

RESPIRED LIMITED

AUDITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

RESPIRED LIMITED
REGISTERED NUMBER: 12586496

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible fixed assets	4	4,346,546	4,362,694
Tangible fixed assets	5	206,708	221,218
		<u>4,553,254</u>	<u>4,583,912</u>
Current assets			
Stocks	7	4,279,220	4,659,234
Debtors: amounts falling due within one year	8	557,206	423,027
Cash at bank and in hand		466,320	478,178
		<u>5,302,746</u>	<u>5,560,439</u>
Creditors: amounts falling due within one year	9	<u>(1,371,462)</u>	<u>(315,495)</u>
Net current assets		<u>3,931,284</u>	<u>5,244,944</u>
Total assets less current liabilities		<u>8,484,538</u>	<u>9,828,856</u>
Creditors: amounts falling due after more than one year	10	(138,628)	(116,880)
Net assets		<u><u>8,345,910</u></u>	<u><u>9,711,976</u></u>
Capital and reserves			
Called up share capital	11	18	18
Share premium account	12	12,444,603	12,444,603
Foreign exchange reserve	12	19,704	3,001
Share option reserve	12	436,710	404,634
Profit and loss account	12	(4,555,125)	(3,140,280)
		<u><u>8,345,910</u></u>	<u><u>9,711,976</u></u>

RESPIRED LIMITED
REGISTERED NUMBER: 12586496

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:
C Hendriksen *Christian Hendriksen*
Director F8CE2D4EF380407...
Date: 02 April 2026

The notes on pages 5 to 20 form part of these financial statements.

RESPIRED LIMITED
REGISTERED NUMBER: 12586496

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	4	4,344,157	4,350,810
Investments	6	475,704	445,127
		<u>4,819,861</u>	<u>4,795,937</u>
Current assets			
Debtors: amounts falling due within one year	8	676,107	425,168
Cash at bank and in hand		54,269	130,224
		<u>730,376</u>	<u>555,392</u>
Creditors: amounts falling due within one year	9	(677,583)	(100,031)
Net current assets		<u>52,793</u>	<u>455,361</u>
Total assets less current liabilities		<u>4,872,654</u>	<u>5,251,298</u>
Creditors: amounts falling due after more than one year	10	(138,628)	(116,880)
Net assets		<u><u>4,734,026</u></u>	<u><u>5,134,418</u></u>
Capital and reserves			
Called up share capital	11	18	18
Share premium account	12	12,444,603	12,444,603
Foreign exchange reserve	12	(1,975)	1,369
Share option reserve	12	436,712	404,634
Profit and loss account carried forward	12	(8,145,332)	(7,716,206)
		<u><u>4,734,026</u></u>	<u><u>5,134,418</u></u>

RESPIRED LIMITED
REGISTERED NUMBER: 12586496

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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C Hendriksen
Director
Date: 02 April 2026

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Christian Hendriksen
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The notes on pages 5 to 20 form part of these financial statements.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****1. General information**

Respired Limited is a private company, limited by shares, incorporated in England and Wales. The address of the registered office is available on the company information page.

The principal trading activities of the company relate to the manufacture and distribution of air filtration systems.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The consolidated financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements have been prepared in sterling (£), and are prepared for the year ended 31 December 2025 (2024: year ended 31 December 2024).

The level of rounding within the financial statements is to the nearest pound (£).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The financial statements have been prepared on a going concern basis.

The directors have prepared projected cash flow information in excess of 12 months from the date of their approval of these financial statements. The detailed projections demonstrate the company is forecast to remain cash positive and accordingly the directors believe the company has adequate resources to continue in operational existence for the period of at least 12 months from the date of the approval of these financial statements.

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The group and company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Accounting policies (continued)****2.5 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Licence fees

Licence fees on group net global sales are charged to Rensair Limited and are based on the operating margin of the entity and pertain to the provision of the licensed intellectual property held at group.

Royalty fees

Royalty fees on group net global sales are charged to Rensair Limited and are based on the operating margin of the entity.

Sale of goods

Turnover from the sale of portable hospital-grade air purifiers is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer, which is driven by the delivery of the goods to the customer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 2 to 10 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.8 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Accounting policies (continued)****2.9 Borrowing costs**

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.10 Pensions**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.11 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with fair value of goods and services received.

2.12 Taxation

Tax is recognised in the consolidated statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company and the Group operate and generate income.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Accounting policies (continued)****2.13 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed twenty.

The estimated useful lives range as follows

Patent	-	20 years
Research and development	-	2 to 10 years
Trademarks	-	10 years

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives range as follows:

Plant and Machinery - is depreciated on a cost and use basis, whereby the number of units produced per annum equates to a fixed charge per unit, which is then recognised in the profit and loss account.

Subscription assets - depreciated 3 years, straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

2.15 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the consolidated statement of comprehensive income.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Accounting policies (continued)****2.16 Financial instruments**

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the consolidated statement of comprehensive income. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the consolidated statement of comprehensive income.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Accounting policies (continued)****2.16 Financial instruments (continued)**

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the consolidated statement of comprehensive income. They are subsequently measured at fair value with changes in the consolidated statement of comprehensive income.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the consolidated statement of comprehensive income. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****2. Accounting policies (continued)****2.17 Convertible debt**

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components and presented separately in the balance sheet.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently remeasured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate.

Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2025	2024
	No.	No.
Employees	14	12

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

4. Intangible assets

Group

	Patents £	Development expenditure £	Trademarks £	Total £
Cost				
At 1 January 2025	236,394	5,091,320	37,158	5,364,872
Additions	34,995	434,260	698	469,953
Disposals	-	(790)	-	(790)
At 31 December 2025	<u>271,389</u>	<u>5,524,790</u>	<u>37,856</u>	<u>5,834,035</u>
Amortisation				
At 1 January 2025	25,695	963,799	12,684	1,002,178
Charge for the year	14,492	467,099	3,720	485,311
At 31 December 2025	<u>40,187</u>	<u>1,430,898</u>	<u>16,404</u>	<u>1,487,489</u>
Net book value				
At 31 December 2025	<u><u>231,202</u></u>	<u><u>4,093,892</u></u>	<u><u>21,452</u></u>	<u><u>4,346,546</u></u>
At 31 December 2024	<u><u>210,699</u></u>	<u><u>4,127,521</u></u>	<u><u>24,474</u></u>	<u><u>4,362,694</u></u>

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

4. Intangible assets (continued)

Company

	Patents £	Development expenditure £	Trademarks £	Total £
Cost				
At 1 January 2025	236,394	4,965,252	37,158	5,238,804
Additions	34,995	434,260	698	469,953
At 31 December 2025	<u>271,389</u>	<u>5,399,512</u>	<u>37,856</u>	<u>5,708,757</u>
Amortisation				
At 1 January 2025	25,695	849,615	12,684	887,994
Charge for the year	14,492	458,394	3,720	476,606
At 31 December 2025	<u>40,187</u>	<u>1,308,009</u>	<u>16,404</u>	<u>1,364,600</u>
Net book value				
At 31 December 2025	<u><u>231,202</u></u>	<u><u>4,091,503</u></u>	<u><u>21,452</u></u>	<u><u>4,344,157</u></u>
At 31 December 2024	<u><u>210,699</u></u>	<u><u>4,115,637</u></u>	<u><u>24,474</u></u>	<u><u>4,350,810</u></u>

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

5. Tangible fixed assets

Group

	Plant and machinery £	Subscription assets £	Total £
Cost			
At 1 January 2025	186,842	43,391	230,233
At 31 December 2025	<u>186,842</u>	<u>43,391</u>	<u>230,233</u>
Depreciation			
At 1 January 2025	5,702	3,313	9,015
Charge for the year	46	14,464	14,510
At 31 December 2025	<u>5,748</u>	<u>17,777</u>	<u>23,525</u>
Net book value			
At 31 December 2025	<u>181,094</u>	<u>25,614</u>	<u>206,708</u>
At 31 December 2024	<u>181,140</u>	<u>40,078</u>	<u>221,218</u>

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

6. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost	
At 1 January 2025	445,127
Additions	30,577
At 31 December 2025	<u>475,704</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Rensair Limited	Lincoln House, 296-302 High Holborn, Floor 6, London, England, WC1V 7JH	Ordinary	100%
Rensair LLC	Rensair LLC c/o Templafy, One World Trade Center, 285 Fulton Street, Suite 48A, New York NY 10007 USA	Ordinary	100%
Rensair BV	Brusselstraat 51, 2018 Antwerpen, Belgium	Ordinary	100%

7. Stocks

	Group 2025 £	Group 2024 £
Raw materials and consumables	340,840	57,629
Finished goods and goods for resale	3,938,380	4,601,605
	<u>4,279,220</u>	<u>4,659,234</u>

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

8. Debtors

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade debtors	408,732	195,668	32,363	92,444
Amounts owed by group undertakings	-	-	555,604	167,052
Other debtors	48,977	98,611	26,804	80,403
Prepayments and accrued income	61,399	74,561	23,909	31,491
Tax recoverable	38,098	54,187	37,427	53,778
	<u>557,206</u>	<u>423,027</u>	<u>676,107</u>	<u>425,168</u>

Amounts due to Respired Ltd of £555,604 (2024: £167,052) are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Bank overdrafts	68	61	-	-
Other loans	526,372	-	526,372	-
Trade creditors	313,694	108,687	38,482	16,523
Amounts owed to group undertakings	-	-	20,679	2,175
Corporation tax	-	2,910	-	-
Other taxation and social security	84,527	21,804	8,409	7,727
Other creditors	12,360	11,386	-	-
Accruals and deferred income	434,441	170,647	83,641	73,606
	<u>1,371,462</u>	<u>315,495</u>	<u>677,583</u>	<u>100,031</u>

Amounts owed to other group undertakings of £20,679 (2024: £2,175) are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

During the year, the Company issued a Convertible Loan Note Instruments (the 'Notes') of \$700,000 at 5% fixed-rate unsecured convertible loan notes maturing 18 months from the date of the instrument. These are presented under other loans. As at 31 December 2025 Notes with a principal amount of \$700,000 remained outstanding.

The Notes are convertible into fully paid Senior Shares on the occurrence of a defined conversion event. The Notes carry interest at 5% per annum, accruing daily on a 365-day basis until repayment or conversion. The Notes have been accounted for in accordance with FRS 102 Section 12. The conversion feature constitutes an embedded derivative that has been separated from the debt host and is carried at fair value through profit or loss.

RESPIRED LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

10. Creditors: Amounts falling due after more than one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Other creditors	138,628	116,880	138,628	116,880
	<u>138,628</u>	<u>116,880</u>	<u>138,628</u>	<u>116,880</u>
	<u><u>138,628</u></u>	<u><u>116,880</u></u>	<u><u>138,628</u></u>	<u><u>116,880</u></u>

On 11 November 2025, the company entered into Simple Agreements for Future Equity ("SAFE") with Investors for \$29,300. The SAFE has been measured at fair value, in accordance with FRS 102.

The company has previously entered into another SAFE with investors for \$150,000.

The SAFE instruments do not carry a maturity date or interest and are expected to convert into equity upon the occurrence of specified future events, such as a qualifying funding round. The number of shares to be issued on conversion will vary depending on the terms of the future financing event.

11. Share capital

	2025 £	2024 £
Allotted, called up and fully paid		
133,900,215 Ordinary shares of 0.0000001 each	13	13
47,072,810 Seed preferred shares of £0.0000001 each	5	5
	<u>18</u>	<u>18</u>
	<u><u>18</u></u>	<u><u>18</u></u>

All classes of shares rank pari passu except for:

On distribution of assets on liquidation or a return of capital the surplus assets of the company remaining after payment of its liabilities shall be applied to the holders of each class of shares in accordance with the Articles of Association, in the following order:

- Seed preferred shares
- Ordinary shares

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****12. Reserves****Share premium account**

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Foreign exchange reserve

The foreign currency translation reserve contains gains and losses arising on translating the net assets of operations with a different functional currency into GBP.

Share option reserve

The share option reserve represents the cumulative fair value of share based payment awards. See note 14.

Profit and loss account

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

13. Share based payments

The number of equity-settled share based payments has been disclosed. During the year, the charge for the equity-settled share based payments was £32,078 (2024: £64,449). Respired Limited have share options in issue, all options which have been granted have non-market vesting conditions attached and all share options which have been granted are of the same class: Ordinary shares which are exercisable four years following their grant.

These are granted at the discretion of the directors'. There are no cash settlement alternatives for the employees therefore these are all accounted for under FRS 102. The fair value of share options granted is estimated at the date of grant. The grant date for accounting purposes is at various points as the options were issued, as this is when a shared understanding of the terms and conditions of the arrangements was achieved between the various parties. A non-marketability discount was applied when assessing the fair value at grant date.

The fair value of share options granted is estimated at the date of grant using a Black-Scholes model.

During the year ended 31 December 2024, the company had a total of 14,877,913 shares under option. During the year ended 31 December 2025, the company granted 2,952,396 share options in its parent undertaking. No options were lapsed or exercised during the year ended 31 December 2025. The total number of shares under option for the year ended 31 December 2025 is 17,803,209. The options have weighted average exercise price of £0.078 (2024: £0.125) per share.

14. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £7,064 (2024: £5,868). Contributions totalling £1,516 (2024: £1,474) were payable to the fund at the balance sheet date and are included in creditors.

RESPIRED LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****15. Commitments under operating leases**

At 31 December 2025 the Group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Not later than 1 year	86,959	26,024	8,479	6,183

16. Related party transactions

The group has taken advantage of the exemption within FRS 102 not to disclose transactions entered into by two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

For Respired Limited, related party transactions in the year amounted to £13,777 (2024: £13,647) for consultancy services provided by Hendriksen Consulting. There is no outstanding balance in trade creditors relating to this at year end (2024: £Nil).

17. Post balance sheet events

There are no post balance sheet events.

18. Controlling party

The directors consider that Respired Limited does not have an ultimate controlling party. Respired Limited is the controlling party of its subsidiary undertakings.

19. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2025 was unqualified.

The audit report was signed on 02 April 2026 by Ben Hughes (senior statutory auditor) on behalf of Cooper Parry Group Limited.