- The agreement limits the amount of any liability owed to the company by the auditors in respect of any negligence default, breach of duty or breach of trust occurring during the audit of the company's accounts and pursuant to this agreement, the auditor may be guilty in relation to the company.

23. SUBSEQUENT EVENTS

Subsequent to the reporting date, and up to24 August 2026 ,a shareholder sold 1 686 099 of the company's shares on the stock market at the nearest market price. Under the terms of a pre-existing agreement, the company is required to issue an equivalent number of new shares to that shareholder during 2026. This transaction is a non-adjusting event after the reporting period and no adjustments have been made to these financial statements in respect of this arrangement.

On 24 February 2026, the Company resolved to issue New Shares with an aggregate nominal value of £4,790,404, credited as fully paid. Pursuant to the authority granted by the shareholders and the Company's Articles of Association, a sum of £4,790,404 standing to the credit of the Company's fair value reserve through OCI, net of tax, was capitalised and applied in paying up the New Shares in full. Accordingly, the New Shares were issued credited as fully paid through the capitalisation of the Company's FVOCI reserve. The reference to £Nil being payable in cash reflects that no further cash consideration was payable at the date of allotment, taking into account the funds previously transferred by Dr Max Herzberg.

On February 24, 2026, the company adopted an Employee Share Option Plan (ESOP), including an Israeli Participants Sub-Plan.

On February 28, 2026, Israel and the United States initiated a preemptive attack on Iran to which Iran responded with ballistic missile and drone attacks. To date, the situation is still ongoing. Although the situation has disrupted the global oil and gas supply chain, demand, economy and from time to time the ongoing activities of the subsidiary, Directors do not expect any material impact on Vidac Pharma Holding PLC and its subsidiary business.

24. RECLASSIFICATION

In 2025 the company decided to treat the Receivables for shares issued as a current assets In order to correctly reflect the essence of the asset .The comparative figures have been reclassified for consistency such that receivables for shares issued for shares issued in amount of GBP'000 1 895 was reclassified from Equity to Current assets.

25. ULTIMATE CONTROL PARTY

The ultimate controlling parties of VIDAC PHARMA HOLDING PLC are Max Herzberg and Yochai Richter.