



Annual Report and Financial Statements For the year ended 30 September 2025

REGISTERED NUMBER 07611240

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COMPANY INFORMATION

Directors	Professor Ronjon Nag (appointed on 1 April 2025) Richard Andrew Edwards (appointed on 16 October 2024, resigned on 16 December 2025) Sarah Jane Davy (appointed on 29 January 2025) Marcus Yeoman (appointed on 29 January 2025) Paul Terence Gazzard (resigned on 29 January 2025) Geoffrey Gilbert Dart (resigned on 16 October 2024) John Frame Allardyce (appointed on 16 December 2025)
Company Secretary	OHS Secretaries Limited 107 Cheapside London EC2V 6DN
Registered Office	9 Innovation Place Douglas Drive Godalming Surrey GU7 1JX
Legal Advisers	Orrick, Herrington & Sutcliffe (UK) LLP 107 Cheapside London EC2V 6DN
Independent Auditor	Royce Peeling Green Limited The Copper Room Deva City Office Park Trinity Way Manchester M3 7BG
Broker	AlbR Capital Limited 80 Cheapside London EC2V 6DZ
Registrar	Computershare Investor Services plc The Pavillions Bridgwater Road Bristol BS13 8AE
Registered Number	07611240
Company Website	www.capai.group

CHAIRMAN'S STATEMENT

For the year ended 30 September 2025

I am pleased to present the Annual Report and Financial Statements of capAI plc for the year ended 30 September 2025.

Having joined the Board on 1 April 2025 and recently assumed the role of Executive Chairman, I am encouraged by the pace and substance of progress achieved in a relatively short period. While the Group remains at an early stage of execution, the year under review marked a clear turning point, with decisive action taken to reset the Company's direction and establish a stronger platform for growth.

During the year, the Group repositioned itself as an AI-focused operating group with a clearer operating model, strengthened governance and sharper strategic focus. The Board has prioritised AI-enabled opportunities across media, medicine and longevity, while retaining the flexibility to pursue other AI-led opportunities aligned with the Group's capabilities. Our objective is to build a diversified portfolio of AI assets over time, supported by disciplined capital allocation and a strong emphasis on directing resources into project development.

In the early part of the year, under the leadership of Richard Edwards as Executive Chairman, the Board focused on resolving legacy matters, simplifying the Company's affairs and restoring operational momentum. In October 2024, the Company completed a £150,000 fundraising through a placing and convertible loan notes, each accompanied by warrants. Richard's participation reflected strong alignment with shareholders. The loan notes were subsequently converted, with the resulting shares admitted to trading in April 2025.

Following a comprehensive strategic review, the Board formally announced in January 2025 its decision to focus exclusively on opportunities within the AI space. The Board believes that AI represents a significant long-term growth theme across multiple sectors. In line with this strategic shift, the Company changed its name to capAI plc in February 2025.

The Board was refreshed during the year to support this new direction. Marcus Yeoman and Sarah Day joined the Board, bringing additional capital markets, governance and operational experience, while Paul Gazzard stepped down. I joined the Board as an Executive Director on 1 April 2025, bringing experience from over four decades at the intersection of AI, technology and venture creation, including as Founder and Managing Director of R42, a Silicon Valley-based AI, longevity and deep-technology investment group. In May 2025, the Company entered into an Alliance Agreement with R42, which provides a framework for close collaboration between the parties in the development of AI-enabled projects.

Alignment between management and shareholders remained a core focus throughout the year. Directors' remuneration was structured with an emphasis on cost discipline, performance-linked incentives and long-term equity alignment.

In March 2025, the Company announced a £275,000 conditional fundraising at a premium to the prevailing market price, which was subsequently approved by shareholders. Directors subscribed for a significant proportion of the raise. The proceeds strengthened the Group's balance sheet and provided additional flexibility to execute the strategy.

During the year, the Group incorporated capMedia, Inc. in the United States, reflecting the strategic importance of the US and Silicon Valley as centres of AI innovation and investment. Following the year end, the Group implemented a share consolidation, completed the soft launch of Author42, its first AI-enabled product initiative, and commenced trading of its shares on the OTC market in the United States. CapMedical, Inc was also incorporated as a vehicle for the Group's medical and longevity initiatives.

Post year end, Richard Edwards stepped down from the Board, and I was appointed Executive Chairman. I would like to thank Richard for his vision and leadership, and for driving the strategic repositioning that underpins the Group's current direction. Jack Allardyce also joined the Board as Executive Director and is well placed to bring additional energy, capability and focus as the Group enters its next phase, further strengthening the Board's capital markets and corporate finance expertise.

Financially, the Group has continued to manage its resources carefully while maintaining its public listing. While the share price has declined from levels seen following my appointment, the Board believes that the progress made during and after the year has materially strengthened the Group's prospects. Our objective is to build a business where valuation increasingly reflects underlying fundamentals rather than short-term sentiment.

Looking ahead, capAI plc is at the beginning of its execution phase. The actions taken during the year have delivered a clearer strategy, stronger governance and a more focused operating platform. The Board is confident that these foundations position the Group well to pursue AI-enabled opportunities and to build sustainable long-term value for shareholders.

I would like to thank our shareholders, advisers and my fellow Directors for their continued support. I am committed to leading the Group for the long term and look forward to reporting further progress as the Group continues to execute its strategy.



Professor Ronjon Nag

Executive Chairman

30 January 2026

STRATEGIC REPORT

For the year ended 30 September 2025

Introduction and Business Review

The Directors present their Strategic Report for the year ended 30 September 2025.

The year under review marked a fundamental transition for capAI plc (the "Company" or the "Group"). During the period, the Board undertook a comprehensive strategic review which resulted in the transition of the Group into an AI-focused operating and incubation platform, with a clearly defined strategy, strengthened governance and a foundation designed to support long-term value creation. This repositioning was formally announced in January 2025 and reflected the Board's view that artificial intelligence represents a compelling long-term structural growth theme across multiple industries.

In line with this strategic shift, the Company changed its name to capAI plc in February 2025 and refreshed the composition of the Board to ensure appropriate leadership, expertise and governance to support execution of the new strategy.

Business Model and Strategy

The Group's strategy is to identify, incubate and develop artificial intelligence-led businesses, technologies and intellectual property, with a focus on opportunities within the media, medicine and longevity sectors, while retaining flexibility to pursue exceptional opportunities across the wider AI and deep-tech landscape.

The Group operates an AI-focused operating and incubation model, under which it seeks to:

- identify emerging AI opportunities and applications across its selected verticals;
- incubate early-stage AI ventures through the provision of capital, expertise and strategic support; and
- develop proprietary AI-enabled products and platforms, either independently or in partnership with

develop proprietary AI-related products and platforms, either independently or in partnership with third parties.

The Board believes that this flexible model allows the Group to deploy capital selectively, manage risk appropriately and scale successful initiatives over time, while maintaining the ability to adapt to rapid technological and market developments.

Key Developments During the Year

During the year, the Board focused on establishing the foundations required to execute the Group's strategy.

Key developments included:

- the completion of fundraising activity to strengthen the Group's balance sheet and provide operational runway;
- the refresh of the Board, including the appointment of Directors with relevant capital markets, governance and artificial intelligence expertise;
- the formal repositioning of the Group to focus exclusively on artificial intelligence opportunities;
- the appointment of Professor Ronjon Nag to the Board, bringing deep expertise in artificial intelligence, venture creation and technology commercialisation;
- the establishment of a strategic relationship with R42, providing access to technical expertise, venture incubation capability and an international AI innovation network;
- the execution of licence and option agreements relating to Author42, Creator42 and Game42, marking the Group's transition from strategic repositioning towards early-stage product development and commercialisation; and
- the incorporation of capMedia, Inc in the United States, reflecting the importance of proximity to global AI innovation, research and investment ecosystems.

These actions were intended to ensure that the Group was appropriately capitalised, governed and positioned to move from strategic repositioning to disciplined execution.

Performance and Financial Position

The Group did not generate revenue during the year, reflecting its early-stage operating and incubation focus. The total comprehensive loss attributable to the equity holders of the Company for the year was £790,529 (profit for the year ended 30 September 2024: £112,712).

Administrative costs were incurred primarily in connection with maintaining the Company's public listing, professional advisory support, governance, and activities associated with the strategic transition. The Board continues to exercise close control over costs and remains focused on capital discipline.

As at 30 September 2025, the Group held cash and equivalents of £96,444 (£28,329 at 30 September 2024). The Group's financial position reflected its status as an early-stage operating company. Subsequent fundraisings and warrant exercises completed after the year end have provided further working capital as the Group advances its strategy.

Further detail on the Group's financial performance and position is set out in the Financial Statements and accompanying notes.

Key Performance Indicators

Given the early stage of the Group's operations, the Board considers that traditional financial performance metrics are not yet meaningful indicators of progress.

The principal key performance indicators monitored during the year included:

- maintenance of adequate cash resources;
- progress against strategic and operational milestones; and
- successful establishment of governance, leadership and operational capability aligned to the Group's AI-focused strategy.

The Board expects that financial and operational KPIs will evolve as the Group progresses from

incubation into revenue-generating activities.

Stakeholder Engagement

The Board recognises the importance of effective engagement with the Group's key stakeholders and considers stakeholder interests when making strategic decisions.

Stakeholder group	Engagement approach	Key considerations
Shareholders	RNS announcements, investor meetings, website disclosures	Capital allocation, dilution, strategy, governance
Regulators & market operators	Compliance, professional advisers	Listing obligations, disclosure standards
Directors & key personnel	Board meetings, performance-linked incentives	Alignment, retention, execution capability
Advisers & suppliers	Regular interaction	Cost discipline, quality of advice
Partners & portfolio initiatives	Direct engagement	Strategic fit, execution risk

Section 172 Statement

The Directors recognise their duty under section 172(1) of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole.

The requirements of section 172 are for the Board to:

- consider the likely consequences of any decision in the long term;
- act fairly between the members of the Company;
- maintain a reputation for high standards of business conduct;
- consider the interest of the Group's employees;
- foster the Group's relationship with suppliers, customers and others; and
- consider the impact of the Group's operations on the community and the environment.

The table below summarises how key Board decisions taken during the year had regard to stakeholder interests and long-term outcomes:

Board decision	Stakeholders considered	Key considerations	Outcome
Strategic repositioning to AI	Shareholders, regulators	Long-term potential, growth market relevance	Clear strategic focus established
Fundraising activity	Shareholders	Pricing, dilution, funding runway	Strengthened balance sheet
US expansion	Shareholders, partners	Market access, cost discipline	Enhanced strategic positioning
Signing of LOAs with R42	Shareholders	Growth potential, capital requirements	Potentially significant returns with limited capital requirement
Board refresh, appointment of Professor Ronjon Nag	Shareholders, regulators	Sector experience, governance, leadership	Improved strategic focus, execution capability

The Directors believe these decisions were taken in good faith and with the objective of promoting the long-term success of the Company.

Principal Risks and Uncertainties

The Group operates in an early-stage environment and is subject to a number of risks and uncertainties. The Board considers the following to be the principal risks relevant to the Group's activities:

Risk	Description	Mitigation
Strategic execution	Failure to identify or execute suitable AI opportunities	Disciplined capital deployment, Board oversight
Funding and liquidity	Requirement for further funding	Cost control, investor engagement
Key personnel	Dependence on a small number of individuals	Alignment incentives and Board depth

Technology and market	Rapid technological change, competition	Flexible strategy, selective focus
Regulatory and compliance	Evolving AI and market regulation	Adviser support, governance processes
Data & IP	Data integrity, IP ownership and provenance	Contractual controls, governance
Currency risk	Exposure to foreign currency risk, primarily US dollars, arising from US subsidiaries and activities conducted in the United States	Monitoring of foreign currency exposure and management of risk through appropriate treasury oversight and cost discipline
US political and regulatory risk	Operations and investments in the United States may be affected by changes in political, regulatory or economic conditions	Monitoring developments in relevant jurisdictions, seeking advice from professional advisers to ensure compliance and manage exposure

The Board monitors these risks on an ongoing basis.

Environmental, Social and Governance Considerations

The Group currently has a limited operational footprint. The Board nonetheless recognises the importance of maintaining appropriate governance standards and responsible business practices, particularly in areas such as data governance, information security and regulatory compliance.

As the Group scales its activities, the Board intends to keep policies and disclosures proportionate to the size and nature of the business.

Employees

The Company has fewer than 250 UK employees and is therefore exempt from the requirement under section 414C(8A) of the Companies Act 2006 to disclose detailed gender diversity information. During the year, the Company had one employee (female) in addition to the directors.

Events After the Reporting Period

Following the year end, the Group completed a 10:1 share consolidation to simplify its capital structure. The Company also commenced trading on the OTC market in the United States.

Operationally, the Group continued to advance its artificial intelligence strategy. A completion notice was issued in respect of Creator42, and the Group soft-launched its first AI-enabled product, Author42, following the successful completion of beta testing. Subsequent to the year end, the Group incorporated capMedical, Inc, reflecting its intention to expand its AI capabilities into medicine and longevity-focused applications.

There were also changes to the Board after the reporting period, including the appointment of Professor Ronjon Nag as Executive Chair, strengthening the Group's leadership as it moves into the next phase of execution.

Further detail on post-year-end events is set out in the notes to the Financial Statements.

Outlook

The Group remains at an early stage of execution; however, the foundations established during the year under review provide a strong platform for future progress.

The Board's focus is on disciplined execution, advancing selected AI initiatives and continuing to build operational capability in a measured and capital-efficient manner. The Directors remain mindful of the risks inherent in early-stage development and will continue to adopt a cautious approach as the Group pursues opportunities within the artificial intelligence landscape.

This report was approved and authorised for issue by the Board and signed on its behalf by:

Ronjon Nag

Professor Ronjon Nag

Executive Chairman

30 January 2026

DIRECTORS' REPORT

For the year ended 30 September 2025

The Directors present their report together with the audited financial statements of capAI plc (the "Company") and its subsidiaries (the "Group") for the year ended 30 September 2025.

Principal Activities

During the year under review, the Group transitioned into an AI-focused operating and incubation platform. The principal activity of the Group is now the identification, incubation and development of AI-led businesses, technologies and intellectual property, with the objective of delivering long-term shareholder value.

Further detail on the Group's strategy and business model is set out in the Strategic Report.

Listing Status

The Company was admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange in March 2017. Following the UK Listing Reforms effective 29 July 2024, the Company has been mapped into the Equity Shares (Transition) category and continues to follow the applicable listing requirements.

Directors

The Directors of the Company who served during the year ended 30 September 2025 and up to the date of approval of these financial statements were as follows:

Professor Ronjon Nag (appointed on 1 April 2025)

Richard Andrew Edwards (appointed on 16 October 2024, resigned post year end on 16 December 2025)

John "Jack" Frame Allardyce (appointed on 16 December 2025)

Sarah Jane Davy (appointed on 29 January 2025)

Marcus Yeoman (appointed on 29 January 2025)

Paul Terence Gazzard (resigned on 29 January 2025)

Geoffrey Gilbert Dart (resigned on 16 October 2024)

Details of the Directors' interests in the share capital of the Company are set out below.

Results and Dividends

The results of the Group for the year are set out in the Consolidated Statement of Comprehensive Income.

The Directors do not propose the payment of a dividend for the year ended 30 September 2025 (2024: nil).

Directors' Remuneration

Details of Directors' remuneration for the year ended 30 September 2025 are set out in the Directors' Remuneration Report on pages 14 to 17.

Corporate Governance

The Company has adopted a corporate governance framework which the Directors consider appropriate

The Company has adopted a corporate governance framework which the Directors consider appropriate for the size, complexity and stage of development of the Group. Further details of the Company's governance arrangements, including its voluntary adoption of the UK Corporate Governance Code (2024 edition) so far as practicable, are set out in the Corporate Governance Report on pages 18 to 20.

Employees

In addition to the Directors, the Group had one employee during the year ended 30 September 2025, who was based in the United States (2024: none).

Greenhouse Gas Emissions

The Group's operations are currently limited in scale and are primarily conducted through remote working arrangements. During the year, the Group had one employee, who was based in the United States, in addition to the Directors.

The Group consumed less than 40,000 kWh of energy during the year and therefore qualifies as a low energy user for the purposes of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. As a result, the Group is exempt from the requirement to disclose greenhouse gas emissions information.

Directors' Interests in Shares

Details of the beneficial interests of Directors in the ordinary share capital of the Company as at 30 September 2025 are set out below.

Director	Ordinary shares 30 September 2025
Richard Edwards*	755,793,650
Professor Ronjon Nag	125,000,000
Sarah Davy	31,250,000

On 6 October 2025, following the year end, the Company implemented a 10:1 share consolidation. The shareholdings shown above reflect the position at 30 September 2025 and are stated prior to the share consolidation.

** Aggregated holding of Richard Edwards and his wife, Charlotte Edwards and their ISAs and SIPPs.*

Board Diversity

As at 30 September 2025, the Board comprised four directors: three men and one woman. The Board's ethnic composition comprised three directors of British background and one director of Indian British background. During the year, the Company had one employee (female), and senior management comprises the Board itself.

The Company recognises the importance of diversity in Board composition and will continue to consider diversity, including gender and ethnicity, in future director appointments.

Substantial Shareholdings

As at 26 January 2026, the following shareholders were interested in 3% or more of the issued ordinary share capital of the Company:

Shareholder	Ordinary shares held at 26 January 2026	% of the issued ordinary share capital
Richard and Charlotte Edwards	75,579,365	19.19%
Hargreaves Lansdown (Nominees) Ltd	69,246,988	17.58%
HSDL Nominees Ltd	41,276,379	10.48%
Interactive Investor Services Nominees Ltd	38,899,044	9.88%
Barclays Direct Investing Nominees Ltd	37,063,856	9.41%
Lawshare Nominees Ltd	25,730,381	6.53%
Adrian Crucefix	21,797,521	5.53%
Sir Thomas James Hewitt Skinner BT	17,328,000	4.40%
Vidacos Nominees Ltd	14,604,562	3.71%
Professor Ronjon Nag	12,500,000	3.17%
Other below 3%	39,866,967	10.12%
Total	393,893,063	100.00%

The shareholdings shown above reflect the position at 26 January 2026 and are stated post the 10:1

The shareholding shown above reflect the position at 30 January 2020 and are stated post the 100% share consolidation.

Directors' and Officers' Liability Insurance

The Company has directors and officers liability insurance in place.

Provision of Information to the Auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Group's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Going Concern

After making appropriate enquiries and considering the Group's financial position, cash resources and anticipated funding requirements, the Directors have a reasonable expectation that the Group will be able to continue in operational existence for a period of at least twelve months from the date of approval of these financial statements.

The Directors note that the Group remains at an early stage of development and may require additional funding to fully execute its strategy. This represents a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Notwithstanding this uncertainty, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

Further detail on the Directors' assessment of going concern is set out in note 2 to the financial statements.

Related Party Transactions

Details of related party transactions entered into by the Group during the year are set out in note 20 to the financial statements.

Auditor

Royce Peeling Green Limited has indicated its willingness to continue in office as auditor and a resolution to reappoint the auditor will be proposed in accordance with section 485 of the Companies Act 2006.

Other Information

In accordance with section 414C(11) of the Companies Act 2006, the Directors have chosen to present information of strategic importance in the Strategic Report rather than in this Directors' Report.

In particular, the Strategic Report includes information on:

- the Group's business model and strategy;
- principal risks and uncertainties facing the Group;
- key performance indicators used by the Directors to assess performance;
- the Group's approach to environmental, social and governance matters, where relevant; and
- significant developments during the year and events after the reporting period relevant to the Group's future prospects.

Subsequent Events

Details of events after the reporting period are disclosed in note 22 to the financial statements.

This report was approved and authorised for issue by the Board and signed on its behalf by:



Jack Allardyce
Executive Director

DIRECTORS' REMUNERATION REPORT

For the year ended 30 September 2025

This Directors' Remuneration Report sets out the Group's policy on the remuneration of Executive and Non-Executive Directors together with details of Directors' remuneration for the year ended 30 September 2025.

The Company is listed in the Equity Shares (Transition) category of the London Stock Exchange and is not required to comply with the statutory directors' remuneration reporting and shareholder voting requirements applicable to premium listed companies. Accordingly, this report is not subject to an advisory shareholder vote.

The items included in this report are unaudited unless otherwise stated.

Remuneration Governance

The Company has established a Remuneration Committee comprising Marcus Yeoman (Chair) and Sarah Jane Davy, both Non-Executive Directors. The Remuneration Committee is responsible for reviewing and making recommendations to the Board on the remuneration of Executive and Non-Executive Directors, including salary, fees and equity-based incentives.

Given the size and stage of development of the Group, the Remuneration Committee operates on a proportionate basis and meets as required. Executive Directors are not members of the Remuneration Committee and do not participate in decisions relating to their own remuneration.

The Board seeks to ensure that remuneration arrangements are proportionate, aligned with shareholder interests and supportive of the Group's long-term strategy and financial position.

Remuneration Policy

In setting the remuneration policy, the Board has had regard to the following factors:

- the need to attract, retain and motivate individuals with appropriate experience and expertise;
- the Group's size, stage of development and financial resources;
- remuneration practices of comparable companies;
- alignment of Directors' interests with long-term shareholder value creation; and
- the need to maintain flexibility as the Group's strategy and operations evolve.

The Board places emphasis on performance-linked remuneration and equity-based incentives, with cash remuneration maintained at a modest level.

Remuneration Components

Cash remuneration

Executive and Non-Executive Directors may receive fees or salary for their services. Levels of cash remuneration are determined by the Board and are reviewed periodically.

Benefits and pensions

The Group does not operate any pension schemes for Directors and does not make pension contributions on their behalf. No benefits in kind were provided to Directors during the year.

Variable and equity-based remuneration

The Board may grant share options to Directors as part of long-term incentive arrangements designed to align Directors' interests with those of shareholders. Details of share-based payments are set out below and in the notes to the financial statements.

Directors' Remuneration for the Year

Audited information

Directors' emoluments

The table below sets out the remuneration earned by Directors in respect of the year ended 30 September 2025:

Director	Role	Cash remuneration (£)
Jack Allardyce	Executive Director	-
Marcus Yeoman	Non-Executive Director	16,667
Sarah Day	Non-Executive Director	16,667
Professor Ronjon Nag	Executive Director	-
Richard Edwards	Executive Director	-
Paul Gazzard	Non-Executive Director	-
Geoffrey Dart	Non-Executive Director	-

Paul Terence Gazzard and Geoffrey Gilbert Dart served as Directors for part of the financial year and did not receive any remuneration in respect of the period. Jack Allardyce was appointed to the Board after the year end and therefore received no remuneration during the financial year.

No Directors received bonuses, pension contributions or benefits in kind during the year.

Share-Based Payments

The Company operates equity-settled share-based payment arrangements for certain Directors, accounted for in accordance with IFRS 2 *Share-Based Payment*. These arrangements are designed to align Directors' interests with long-term shareholder value creation and are subject to service and performance conditions.

Directors' Share Options

The table below summarises share options granted to Directors during the year and outstanding at 30 September 2025:

Director	Opening balance	Options granted during the year	Options exercised / lapsed	Closing balance
Richard Edwards	-	775,000,000	-	775,000,000
Professor Ronjon Nag	-	1,500,000,000	-	1,500,000,000
Sarah Day	-	100,000,000	-	100,000,000

Options granted on 29 January 2025 were issued with an exercise price of £0.000315 per share, being the closing mid-market price on the preceding trading day. Options granted on 12 March 2025 were issued with an exercise price of £0.00001 per share, being the nominal value of the Company's ordinary shares at that time. Vesting of all options is subject to service conditions and specified share price performance hurdles.

On 6 October 2025, following the year end, the Company implemented a 10:1 share consolidation. The options disclosed above reflect the position at 30 September 2025 prior to the share consolidation. Following the consolidation, the options outstanding were adjusted in accordance with their terms, resulting in options of 77.5 million for Richard Edwards, 150 million for Professor Ronjon Nag and 10 million for Sarah Day, with corresponding adjustments to exercise prices.

Anti-dilution provisions

Certain share option awards granted to Executive Directors during the year include anti-dilution provisions designed to maintain the relative ownership interests of the Directors in the event that warrants outstanding at the time of grant are subsequently exercised. Under these provisions, additional options may be granted on substantially the same terms as the original awards where dilution arises as a result of such exercises.

These provisions were approved by shareholders and disclosed at the time of grant. The anti-dilution mechanism does not apply to warrants issued after the relevant grant dates and does not represent a discretionary or automatic increase in remuneration. Any additional options issued pursuant to these provisions are treated as part of the original award for the purposes of accounting and disclosure.

Performance Measures and Strategic Rationale

The share option schemes and conditional awards use share price appreciation as the primary performance measure, aligning executive reward directly with shareholder value creation. The hurdle prices were set to require material share price appreciation from grant date values, ensuring that directors only benefit from option awards if substantial shareholder value is created. This structure directly aligns executive reward with long-term value creation for shareholders.

The time-based vesting conditions (continuous service of 3, 6 and 12 months for different tranches) provide an appropriate balance between incentivising performance and retaining key personnel during a critical phase of the Company's strategic repositioning.

Warrants

Certain Directors also hold warrants in the Company arising from their participation in fundraising activities. These warrants do not form part of the Directors' remuneration arrangements and are therefore not included in the tables above.

Post year-end matters

Following the year end, Richard Edwards resigned from the Board on 16 December 2025 and was treated as a good leaver in accordance with the terms of his option awards. As a result, two-thirds of the third vesting tranche of his January and March 2025 options were retained, notwithstanding that the full service condition had not been completed. The anti-dilution provisions did not apply to the retained portion of this tranche.

Following the year end, options were granted to Jack Allardyce on terms substantially similar to the third vesting tranche of the January and March 2025 awards. These options are disclosed as post-year-end events in note 22 to the financial statements.

Further details of share-based payment arrangements, including valuation methodology, key assumptions and the accounting treatment adopted, are disclosed in note 17 to the financial statements.

Service Agreements

Executive Directors are engaged under service agreements, and Non-Executive Directors are engaged under agreements. Each appointment is subject to periodic review by the Board. No directors' agreements provide for notice periods exceeding 12 months.

Details of Directors' shareholdings are set out in the Directors' Report.

Other Matters

The Group does not have any pension arrangements for Directors and has not paid any excess retirement benefits to current or former Directors. Directors are reimbursed for reasonable travel and other expenses incurred in the performance of their duties.

Consideration of Shareholder Views

The Board recognises the importance of engaging with shareholders and considers shareholder feedback when reviewing remuneration arrangements, having regard to the Group's strategy, performance and financial position.

Approval

This Directors' Remuneration Report was approved by the Board and signed on its behalf by:



CORPORATE GOVERNANCE REPORT

For the year ended 30 September 2025

Introduction

The Board of Directors (the "Board") recognises the importance of high standards of corporate governance and is committed to maintaining governance arrangements that are appropriate to the size, complexity and stage of development of the Group.

The Company is listed in the Equity Shares (Transition) category of the London Stock Exchange. As such, it is not required to comply with a corporate governance code on a "comply or explain" basis. Notwithstanding this, the Board has elected to voluntarily adopt and apply the principles of the UK Corporate Governance Code (2024 edition) (the "Code"), so far as it is practicable to do so, and to provide explanations where full compliance is not considered appropriate.

The Board considers that this principles-based and proportionate approach provides an appropriate governance framework to support the Group's strategy, risk profile and long-term value creation for shareholders.

Governance Evolution During the Year

During the year under review, the Company's governance framework evolved materially. Following the refresh of the Board and the repositioning of the Group's strategy, the Board established a number of committees to support effective oversight, including Audit & Risk, Remuneration, Nomination and Disclosure Committees.

The Board considers this evolution to be appropriate for the current stage of the Group's development and reflective of the increasing complexity of the Group's activities as it transitioned into an AI-focused operating and incubation platform.

Board Leadership and Purpose

The Board is collectively responsible for the long-term success of the Company. Its role includes setting the Group's strategic objectives, overseeing their delivery, monitoring performance, and ensuring that appropriate governance, risk management and internal control systems are in place.

Throughout the year, the Board focused on establishing a clear strategic direction, strengthening governance arrangements, maintaining financial discipline and aligning management and shareholder interests. The Board believes that these actions have positioned the Group to pursue opportunities within the artificial intelligence sector in a disciplined and responsible manner.

The roles of the Executive Chairman and Executive Director are clearly defined. The Board considers that there is an appropriate balance of Executive and Non-Executive Directors to enable effective leadership, independent oversight and constructive challenge.

Board Composition and Effectiveness

As at the date of approval of this report, the Board comprises a mix of Executive and Non-Executive Directors with experience across capital markets, governance, technology, artificial intelligence and venture development.

Appointments to the Board are made on merit, with due regard to the skills, experience, independence and time commitment required to discharge the role effectively. The Board keeps its size and composition under regular review and recognises the importance of diversity of background, experience and perspective.

As the Group develops, the Board expects its composition and governance arrangements to continue to evolve in line with the needs of the business and the expectations of shareholders.

Committees of the Board

To support effective governance and oversight, the Board has established the following committees. Given the size of the Group, each committee operates on a proportionate basis and meets as required.

Committee memberships are reviewed periodically and reflect the composition in place at the date of approval of this report.

Audit & Risk Committee

The Audit & Risk Committee is responsible for overseeing the integrity of the Group's financial reporting, reviewing the effectiveness of internal controls and risk management systems, and monitoring the independence and effectiveness of the external auditor.

The Audit & Risk Committee comprises Sarah Davy (Chair), Marcus Yeoman and Jack Allardyce.

Remuneration Committee

The Remuneration Committee is responsible for reviewing and making recommendations to the Board on Directors' remuneration, including salary, fees and equity-based incentives.

The Remuneration Committee comprises Marcus Yeoman (Chair) and Sarah Davy, both Non-Executive Directors. Further details of the Company's remuneration governance and arrangements are set out in the Directors' Remuneration Report.

Nomination Committee

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board and for making recommendations regarding Board appointments and succession planning.

The Nomination Committee comprises Marcus Yeoman (Chair), Sarah Davy and Jack Allardyce. It operates on a proportionate basis given the size of the Board.

Disclosure Committee

The Disclosure Committee is responsible for overseeing the Company's disclosure obligations, including the identification, escalation and disclosure of inside information and ensuring compliance with applicable disclosure requirements.

The Disclosure Committee comprises Jack Allardyce (Chair) and Sarah Davy.

Risk Management and Internal Control

The Board is responsible for maintaining a sound system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, not absolute, assurance against material misstatement or loss.

Due to the size and nature of the Group's operations, all key decisions are made by the Board, supported by the relevant Board committees. The Board has reviewed the effectiveness of the Group's systems of internal control during the year under review and considers that there were no material losses, contingencies or uncertainties arising from weaknesses in those systems.

The Board does not consider it necessary to establish a separate internal audit function at this stage, given the size of the Group and the limited number and complexity of transactions. This position is kept under regular review as the Group's activities develop.

The principal risks facing the Group and the processes in place to manage those risks are set out in the Strategic Report.

Relations with Shareholders

The Board places a high priority on maintaining open and constructive dialogue with shareholders. The primary channels of communication include Regulatory News Service announcements, the Company's website, and meetings and communications with shareholders and advisers.

The Board seeks to ensure that all shareholders are treated fairly and have access to clear, timely and accurate information regarding the Group's strategy, activities and performance.

Culture and Ethical Standards

The Board is committed to maintaining high standards of business conduct, integrity and transparency. The Group's culture is underpinned by accountability, responsible decision-making and a focus on long-term shareholder value.

As the Group scales its activities, the Board intends to continue to develop and formalise policies and procedures as appropriate, including in areas such as data governance, information security and regulatory compliance.

Application of the UK Corporate Governance Code

While the Company is not required to comply fully with the UK Corporate Governance Code, the Board has chosen to apply its principles on a voluntary and proportionate basis.

Where the Company does not comply with specific provisions of the Code, the Board considers that this is appropriate given the size, complexity and stage of development of the Group. The Board keeps its governance framework under regular review and expects it to evolve as the Group grows.

Conclusion

The Board believes that the governance framework in place during the year under review was appropriate for the Group and supported the effective delivery of its strategy.

The Board remains committed to maintaining high standards of corporate governance and to evolving its governance arrangements in line with the Group's development and the expectations of shareholders.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 30 September 2025

The Directors are responsible for preparing the Annual Report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group and parent company financial statements in accordance with UK-adopted international accounting standards.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the parent company and of the

profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and the parent company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors consider that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's and the parent company's position, performance, business model and strategy.

Each of the Directors confirms that, to the best of their knowledge and belief:

- the financial statements have been prepared in accordance with UK-adopted international accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the parent company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the parent company, together with a description of the principal risks and uncertainties that they face.

Approval

This Statement of Directors' Responsibilities was approved by the Board and signed on its behalf by:



Jack Allardyce
Executive Director
30 January 2026

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of capAI plc (the 'Parent Company') and its subsidiaries (together the 'Group') for the year ended 30 September 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

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 30 September 2025 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that the Group's future profits and cash flows are uncertain and therefore the Group may be dependent on future fundraising to continue as a going concern. Additionally, the Group has a cash balance at the date of approval of the financial statements that would not be able to support its operations and overheads for the following twelve months. However, the Group has product licence and option agreements in place and expects to generate revenue as its AI platforms progress. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Parent 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 to form an opinion on whether the current financial position has the ability to fund their costs for that period included:

- Review of latest financial information including cash balances;
- Discussing future plans with management and review of forecasts which extend to December 2027;
- Considering the appropriateness and sensitivity of assumptions used in the preparation of the forecasts;
- Reviewing the results of subsequent events and assessing the impact on the financial statements;
- Reading board minutes for references to future plans and any financing difficulties;
- Considering whether management have used all relevant information in their assessment and enquiring whether any known events or conditions beyond the period of assessment may affect going concern; and
- Reviewing and considering the impact of any new or amended borrowing arrangements entered into after the year-end to assist the Group to continue its operations.

In view of the potential requirement to raise additional funds there is a material uncertainty with regard to

going concern because although the directors are confident they can raise adequate funding should it be required, that funding has not been agreed.

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

Our approach to the audit

The audit was scoped by obtaining an understanding of the Group and Parent Company and their environment, including the Parent Company's systems of internal control and assessing the risks of material misstatement.

In designing our audit approach, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we assessed the areas involving significant accounting estimates and judgements by the directors, notably management's assessment of going concern and considered future events that are inherently uncertain.

Key audit matters

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

In addition to the Material uncertainty related to going concern noted above, as set out below we have determined share-based payments to be the key audit matter to be communicated in our report.

Key audit matter	How our scope addressed this matter
Share-based payments	
Share options and share warrants granted in the year by the Parent Company may not have been accounted for correctly. Valuation requires the use of judgement and the use of a valuation model making these more complex transactions.	We considered the valuation of the share options and share warrants granted in the year and whether the accounting treatment complies with IFRS 2. Our work in this area included: · Considering the nature of the equity instruments issued in the year as to whether they were cash or equity settled and whether warrants were issued in connection with financing activities. · Reviewing the methodology and assumptions used by management to value the share options and share warrants issued in the year. · Checking the valuation model inputs for accuracy. · Replicating the inputs in another Black-Scholes valuation model to ensure results were consistent. · For relevant equity instruments granted in the year, reviewing the documentation and ensuring that the accounting entries were in accordance with the relevant standards. Our conclusion Overall, we are satisfied that the financial statements are free from material misstatement in this respect.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. For the purposes of determining whether

the financial statements are free from material misstatement, we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We also determine a level of performance materiality which we use to assess the extent of testing needed 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.

At audit planning we determined the Group materiality for the financial statements as a whole to be £73,000 (2024: £21,000). Performance materiality was set at £55,000 (2024: £15,000). The overall materiality was based on 10% of adjusted loss before taxation (2024: 10% of administrative expenses). Reassessment at completion could have enabled us to increase materiality but we did not do so.

At audit planning we determined the Parent Company materiality for the financial statements as a whole to be £73,000 (2024: £21,000). Performance materiality was set at £55,000 (2024: £15,000). The overall materiality was based on 10% of adjusted loss before taxation (2024: 10% of administrative expenses). Reassessment at completion led us to reduce materiality for the financial statements as a whole to be £72,000 and performance materiality to be £54,000.

The basis of materiality is the same as adopted for the 30 September 2023 financial statements audit; in 2024 a modified basis for materiality was used due to the exceptional write back of creditors.

We agreed with the Board that we would report all audit differences identified during the course of our audit in excess of our triviality level of £3,000 (2024: £1,000) and £3,000 (2024: £1,000) for the group and parent company respectively.

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 Group and Parent Company 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and 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.

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 and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the Group and Parent Company 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 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.

Auditor's responsibilities for the audit of the financial statements

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

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

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and Parent Company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Reviewing board minutes for any discussion related to fraud;
- Reviewing correspondence with the FCA;

- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Other matters which we are required to address

We were appointed by the Board on 5 January 2024 to audit the financial statements for the period ended 30 September 2023 and subsequent financial periods. Our total uninterrupted period of engagement is 3 years.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

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

Royce Peeling Green Limited

Martin Chatten

(Senior Statutory Auditor)

For and on behalf of Royce Peeling Green Limited

Chartered Accountants

Statutory Auditor

The Copper Room
Deva City Office Park
Trinity Way
Manchester M3 7BG

30 January 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2025

	Note	Group Year ended 30 September 2025 £	Group Year ended 30 September 2024 £
Continuing operations			
Administrative expenses	7	(791,432)	(226,866)
Operating loss		(791,432)	(226,866)
Interest receivable	10	903	-
Write-back of loans and debts	7	-	248,198
(Loss)/profit before taxation		(790,529)	21,332
Taxation	11	-	-
(Loss)/profit for the year from continuing operations		(790,529)	21,332
Discontinued operations			
Profit for the year from discontinued operations	8	-	91,380
(Loss)/profit for the year		(790,529)	112,712
(Loss)/earnings per share			
Basic (pence)	12	(0.029)	0.012
Diluted (pence)	12	(0.029)	0.012

The notes on pages 37 to 61 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Note	Group 30 September 2025 £	Group 30 September 2024 £
Assets			
Non-current assets		-	-
Current assets			

Trade and other receivables	14	85,252	31,022
Cash and cash equivalents	13	96,444	28,329
Total assets		181,696	59,351
Equity and liabilities			
Equity			
Share capital	16	1,551,581	1,531,435
Share premium	16	2,676,333	2,034,113
Share-based payments reserve	16/17	192,606	2,960
Retained deficit	16	(4,430,302)	(3,639,773)
Total equity		(9,782)	(71,265)
Current liabilities			
Trade and other payables	15	191,478	130,616
Total equity and liabilities		181,696	59,351

These consolidated financial statements were approved by the Board of Directors and authorised for issue on 30 January 2026 and are signed on its behalf by:



Jack Allardyce
Executive Director

The notes on pages 37 to 61 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2025

	Share capital	Share premium	Share-based payments reserve	Retained deficit	Total
	£	£	£	£	£
Balance as at 1 October 2023	616,243	1,249,305	2,960	(3,752,485)	(1,883,977)
Profit for the year	-	-	-	112,712	112,712
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	112,712	112,712
Issue of ordinary shares	915,192	784,808	-	-	1,700,000
Total transactions with owners	915,192	784,808	-	-	1,700,000
Balance as at 30 September 2024	1,531,435	2,034,113	2,960	(3,639,773)	(71,265)

Loss for the year	-	-	-	(790,529)	(790,529)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(790,529)	(790,529)
Issue of ordinary shares	20,146	642,220	-	-	662,366
Equity-settled share-based payments	-	-	189,646	-	189,646
Total transactions with owners	20,146	642,220	189,646	-	852,012
Balance as at 30 September 2025	1,551,581	2,676,333	192,606	(4,430,302)	(9,782)

The notes on pages 37 to 61 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 September 2025

	Note	Group Year ended 30 September 2025 £	Group Year ended 30 September 2024 £
Cash Flows from operating activities			
(Loss) / profit before taxation		(790,529)	112,712
<i>Adjustments for:</i>			
Share-based payment expense	17	189,646	-
Non-cash settlement of fees via share issue	16	36,000	
Write-back of loans and debts	7	-	(340,946)
<i>Changes in working capital:</i>			
(Increase) / decrease in trade and other receivables	14	(54,230)	(30,488)
Increase / (decrease) in trade and other payables	15	60,862	(69,599)
Net cash used in operating activities		(558,251)	(328,321)
Cash flows from financing activities			
Proceeds from issue of shares	16	574,866	300,000
Loans received	16	51,500	40,000
Net cash generated from financing activities		626,366	340,000
Cash flows from investing activities			
		-	-
Net cash generated from investing activities		-	-
Net Increase / (decrease) in cash and cash equivalents		68,115	11,679
Cash and cash equivalents at the beginning of the year	13	28,329	16,650
Cash and cash equivalents at the end of the year		96,444	28,329

The notes on pages 37 to 61 form an integral part of these consolidated financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Note	Company 30 September 2025 £	Company 30 September 2024 £
Assets			
Non-current assets			
Investment in subsidiaries	5	74	-
Current assets			
Trade and other receivables	14	173,817	31,022
Cash and cash equivalents	13	71,200	28,329
Total assets		245,091	59,351
Equity and liabilities			
Equity			
Share capital	16	1,551,581	1,531,435
Share premium	16	2,676,333	2,034,113
Share-based payments reserve	16/17	192,606	2,960
Retained deficit	16	(4,357,994)	(3,639,773)
Total equity		62,526	(71,265)
Current liabilities			
Trade and other payables	15	182,565	130,616
Total equity and liabilities		245,091	59,351

The Company financial statements were approved by the Board of Directors and authorised for issue on 30 January 2026 and are signed on its behalf by:



Jack Allardyce
Executive Director

As permitted by section 408 of the Companies Act 2006, the Company has elected not to present its statement of comprehensive income and statement of cash flows for the year.

The notes on pages 37 to 61 form an integral part of these Company financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

As at 30 September 2025

	Share capital	Share premium	Share- based payments reserve	Retained deficit	Total
	£	£	£	£	£
Balance as at 1 October 2023	616,243	1,249,305	2,960	(3,661,004)	(1,792,496)
Profit for the year	-	-	-	21,231	21,231
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	21,231	21,231
Issue of ordinary shares	915,192	784,808	-	-	1,700,000
Total transactions with owners	915,192	784,808	-	-	1,700,000
Balance as at 30 September 2024	1,531,435	2,034,113	2,960	(3,639,773)	(71,265)
Loss for the year	-	-	-	(718,221)	(718,221)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(718,221)	(718,221)
Issue of ordinary shares	20,146	642,220	-	-	662,366
Equity-settled share-based payments	-	-	189,646	-	189,646
Total transactions with owners	20,146	642,220	189,646	-	852,012
Balance as at 30 September 2025	1,551,581	2,676,333	192,606	(4,357,994)	62,526

The notes on pages 37 to 61 form an integral part of these Company financial statements.

COMPANY STATEMENT OF CASH FLOWS

As at 30 September 2025

	Note	Company Year ended 30 September 2025 £	Company Year ended 30 September 2024 £
Cash Flows from operating activities			

(Loss) / profit before taxation		(718,221)	21,231
<i>Adjustments for:</i>			
Share-based payment expense	17	189,646	-
Non-cash settlement of fees via share issue	16	36,000	
Provision against subsidiaries		-	101
Write-back of loans and debts	7	-	(248,197)
<i>Changes in working capital:</i>			
(Increase) / decrease in trade and other receivables	14	(142,795)	(30,600)
Increase / (decrease) in trade and other payables	15	51,949	(70,103)
Net cash used in operating activities		(583,421)	(327,568)
Cash flows from financing activities			
Proceeds from issue of shares	16	574,866	300,000
Loans received	16	51,500	40,000
Net cash generated from financing activities		626,366	340,000
Cash flows from investing activities			
Investment in subsidiary		(74)	-
Net cash generated from investing activities		(74)	-
Net Increase / (decrease) in cash and cash equivalents		42,871	12,432
Cash and cash equivalents at the beginning of the year	13	28,329	15,897
Cash and cash equivalents at the end of the year		71,200	28,329

The notes on pages 37 to 61 form an integral part of these Company financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2025

1. General information

capAI plc (the "Company") is a public limited company incorporated in England and Wales on 20 April 2011. During the year, on 4 February 2025, the Company changed its name from Dukemount Capital plc to capAI plc, reflecting the Group's strategic repositioning to focus on artificial intelligence-led opportunities.

The Company was admitted to the Official List of the Financial Conduct Authority and to trading on the Main Market of the London Stock Exchange on 29 March 2017. Following the UK Listing Reforms effective 29 July 2024, the Company has been mapped into the Equity Shares (Transition) category, under which it continues to comply with the applicable listing requirements.

The consolidated financial statements for the year ended 30 September 2025 comprise the Company and its subsidiaries (together referred to as the "Group").

The principal activity of the Group during the year was the identification, incubation and development of

the principal activity of the Group during the year was the identification, incubation and development of artificial intelligence-led businesses, technologies and intellectual property.

The Company's registered office is 9 Innovation Place, Douglas Drive, Godalming, Surrey, GU7 1JX.

The consolidated financial statements of the Group for the year ended 30 September 2025 were authorised for issue by the Board of Directors on 30 January 2026.

2. Basis of preparation

2.1. Statement of compliance

The consolidated financial statements of the Group and the parent company financial statements of the Company have been prepared in accordance with UK-adopted International Financial Reporting Standards ("UK-adopted IFRS") and with the requirements of the Companies Act 2006.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 September 2025.

Exemption from preparation of Company statement of profit or loss

The Company has taken advantage of the exemption under section 408 of the Companies Act 2006 from presenting a Company statement of profit or loss and statement of comprehensive income. The loss for the Company for the year ended 30 September 2025 was £718,221 (2024: £21,231).

2.2. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for equity-settled share-based payment arrangements, which are measured at fair value at the grant date.

2.3. Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for a period of at least twelve months from the date of approval of these financial statements.

In assessing the going concern basis, the Directors have considered the Group's financial position, cash resources, forecast expenditure and anticipated funding requirements. The Group is at an early stage of development and while it expects to generate revenues as its AI platforms progress, the timing, scale and sustainability of future taxable profits remain uncertain at this stage. Accordingly, the Group may require additional funding to fully execute its strategy.

The requirement for further funding represents a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Notwithstanding this uncertainty, the Directors consider it appropriate to prepare the financial statements on a going concern basis, having regard to the Group's ability to manage expenditure, its track record of raising funds, and the Directors' expectations regarding future funding.

Further details regarding going concern are set out in the Directors' Report.

2.4. Presentation currency

The financial statements are presented in pounds sterling (£), which is the functional and presentation currency of the Company. Amounts are rounded to the nearest pound, unless otherwise stated.

3. Significant accounting policies

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

3.1. Basis of consolidation

Subsidiaries are entities controlled by the parent company. Control exists where the parent company is exposed, 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.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intercompany balances, transactions, income and expenses are eliminated on consolidation.

3.2. Changes in accounting policies and disclosures

New and amended standards applied in the year

There were no new standards or amendments that became effective for the first time for annual periods beginning on 1 October 2024. The Group has continued to apply the amendments effective from 1 January 2024 (including amendments to IAS 1, IFRS 16 and IAS 7/IFRS 7), which did not have a material impact on the Group.

Standards and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following standards and amendments had been issued by the IASB but were not yet effective for the year ended 30 September 2025 and have not been early adopted by the Group:

- IFRS 18: Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)
- IFRS 19: Subsidiaries Without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2026)
- Annual Improvements to IFRS Accounting Standards - Volume 11 (effective for annual periods beginning on or after 1 January 2026)

In addition, the International Sustainability Standards Board ("ISSB") has issued the following standards:

- IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2: Climate-related Disclosures

These sustainability standards are effective for annual periods beginning on or after 1 January 2024 but are not yet mandatory for UK-adopted IFRS reporters and have not been applied by the Group. The Directors will consider the applicability of these standards in due course, taking into account regulatory developments and the size and nature of the Group's operations.

3.3. Foreign currency

Transactions denominated in foreign currencies are translated into the functional currency of the relevant entity at the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the reporting date. Exchange differences arising on settlement or translation are recognised in profit or loss.

The assets and liabilities of foreign operations are translated into sterling at the exchange rates prevailing at the reporting date, and income and expenses are translated at average exchange rates for the period. Exchange differences arising on consolidation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

3.4. Share-based payments

Equity-settled share-based payment arrangements are accounted for in accordance with IFRS 2 Share-Based Payment. The fair value of equity instruments granted is determined at the grant date and recognised as an expense over the vesting period or estimated service period, with a corresponding increase in equity.

The fair value of share options and warrants issued in exchange for services is measured using an appropriate valuation model, taking into account the terms and conditions of the grant.

Further details of share-based payment arrangements are set out in note 17.

3.5. Financial instruments

3.5. Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified and measured at amortised cost where they are held within a business model whose objective is to hold assets to collect contractual cash flows and where those cash flows represent solely payments of principal and interest.

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

3.6. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less, which are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

Cash and cash equivalents are carried in the statement of financial position at amortised cost.

3.7. Taxation

Current tax is based on taxable profit for the year and is calculated using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases, to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are not recognised where the Directors consider that it is not probable that sufficient taxable profits will be available.

3.8. Earnings or loss per share

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

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential ordinary shares.

Potential ordinary shares are treated as dilutive only when their conversion would decrease earnings per share or increase loss per share. In periods where the Group reports a loss, potential ordinary shares are anti-dilutive and are therefore excluded from the calculation of diluted loss per share.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Directors 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.

The areas involving the most significant judgement and estimation uncertainty are set out below.

4.1. Share-based payments

The valuation of equity-settled share-based payment arrangements requires the use of judgement and estimates, including assumptions relating to expected volatility, expected life, risk-free interest rates and the assessment of vesting conditions.

Judgement is also required in determining the accounting treatment of modifications to awards, anti-dilution provisions and good-leaver arrangements.

Further details are set out in note 17.

4.2. Going concern

The Directors' assessment of the Group's ability to continue as a going concern involves judgement, particularly in relation to future funding, expenditure commitments and the timing of potential cash

inflows.

5. Subsidiaries

The following subsidiaries were held by the Group during the year ended 30 September 2025:

Entity name	Country of incorporation	Date of incorporation	Registered office	Principal activity	Ownership
capMedia, Inc	United States of America	7 July 2025	16192 Coastal Highway Lewes, Delaware 19958 USA	Development and commercialisation of AI-enabled platforms, primarily in media-related applications	100%
capMedia (UK) Ltd	United Kingdom	11 March 2016	9 Innovation Place, Douglas Drive, Godalming, Surrey, England, GU7 1JX	Dormant	100%
capMedical (UK) Ltd	United Kingdom	12 June 2019	9 Innovation Place, Douglas Drive, Godalming, Surrey, England, GU7 1JX	Dormant	100%

During the year, capMedia (UK) Ltd underwent changes of name to reflect the Group's strategic repositioning, transitioning from Dukemount Limited to capai opportunities Ltd, and subsequently on 19 September 2025 to capMedia (UK) Ltd. capMedical (UK) Ltd also underwent a change of name, changing from DKE Care and Leisure Ltd to capMedical (UK) Ltd on 19 September 2025, to align with the Group's strategic repositioning and branding.

All subsidiaries are consolidated in the Group financial statements. Intercompany balances, transactions, income and expenses are eliminated on consolidation.

The £74 investment in subsidiaries recognised in the Company's statement of financial position represents the sterling equivalent of US 100 of common stock subscribed on the incorporation of capMedia, Inc. The amount has been translated at the exchange rate prevailing on the date of incorporation.

On 3 October 2025, subsequent to the year end, the Group incorporated capMedical, Inc in the United States as a wholly owned subsidiary. capMedical, Inc was established to support the Group's activities in medical and healthcare-related artificial intelligence, including the application of advanced AI technologies within medicine and longevity-focused initiatives.

All subsidiaries are consolidated in the Group financial statements. Intercompany balances, transactions, income and expenses are eliminated on consolidation.

In the Company financial statements, investments in subsidiaries are stated at cost less impairment, in accordance with IAS 27 *Separate Financial Statements*.

6. Revenue

The Group did not generate revenue during the year ended 30 September 2025 (2024: £nil). This reflects the Group's early-stage operating model as it repositioned towards identification, incubation and development of AI-related initiatives, including products and platforms in media, medicine and longevity.

The Group commenced trading activities, and entered into Licence and Option Agreements for the development of AI platforms during the year, including Author42, Creator42 and Game42 through its subsidiary capMedia, Inc.

The Directors expect these arrangements to generate revenues in future periods as commercial deployment of these platforms progresses.

7. Administrative expenses

Administrative expenses for the year comprise the following:

	Year ended 30 September 2025	Year ended 30 September 2024
	£	£
Professional and advisory fees	465,895	158,331
Listing and regulatory costs	72,586	68,535
Directors' fees and remuneration	33,333	-
Share-based payment expense	189,646	-
Other administrative costs	29,972	-
Total administrative expenses	791,432	226,866

Administrative expenses primarily relate to the costs of maintaining the Company's public listing, professional advisory services, governance costs and share-based payment charges recognised in accordance with IFRS 2.

Write-back of loans and debts (prior year)

In the prior year the Group wrote back debts of £340,946 comprised as follows:

During the year ended 30 September 2024, the Company recognised income of £248,197 arising from the write-back of historical loan and creditor balances. Following a review of these balances, the Directors concluded that they no longer represented present obligations of the Group and were therefore derecognised in accordance with IFRS.

As at 30 September 2023 the Group owed £81,091 to Metro Bank in respect of Bounce Back Loans via two former subsidiaries, DKE (North West) Ltd and DKE (Wavertree) Ltd. As liquidators were appointed for these subsidiaries on 12 July 2024, the subsidiaries were deconsolidated from the Group's accounts as of the same date. The balances of £81,091 were written-back to the Group's profit and loss account together with other debts no longer due of £11,658.

The write-back was presented as a separate line item within the consolidated statement of comprehensive income and contributed to the profit for the year ended 30 September 2024.

8. Discontinued operations

Results of discontinued operations

The profit from discontinued operations recognised in the consolidated statement of comprehensive income for the year ended 30 September 2024 was as follows:

	£
Profit from discontinued operations	91,380

The discontinued operations relate to legacy property activities that were disposed of in prior periods.

There were no discontinued operations during the year ended 30 September 2025, and no assets, liabilities, income or expenses relating to discontinued operations were recognised in the current year.

The Group has no continuing involvement in the disposed operations.

9. Auditors' remuneration

Fees payable to the Group's auditor for services rendered during the year were as follows:

Year ended 30 September 2025	Year ended 30 September 2024
-	-

	£	£
Audit of the Group and Company financial statements	26,000	24,000
Non-audit services	-	-
Total auditors' remuneration	26,000	24,000

10. Finance income and costs

	Year ended 30 September 2025 £	Year ended 30 September 2024 £
Finance income	903	-
Finance costs	(1,013)	-
Net finance (cost)/income	(110)	-

The Group did not incur any material finance income or finance costs during the year other than minor interest items as disclosed above. Finance costs of £1,013 (2024: £nil) primarily relate to incidental bank charges and interest.

11. Taxation

11.1. Analysis of tax charge

	Year ended 30 September 2025 £	Year ended 30 September 2024 £
Current tax	-	-
Deferred tax	-	-
Total tax charge	-	-

11.2. Reconciliation of loss before tax to tax charge

	Year ended 30 September 2025 £	Year ended 30 September 2024 £
(Loss)/profit before taxation	(790,529)	112,712
Tax at UK corporation tax rate of 25% (2024: 25%)	(197,632)	28,178
Expenses not deductible for tax purposes	58,955	20,723
Other timing differences	49,569	-
Unutilised/(utilised) tax losses	89,108	(48,901)
Total tax charge	-	-

11.3. Deferred tax

The Group has accumulated tax losses available for potential offset against future taxable profits. As at 30 September 2025, UK and US tax losses available to be carried forward are estimated at £3,527,232 (2024: £3,244,070) and £8,296 (2024: £Nil) respectively.

While the Group has entered into initial revenue-generating arrangements and expects revenues to emerge as its AI platforms continue to progress, the timing, scale and sustainability of future taxable profits remain uncertain at this stage. In addition, the UK tax losses have arisen in the Company, and their future utilisation is dependent not only on agreement by HMRC as to the availability of such losses, but also on the Company generating sufficient future taxable profits, for example through the receipt of management charges or other taxable income. The utilisation of US tax losses is similarly dependent on the generation of future taxable profits within the relevant US entity and subject to applicable US tax rules.

Accordingly, the Directors consider it prudent not to recognise a deferred tax asset in respect of these losses at the reporting date. The position will be kept under review as the Group's activities continue to develop and greater certainty over future taxable profits emerges.

UK tax losses carried forward do not expire. The availability and utilisation of US tax losses are subject to US tax legislation.

12. Earnings or loss per share

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

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all dilutive potential ordinary shares.

Potential ordinary shares are treated as dilutive only when their conversion would decrease earnings per share or increase loss per share. In periods where the Group reports a loss, potential ordinary shares are anti-dilutive and are therefore excluded from the calculation of diluted loss per share.

Where the Group has discontinued operations, earnings per share is presented for both continuing operations and total profit attributable to equity holders, in accordance with IAS 33 *Earnings per Share*. Earnings per share for the comparative period includes the effect of discontinued operations, as described in note 8.

12.1. (Loss) / earnings attributable to equity holders

	Year ended 30 September 2025	Year ended 30 September 2024
	£	£
(Loss) / profit from continuing operations	(790,529)	21,332
Profit from discontinued operations	-	91,380
(Loss) / profit for the year attributable to equity holders	(790,529)	112,712

The profit for the year ended 30 September 2024 includes profit from discontinued operations of £91,380, as disclosed in note 8.

12.2. Weighted average number of ordinary shares

	Year ended 30 September 2025	Year ended 30 September 2024
	£	£
Weighted average number of ordinary shares - basic	2,754,776,434	923,868,784
Effect of dilutive share options and warrants	-	-
Weighted average number of ordinary shares - diluted	2,754,776,434	923,868,784

For the year ended 30 September 2025, the Group reported a loss and therefore all potential ordinary shares were anti-dilutive. Accordingly, diluted loss per share is the same as basic loss per share.

12.3. Loss / earnings per share

	Year ended 30 September 2025	Year ended 30 September 2024
Basic (loss) / earnings per share - continuing operations (pence)	(0.0287)	0.0023
Basic (loss) / earnings per share - total (pence)	(0.0287)	0.0122
Diluted (loss) / earnings per share (pence)	(0.0287)	0.0122

For the year ended 30 September 2024, diluted earnings per share has been presented as the Group reported a profit for the period.

12.4. Potentially dilutive instruments

At 30 September 2025, the Company had outstanding share options and warrants which could potentially dilute earnings per share in future periods. These instruments are described in further detail in notes 16, 17 and 18.

13. Cash and cash equivalents

Unless otherwise stated, the disclosures in this note relate to the consolidated Group.

Cash and cash equivalents comprise cash at bank and short-term deposits with an original maturity of three months or less.

three months or less.

13.1. Analysis of cash and cash equivalents

	Group 30 September 2025 £	Company 30 September 2025 £	Group 30 September 2024 £	Company 30 September 2024 £
Cash at bank	96,444	71,200	28,329	28,329
Total cash and cash equivalents	96,444	71,200	28,329	28,329

13.2. Reconciliation to the statement of cash flows

The amounts disclosed above reconcile to the cash and cash equivalents balances shown in the Consolidated Statement of Cash Flows.

14. Trade and other receivables

Unless otherwise stated, the disclosures in this note relate to the consolidated Group.

14.1. Analysis of trade and other receivables

	Group 30 September 2025 £	Company 30 September 2025 £	Group 30 September 2024 £	Company 30 September 2024 £
Trade receivables	-	-	-	-
Prepayments and accrued income	31,601	95,326	21,744	21,744
Other receivables	53,651	53,651	9,278	9,278
Amounts due from Group undertakings	-	24,840	-	-
Total trade and other receivables	85,252	173,817	31,022	31,022

The Group had no trade receivables at the reporting date (2024: nil).

Prepayments principally comprise amounts paid in advance in respect of directors' and officers' insurance and regulatory fees. Other receivables primarily comprise value added tax recoverable, which the Directors expect to be recovered within twelve months of the reporting date.

Included within other receivables in the Company balance sheet at 30 September 2025 is an accrued amount of £63,725 (2024: £nil) due from capMedia, Inc, a wholly owned subsidiary, in respect of management charges for the period for which invoices were issued subsequent to the year end. This intercompany balance is unsecured, interest free and repayable on demand and is eliminated on consolidation. Accordingly, it does not form part of trade and other receivables in the consolidated financial statements.

14.2. Credit risk and expected credit losses

Trade and other receivables are held at amortised cost. Due to the short-term nature of the receivables and the limited exposure to credit risk, the Directors consider that the carrying amounts approximate their fair value.

The Group applies the simplified approach to measuring expected credit losses under IFRS 9. No impairment provision has been recognised at 30 September 2025, as the Directors consider the risk of default to be immaterial (2024: nil).

15. Trade and other payables

Unless otherwise stated, the disclosures in this note relate to the consolidated Group.

15.1. Analysis of trade and other payables

Group 30	Company 30	Group 30	Company 30
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	September 2025	September 2025	September 2024	September 2024
	£	£	£	£
Trade payables	33,497	33,497	88,516	88,516
Accruals and deferred income	148,280	148,280	42,100	42,100
Other payables	9,701	788	-	-
Total trade and other payables	191,478	182,565	130,616	130,616

Accruals principally comprise professional fees, including legal and advisory costs incurred in connection with governance matters, regulatory compliance, licensing arrangements and strategic initiatives undertaken during the year.

Trade and other payables disclosed above relate to the consolidated Group. Intercompany balances arising between the Company and its subsidiaries are eliminated on consolidation and are therefore not included in the Group trade and other payables balance. Intercompany payables arising in subsidiary entities are reflected in the individual entity financial statements only.

15.2. Financial liabilities and maturity

Trade and other payables are non-interest bearing and are generally settled within normal credit terms of between 30 and 90 days. Due to their short-term nature, the Directors consider that the carrying amounts of trade and other payables approximate their fair value.

All trade and other payables are classified as current liabilities.

16. Share capital and reserves

Unless otherwise stated, the disclosures in this note relate to both the Group and the Company. Differences between the Group and Company positions are explained where relevant.

16.1. Share capital

Issued share capital as at 30 September 2025

Group and Company Class of share	Number	Nominal value (£)
Ordinary shares	3,733,930,636	0.00001
Deferred shares	61,624,316	0.00900
Deferred B shares	969,316,623	0.00099
Total issued share capital	4,764,871,575	0.00033

The issued share capital disclosed above reflects the position at 30 September 2025 and is stated prior to the share consolidation completed on 6 October 2025.

Ordinary shares carry voting rights, rights to dividends and rights to participate in surplus assets on a winding up.

Deferred shares carry no voting rights, no rights to dividends, and no rights to surplus assets beyond repayment of nominal value. Accordingly, deferred shares are excluded from earnings per share calculations and are not considered part of the Company's economic equity.

16.2. Movements in ordinary share capital

The opening issued share capital at 1 October 2024 reflects a capital reorganisation completed during the year ended 30 September 2024, which resulted in the creation of deferred share classes. Further details of this reorganisation are set out in the Company's annual report and financial statements for the year ended 30 September 2024 and in the interim financial statements for the six-month period ended 31 March 2025.

Group and Company	Number of ordinary shares	Share capital ordinary (£)	Share capital deferred (£)	Share premium (£)
At 1 October 2024	1,719,316,623	17,193	1,514,242	2,034,113
Shares issued (admitted on 24 October 2024)	394,000,000	3,940	-	94,560

Shares issued (admitted on 7 April 2025)	687,500,000	6,875	-	268,125
Shares issued - conversion of loan notes (admitted on 7 April 2025)	83,000,000	830	-	19,920
Shares issued - settlement of fees (admitted on 7 April 2025)	50,793,650	508	-	15,492
Shares issued - conversion of loan notes (admitted on 11 April 2025)	123,000,000	1,230	-	29,520
Shares issued - settlement of fees (admitted on 11 April 2025)	63,492,063	635	-	19,365
Shares issued - warrant exercise (admitted on 24 April 2025)	110,728,300	1,107	-	40,416
Shares issued - warrant exercise (admitted on 9 June 2025)	400,000,000	4,000	-	146,000
Shares issued - warrant exercise (admitted on 9 September 2025)	102,100,000	1,021	-	69,142
Share issue costs	-	-	-	(60,320)
Total issued in the period	2,014,614,013	20,146	-	642,220
At 30 September 2025	3,733,930,636	37,339	1,514,242	2,676,333

Share issues during the year

During the year ended 30 September 2025, the Company undertook a number of equity transactions to strengthen its balance sheet, fund operations and support its strategic repositioning.

On 17 October 2024, the Company raised £150,000 by way of a placing of 394,000,000 ordinary shares of £0.00001 each at a price of £0.00025 per share, raising gross proceeds of £98,500, together with the issue of £51,500 of convertible loan notes ("CLNs").

The CLNs were convertible at £0.00025 per share into new ordinary shares. All CLNs were converted in full, resulting in the issue of 206,000,000 ordinary shares, which were admitted to trading on 7 April 2025 and 11 April 2025.

In addition, on 7 April 2025, the Company completed a further equity fundraising pursuant to shareholder approval, issuing 687,500,000 ordinary shares at a price of £0.0004 per share, raising gross proceeds of £275,000.

During April 2025, the Company also issued ordinary shares in settlement of professional fees and other liabilities in non-cash transactions, with such shares measured at a fair value of £36,000 at the date of admission, in accordance with IFRS. This transaction was non-cash in nature and is therefore excluded from proceeds from the issue of shares in the statement of cash flows

During the year, the Company issued ordinary shares following the exercise of warrants, resulting in the issue of 612,828,300 ordinary shares, with admissions occurring on 24 April 2025, 9 June 2025 and 9 September 2025. Proceeds received from warrant exercises were credited to share capital and share premium as appropriate.

The net cash proceeds of £574,866 disclosed in the statement of cash flows reconcile to the proceeds from the issue of shares in October 2024 and April 2025, and the warrant exercises noted above, less share issue costs. Share issue costs of £60,320 incurred in connection with the above equity transactions have been deducted from share premium in accordance with IAS 32 *Financial Instruments: Presentation*.

16.3. Deferred shares

Both classes of deferred Shares have no voting rights, no entitlement to attend General Meetings of the Company, no right to any dividend or other distribution and will carry only the right to participate in any return of capital to the extent of the amount paid up or credited as paid up on each deferred Share after the holders of existing ordinary shares have received, not only the aggregate amount paid up on those shares, but also £1 million per new ordinary share.

As at 31 March 2025, there were two classes of deferred shares in issue:

- 61,624,316 deferred shares of £0.009 each, and
- 969,316,623 deferred B shares of £0.00099 each,

totalling 1,030,940,939 deferred shares with an aggregate nominal value of £1,514,242.

There were no movements in deferred shares during the year. Deferred shares in issue at 30 September 2025 were unchanged from the prior period.

16.4. Share consolidation (post year-end)

On 6 October 2025, subsequent to the year end, the Company implemented a 10:1 share consolidation, whereby every ten existing ordinary shares were consolidated into one ordinary share.

At the same general meeting, shareholders approved the adoption of new articles of association. The new articles were adopted to reflect the share consolidation and to update the Company's capital structure provisions.

The share capital disclosures above reflect the position at 30 September 2025, prior to the share consolidation. Comparative per-share information has not been restated.

16.5. Share premium

The share premium account represents the excess of proceeds received over the nominal value of ordinary shares issued, net of share issue costs.

16.6. Share-based payment reserve

The share-based payment reserve represents the cumulative charge recognised in respect of equity-settled share-based payment arrangements in accordance with IFRS 2 Share-Based Payment. Further details are set out in note 17.

16.7. Retained earnings

Retained earnings represent the accumulated losses of the Group since incorporation, including the loss for the year.

16.8. Nature and purpose of reserves

Reserve	Description
Share capital	Nominal value of issued shares
Share premium	Proceeds in excess of nominal value, net of issue costs
Share-based payment reserve	IFRS 2 equity-settled charges
Retained earnings	Accumulated profits and losses

17. Share-based payments

17.1. Options and conditional awards accounted for under IFRS 2

The Group operates equity-settled share-based payment arrangements for Directors and certain advisers, which are accounted for in accordance with IFRS 2 Share-Based Payment.

The fair value of equity instruments granted is measured at the grant date using an appropriate valuation model and is expensed over the vesting period or estimated service period, with a corresponding credit recognised in equity within the share-based payment reserve. Vesting conditions relating to service or market-based performance are taken into account in determining the grant-date fair value.

Equity instruments issued in connection with fundraising activities, including warrants issued to subscribers, are considered to form part of the related financing arrangements and are therefore outside the scope of IFRS 2. There is additional detail in note 17.7.

17.2. Equity instruments in issue

During the year, the Company granted share options to Directors and issued warrants in connection with fundraising activities and for services provided.

17.3. Share options and conditional awards outstanding

Group and Company	Number of options and conditional awards
Outstanding at 1 October 2024	-

Granted during the year	2,375,000,000
Exercised / lapsed during the year	-

Outstanding at 30 September 2025 **2,375,000,000**

The options and conditional awards outstanding at 30 September 2025 relate to grants made on 29 January 2025 and 12 March 2025.

17.4. Details of option and conditional awards grants

17.4.1. Options and conditional awards granted on 29 January 2025

Share price hurdle £	Vesting condition	Richard Edwards	Sarah Davy	Total
0.0005	Continuous service	160,000,000	40,000,000	200,000,000
0.0010	6 months' service	120,000,000	30,000,000	150,000,000
0.0015	12 months' service	120,000,000	30,000,000	150,000,000
Total		400,000,000	100,000,000	500,000,000

The options and conditional awards were granted with an exercise price of £0.000315 per share, being the closing mid-market price on the trading day immediately preceding the grant date.

17.4.2. Options and conditional awards granted on 12 March 2025

Share price hurdle £	Vesting condition	Richard Edwards	Professor Ronjon Nag	Total
0.0005	Continuous service	125,000,000	500,000,000	625,000,000
0.0013	6 months' service	125,000,000	500,000,000	625,000,000
0.0030	12 months' service	125,000,000	500,000,000	625,000,000
Total		375,000,000	1,500,000,000	1,875,000,000

The options and conditional awards were granted with an exercise price of £0.00001 per share, being the nominal value of the Company's ordinary shares at the grant date.

17.5. Anti-dilution provisions

The options and conditional awards granted on 12 March 2025 include anti-dilution provisions designed to maintain the relative ownership interests of the relevant Directors in the event that warrants outstanding at the time of grant are subsequently exercised.

Under these provisions, additional share options and conditional awards may be granted on substantially the same terms as the original awards where dilution arises as a result of such warrant exercises. The anti-dilution mechanism does not apply to warrants issued after the relevant grant dates.

These arrangements were disclosed at the time of grant and approved by shareholders. Any additional options issued pursuant to these provisions are accounted for in accordance with IFRS 2 and treated as modifications to the original awards, where applicable.

17.6. Warrants

The Company has issued warrants during the year both:

- in connection with equity fundraising activities; and
- in limited cases, in consideration for professional and advisory services.

Warrants issued in connection with equity fundraising activities are treated as equity instruments and fall outside the scope of IFRS 2.

Warrants issued in consideration for services rendered are accounted for as equity-settled share-based payment arrangements under IFRS 2 and are included within the share-based payment expense recognised for the year.

Further details of warrants outstanding at the year end, including movements during the year and key terms, are set out in note 18.

17.7. Warrants accounted for under IFRS 2

During the year, the Company issued and modified certain warrants in consideration for professional and advisory services. These warrants were assessed as equity-settled share-based payment arrangements in accordance with IFRS 2 Share-based Payment.

Warrants issued solely in connection with equity fundraisings are treated as equity instruments and fall outside the scope of IFRS 2. Such warrants are disclosed separately in note 18.

Modification of warrants

On 17 October 2024, in connection with a fundraising undertaken during the period, the Company modified the terms of all warrants previously issued, including those for services, by repricing them to an exercise price of £0.000375 per share.

In accordance with IFRS 2, the modification was accounted for by measuring the incremental fair value arising from the change in terms at the date of modification. The fair value of the original awards immediately prior to modification was included in the calculation but was immaterial in amount. Accordingly, for clarity of presentation, only the valuation assumptions applied to the revised terms are disclosed.

17.8. Fair value measurement and valuation assumptions

The fair value of share options and warrants granted during the year was determined using the Black-Scholes option pricing model.

The model incorporates the following inputs:

- market price of the Company's shares at the grant date;
- exercise price of the option or warrant;
- expected share price volatility;
- expected life of the option or warrant;
- risk-free interest rate; and
- expected dividend yield (assumed to be nil).

Share options and conditional awards

The valuation assumptions applied to share options granted during the year are set out below:

Group and Company	Options and conditional awards granted 29 January 2025	Options and conditional awards granted 12 March 2025
Expected life (years)	3	3
Risk-free rate	4.75%	4.50%
Expected volatility	20.00%	20.00%
Dividend yield	Nil	Nil
Share price at grant	£0.000315	£0.000375
Exercise price	£0.000315	£0.000010

The share options and conditional awards granted expire on the 10th anniversary of the grant date. For valuation purposes, an expected life of three years has been applied, consistent with market practice for UK small-cap listed entities.

Warrants issued or modified for services

During the year, the Company issued and modified certain warrants in consideration for professional and advisory services. These warrants were assessed as equity-settled share-based payment arrangements under IFRS 2.

Where warrants were modified, the incremental fair value arising from the change in terms was measured at the modification date. The fair value of the original terms immediately prior to modification was assessed as immaterial and, for clarity of presentation, the valuation assumptions for the original terms are not presented separately.

For clarity of presentation, the fair value arising from warrant modifications and new warrant issuances during the year has been presented on an aggregated basis. The underlying valuation assumptions applied to each event are disclosed below.

The valuation assumptions applied to warrants issued or modified for services during the year are set out below:

Group and Company	Warrants modified 17 October 2024	Warrants granted 24 October 2024	Warrants granted 7 April 2025
Expected life (years)	2.4	2.4	1.9
Risk-free rate	5.00%	5.00%	4.50%
Expected volatility	20.00%	20.00%	185.73%
Dividend yield	Nil	Nil	Nil
Share price at grant	£0.000335	£0.000310	£0.002700
Exercise price	£0.000375	£0.000375	£0.000375

The expected volatility applied to warrants granted on 7 April 2025 reflects the increased share price volatility observed during the period immediately preceding the grant date.

17.9. Share-based payment expense

The total share-based payment expense recognised for the year ended 30 September 2025 was £189,646 (2024: £nil), comprising charges in respect of share options, conditional awards and warrants issued or modified for services.

The warrant-related charge recognised during the year principally relates to warrants issued in April 2025, which had a material fair value at grant date due to the prevailing market price of the Company's shares. The incremental fair value arising from the repricing of existing warrants in October 2024 was not material in isolation.

The following table reconciles the total expense recognised during the year:

Group and Company	Fair value £	Charge recognised £
Options granted on 29 January 2025	32,343	7,236
Options and conditional awards granted on 12 March 2025	686,743	127,314
Warrants issued or modified for services	55,097	55,096
Total	774,183	189,646

The share-based payment charge has been recognised within administrative expenses in the consolidated statement of comprehensive income, with a corresponding credit to the share-based payment reserve.

The remaining fair value of equity-settled awards will be recognised over the remaining vesting or service periods in accordance with IFRS 2.

17.10. Post-year-end matters

Subsequent to the year end, on 6 October 2025, the Company implemented a 10:1 share consolidation, whereby every ten existing ordinary shares were consolidated into one ordinary share. Further details of the share consolidation are set out in note 15.

As a consequence of the share consolidation, the number of options and conditional awards outstanding and their exercise prices were adjusted in accordance with the terms of the relevant option awards. These adjustments were mechanical in nature and did not result in any modification to the fair value of the awards for the purposes of IFRS 2 Share-based Payment.

Following the year end, there were a number of developments relating to share-based payment arrangements arising from changes in Board composition. These events occurred after the reporting date and are therefore treated as non-adjusting subsequent events.

On 17 December 2025, Jack Allardyce was appointed as an Executive Director of the Company, replacing Richard Edwards, who stepped down from the Board. In connection with his appointment, the

Company granted options over ordinary shares to Mr Allardyce to align his interests with the Company's strategic objectives. The grants comprised:

- 4,000,000 options with an exercise price of £0.00315 per share; and
- 4,166,667 options with an exercise price of £0.0001 per share,

with each award vesting on 12 March 2026. The exercise prices reflect the adjustments to existing share options and conditional awards associated with the October 2025 share consolidation.

On the same date, the treatment of Richard Edwards' existing option awards under the capAI plc Long Term Incentive Plan was confirmed. He was treated as a good leaver and the following was agreed by the remuneration committee:

- Retainment of the vested portion of his share options (28,000,000 share options at exercise price of £0.00315 and 25,000,000 share options at exercise price of £0.0001);
- accelerated vesting of two-thirds of the third tranche of both his January 2025 and March 2025 share option awards (8,000,000 share options at exercise price of £0.00315 and 8,333,333 share options at exercise price of £0.0001); and
- cancellation of the remaining one-third of the third tranche of those share option awards (4,000,000 share options at exercise price of £0.00315 and 4,166,667 share options at exercise price of £0.0001).

The anti-dilution protection provisions attached to the March 2025 option award were removed from the retained portion of the third tranche. All retained options remain subject to their original terms, including exercise periods and any applicable holding restrictions.

No other material modifications to share-based payment arrangements occurred after the reporting period.

18. Warrants

18.1. Accounting policy

Warrants issued in connection with equity fundraising transactions are treated as equity instruments and fall outside the scope of IFRS 2 Share-based Payment. Warrants issued in consideration for services rendered are assessed under IFRS 2 and, where material, accounted for as equity-settled share-based payments.

All warrants are classified as equity and are not subsequently remeasured.

18.2. Movement in warrants

Group and Company	Number of warrants
Outstanding at 1 October 2024	801,579,499
Warrants issued pursuant to placings and fundraisings	1,287,500,000
Warrants issued for services	38,625,000
Warrants exercised during the year	(612,828,300)
Outstanding at 30 September 2025	1,514,876,199

The warrants issued pursuant to placings and fundraisings comprise warrants issued in connection with the October 2024 fundraising and the conditional fundraising announced in March 2025. Warrants issued for services relate to advisory and professional services provided to the Company during the period.

Numbers shown are prior to the 10:1 share consolidation completed after the year end.

18.3. Warrants outstanding at the year end

At 30 September 2025, the principal warrants outstanding were as follows:

Expiry date	Exercise price £	Number of warrants
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March 2027	0.000375	90,204,499
May 2027	0.000375	422,171,700
October 2027	0.000375	390,000,000
April 2026	0.000800	612,500,000
Total		1,514,876,199

The expiry dates shown above are stated by month and year; the warrants expire on the corresponding anniversary dates of issue in each case.

18.4. Repricing of warrants

On 17 October 2024, in connection with the October 2024 fundraising, the Company repriced all warrants outstanding at that time to an exercise price of £0.000375 per share, in order to ensure consistency across warrant instruments and to increase the likelihood of exercise based on the prevailing market price.

The repricing constituted a modification of equity-settled instruments under IFRS 2. The incremental fair value arising from the modification was determined using the Black-Scholes option pricing model and was not material in isolation. The resulting charge has been recognised within administrative expenses and forms part of the total share-based payment expense disclosed in note 17.

18.5. Warrants issued for services

During the year, the Company issued warrants in consideration for professional and advisory services.

Such warrants were assessed under IFRS 2 Share-based Payment. Details of the fair value recognised and the accounting treatment applied are disclosed in note 17.

18.6. Share consolidation (post year-end)

Subsequent to the year end, following the 10:1 share consolidation implemented on 6 October 2025, the number of warrants outstanding and their exercise prices were adjusted in accordance with their respective terms. These adjustments were mechanical in nature and did not give rise to any accounting impact.

18.7. Dilution

The warrants outstanding at the year-end are potentially dilutive. However, as the Group reported a loss for the year ended 30 September 2025, the warrants have not been included in the calculation of diluted loss per share in accordance with IAS 33 Earnings per Share. For the comparative year ended 30 September 2024, diluted earnings per share was presented where applicable in accordance with IAS 33.

19. Financial instruments and risk management

19.1. Accounting policy

The Group's financial instruments comprise cash and cash equivalents, trade and other receivables, and trade and other payables. Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are measured at amortised cost. The Group does not hold any derivative financial instruments and does not apply hedge accounting.

The Group has no outstanding loan balances at the reporting date. Historic loan and creditor balances that were derecognised in the prior year, following a review of their enforceability, are discussed in note 7 and do not give rise to any ongoing financial instrument or related risk exposure.

19.2. Risk management objectives

The Group's principal financial risks are liquidity risk, credit risk and market risk. The Board is responsible for overseeing the management of these risks and has established policies and procedures that it considers appropriate to the size, complexity and stage of development of the Group.

Further detail on the principal risks facing the Group is set out in the Strategic Report.

19.3. Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due. The Group manages liquidity risk by maintaining appropriate cash reserves and monitoring forecast cash flows.

As an early-stage operating and incubation business, the Group may require additional funding to execute its strategy. The Directors keep funding requirements under regular review and seek to ensure that sufficient resources are available to meet the Group's obligations as they fall due.

Trade and other payables are primarily due within three months.

19.4. Credit risk

Credit risk is the risk of financial loss arising from a counterparty's failure to meet its contractual obligations. The Group's exposure to credit risk is limited, as it does not have material trade receivables.

Cash and cash equivalents are held with major financial institutions with strong credit ratings. The Directors do not consider the Group to be exposed to any significant concentration of credit risk.

19.5. Market risk

Foreign currency risk

The Group has exposure to foreign currency risk arising primarily from operations conducted through its US subsidiary. Transactions denominated in foreign currencies are translated into sterling at the exchange rate prevailing at the date of the transaction.

The Group does not currently use financial instruments to hedge foreign currency exposure. Foreign exchange risk is monitored by the Board and considered to be manageable given the current scale of overseas activities.

Interest rate risk

The Group has limited exposure to interest rate risk, as it does not have material interest-bearing borrowings. Cash balances may be subject to variable interest rates; however, the impact of interest rate movements is not considered material.

20. Related party transactions

Related parties comprise the Directors of the Company and entities over which they exercise control or significant influence.

All related party transactions were conducted on arm's-length terms unless otherwise stated.

20.1. Directors' participation in fundraisings

During the year, certain Directors participated in equity and debt fundraisings undertaken by the Company, on the same terms as those offered to other investors:

- In October 2024, Richard Edwards subscribed £37,500 as part of the fundraising announced on 17 October 2024. This comprised £16,750 in ordinary shares and £20,750 in convertible loan notes ("CLNs"). The CLNs were subsequently converted into ordinary shares, which were admitted to trading on 7 April 2025.
- As part of the conditional fundraising announced on 12 March 2025, Richard Edwards subscribed £50,000, Professor Ronjon Nag subscribed £50,000 and Sarah Day subscribed £12,500.

Further details of the resulting share issuances and conversions are set out in note 15.

20.2. Professional fees

Included within administrative expenses for the year is an accrual of £14,000 payable to Coat Capital Limited in respect of accounting and financial reporting services. Coat Capital Limited is jointly owned by Richard Edwards, who served as a Director of the Company during the reporting period, and his spouse.

The balance remained outstanding at 30 September 2025 and is included within accruals.

As disclosed in prior period financial statements, administrative expenses for the year ended 30 September 2024 included accounting fees of £16,000 payable to Coat Capital Limited. This amount was settled during the current year through the issue of ordinary shares admitted to trading on 7 April 2025.

20.3. Loan from connected party of a Director

As at 30 September 2024, the Company owed £16,000 to Bryan Dart, the brother of Geoffrey Gilbert Dart, who served as a Director of the Company during the reporting period.

On 12 November 2024, a payment of £16,000 was made in full and final settlement of the outstanding balance. The remaining balance of £10,687 was formally waived by Bryan Dart and was written back to profit or loss in the year ended 30 September 2024.

The loan was unsecured, interest free and repayable on demand.

20.4. Stock loan

To facilitate the timely delivery of shares following warrant exercises announced on 2 May 2025, the Company entered into a short-term stock loan agreement with Richard Edwards, a Director of the Company during the period.

This related party transaction was approved by the independent directors and subsequently by shareholders at a General Meeting held on 28 May 2025. The stock loan was repaid in full through the allotment of ordinary shares on 9 June 2025.

20.5. Intercompany management charges

During the year, the Company recognised an income accrual in respect of management services provided to capMedia, Inc, a wholly owned subsidiary. The income was recognised through an intercompany accrual at the reporting date, and invoiced post year end.

At 30 September 2025, an amount of £63,725 (2024: £nil) was included within other receivables in the Company balance sheet, with a corresponding accrual recognised in capMedia, Inc.

The balances were eliminated on consolidation. Accordingly, they do not form part of trade and other receivables, or trade or other creditors in the consolidated financial statements. Further details are set out in note 14.

20.6. Share-based payments

During the year, the Company granted share options and conditional awards to certain Directors as part of its long-term incentive arrangements:

- On 29 January 2025, 500,000,000 options were granted, comprising 400,000,000 to Richard Edwards and 100,000,000 to Sarah Day.
- On 12 March 2025, 1,875,000,000 options and conditional awards were granted, comprising 375,000,000 to Richard Edwards and 1,500,000,000 to Professor Ronjon Nag.

Further details of these arrangements, including vesting conditions and valuation assumptions, are disclosed in note 17. Post year end certain of these awards were modified, as disclosed in note 22.

20.7. Outstanding balances

At 30 September 2025, other than the accruals disclosed in notes 20.2 and 20.5 above, there were no material balances outstanding with related parties.

21. Ultimate controlling party

The Directors consider that the Company has no ultimate controlling party.

22. Events after the reporting period

The following events occurred after the reporting period:

- On 6 October 2025, the Company implemented a 10:1 share consolidation, whereby every ten existing ordinary shares were consolidated into one ordinary share. Further details are set out in

note 16.

- At the same time, the Company adopted new Articles of Association to reflect, inter alia, the share consolidation and the revised capital structure.
- On 3 October 2025, the Company incorporated capMedical, Inc, a wholly owned subsidiary incorporated in the United States, to support the Group's planned expansion into AI-enabled applications in healthcare, medicine and related sectors.
- Subsequent to the year end, there were changes to the Board, including the resignation of Richard Edwards and the appointment of Jack Allardyce as an Executive Director.
- Following these Board changes, share option awards were modified and additional options were granted in accordance with the terms of the Company's long-term incentive arrangements. Further details are disclosed in note 17.
- Adjustments were made to outstanding warrants and options to reflect the share consolidation. These adjustments were mechanical in nature and did not result in any accounting impact.

No other material events occurred after the reporting period that require disclosure or adjustment to the financial statements.

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