Quadrise plc

Company Registration No. 05267512

Interim Report and Consolidated Financial Statements

For the 6 month period to 31 December 2025

Quadrise plc ("Quadrise", "QED", the "Company" and together with its subsidiaries the "Group") presents its unaudited interim results for the six months ended 31 December 2025

CEO Statement for the six months ended 31 December 2025

Introduction

Quadrise has developed a technology that was initially focused on cheaper, less viscous power applications into proven and scalable commercial products for the shipping, power and industrial sectors.

Our fuels have been successfully tested during industrial scale trials in refineries, on container ships, in boilers and in diesel engines, with the trials providing valuable insights into our technology and the evolving needs of our clients. With this foundation in place, we can now look forward to the next stage of the Company's development as we progress towards commercialisation.

Our business requires close collaboration with much larger and more complex entities, which defines and limits our agency. We therefore need to be precise in our focus on what we can control, whilst clearly defining and articulating the use cases for our technology.

In addition, we must continue to future-proof our technology for the economic and regulatory challenges faced by our clients by expanding the range of biofeedstocks that we can incorporate into bioMSAR™.

We are operating in an era of unprecedented technological and geopolitical upheaval, with volatility and unpredictability more pronounced than ever in the global marine sector. This presents significant opportunities for our company. Our clients are looking for fuel solutions that offer optionality, resilience and cost savings, whilst also enabling compliance with incoming greenhouse gas emissions regulations. We believe that our MSAR® and bioMSAR™ technology offers each of these and is a relatively low cost, safe solution for shipowners to make in turbulent times.

Strategy

During my first six months at Quadrise, I have identified two key priorities:

Firstly, to scale up efforts to bring in additional shipowners with a willingness to be first a mover on our fuels. This will enable us to run trials in parallel rather than in sequence and ultimately accelerate scale-up. With our enhanced shipping sector experience, we have been able to apply resources and leverage personal networks to hugely increase our engagement in the marine sector. Discussions with key personnel in technical departments, fuel procurement and at senior management and ownership level at several additional major shipping companies are currently underway.

Secondly, to build a compelling case for our feedstock suppliers (e.g. refineries) where we needed to augment our understanding of refinery economics to better identify the refineries that would benefit the most from the adoption of our technologies. We have made significant progress in this direction with the addition of an experienced oil-major refinery economist to the team and are engaging selectively with downstream consultants to ensure we accurately present the strengths of our case to an initial target list of circa 25 refineries that supply Northern Europe, Southeast Asia and the Mediterranean. Our job is to convince refineries of the medium to long term potential of our technology and how it can add value.

In parallel we are developing practical applications for digital modelling and data tools for our clients and to support our ongoing development of competitive and compliant fuels. We are participating in an EU Horizon sponsored project to develop digital twins for the marine sector industry and we have also entered into a closer collaboration with the University of Bath. These activities will enable to us deliver commercial scale-up in a faster and more efficient manner - and hence improve our time-to-market for our bioMSAR™ platform across a wider range of bio feedstocks.

Throughout the second half of the 2025 calendar year and early 2026, Quadrise has continued constructive dialogue with refineries and supply partners to support long-term commercial provision of MSAR® and bioMSAR™ at major bunker hubs.

Alongside these developments, work on our projects has progressed as follows:

Marine: Preparing for commercial trials with MSC and Cargill

Following recent in-person meetings with MSC and Cargill, all parties have reaffirmed their commitment to the programme and are working collaboratively to conclude the agreements and related preparations and permitting as soon as possible. The draft agreements now incorporate adjustments required to reflect the complexities of the trial and post-trial commercial considerations. With these adjustments now made, Quadrise is confident that the final agreements for the vessel trial will be signed soon. In preparation for vessel trials, work with Cargill has progressed to obtain International Sustainability & Carbon Certification for bioMSAR™ in 2026, which verifies compliance with EU legal requirements for sustainability and greenhouse gas emissions savings for renewable fuels.

Following signature of the agreement, installation and commissioning of equipment at MAC² will precede fuel production and Proof-of-Concept tests of MSAR® and bioMSAR™. The subsequent bioMSAR™ Letter of no Objection ('LONO') trial is expected to conclude 6-8 months after completion of the Proof-of-Concept phase. During the LONO programme, the parties intend to agree a Commercial Supply Agreement and establish permanent bioMSAR™ bunker operations via Cargill at MAC², based on successful trial performance.

Valkor: Progressing towards commercial supply in the United States

In September 2025, Quadrise and Valkor agreed a further addendum to the Site Licence and Supply Agreement, under which Valkor will make staged licence payments of US$1.0 million through to June 2026, quarterly service charge payments of US$75,000 from July 2026, and US$0.5 million in equipment fees expected by July 2027.

Valkor now expects its 500bpd oil sands pilot plant to be operational in Q4 2026. Representative oil samples are now being prepared in Utah for Quadrise testing during Q2 2026. These samples will inform MSAR® and bioMSAR™ formulation work ahead of equipment and additive shipment to site and the commencement of product marketing activities.

OCP and Morocco: Progressing towards site trials

Quadrise and OCP recently held an in-person meeting to resolve the final issues regarding the proposed commercial site trial. It was agreed that the trial would be relocated to an alternative OCP site using equipment that does not require approval from the original engine manufacturer. Both parties have re-affirmed their commitment to progressing MSAR® commercial applications.

Work is now underway to detail a revised trial plan at the alternative OCP site, which is expected to be signed in Q2 2026. The Quadrise trial equipment remains at Jorf Lasfar in readiness, and trial commencement is expected to follow once the agreement has been signed and the site preparations are completed.

Americas: Successful MSAR® and bioMSAR™ trials in Panama

Following successful testing at the Sparkle Power plant in Panama during July 2025, the processes to obtain the necessary Panamanian fuel permits for MSAR® and bioMSAR™ are underway. Discussions with other powerplant operators in Panama and Central America are continuing to build demand. Work to source suitable feedstocks continues in parallel.

bioMSAR™ development: Advancing our sustainable biofuel platform

During the period, Quadrise tested several new biofuel feedstock pathways for bioMSAR™ and bioMSAR™ Zero. The Company collaborated with its technology partners to advance second generation sustainable bio-oil and sugar options, including:

- Solvolysis with Vertoro BV
- Fast pyrolysis with BTG Bioliquids BV and Alder Energy

- Hydrothermal liquefaction with Licella Holdings
- Additional programmes under non-disclosure

These collaborations support the development of scalable, non-conventional, waste-based biofuel inputs that align with expected regulatory requirements and sustainability criteria.

In early 2026, we commenced a programme to restructure our testing data architecture so that almost twenty years of test results and experience can be fully digitised and accessible to AI models. We also entered a research partnership with the University of Bath to deepen our understanding of emulsion fuel chemistry. By integrating computer modelling techniques like molecular dynamics and computational fluid dynamics with AI-driven data analysis, our goal is to accelerate both the development and optimisation of emulsion fuel formulations.

As part of the SEASTARS EU Horizon Project, involving a consortium of 19 partners across eight countries, Quadrise collaborated to advance sustainable shipping solutions. We continue to review other similar UK and EU funded initiatives to advance RDI and commercialisation.

Financial Position

At 31 December 2025 the Group had a cash balance of £4.0m.

The Group recorded a loss of £2.0 million for the six months to 31 December 2025 (H1 FY25: £1.7 million). This included production and development costs of £1.0 million (H1 FY25: £0.8 million) and administration expenses of £0.9 million (H1 FY25: £0.9 million).

The basic and diluted loss per share was 0.10p (H1 FY25: 0.10p).

The Group's total assets amounted to £8.3 million as at 31 December 2025 (£5.2 million as at 31 December 2024). In addition to the cash and cash equivalents, this included fixed tangible assets (mainly plant and equipment) of £0.9 million and MSAR® trade name of £2.9 million.

The Group has aggregated tax losses arising in the UK of approximately £68.0 million (2024: £64.7 million) that are potentially available to be carried forward against future profits.

Outlook

Our immediate priorities are to finalise the legal framework around the MSC and OCP trials and to progress discussions with feedstock supply partners and additional prospective marine trial partners. In parallel, we must develop compelling use cases for our clients and progress the development of competitive and compliant fuels.

Although progress in key areas has taken longer than expected, the foundations laid during the period leave Quadrise materially better positioned for commercialisation. The strengthened leadership team, expanded partner network, and successful technical demonstration provide a solid platform for advancing key trials and concluding commercial agreements.

With continued geopolitical, technological and regulatory uncertainty reinforcing the value of cost-effective, low-carbon fuel solutions, Quadrise remains confident in its ability to demonstrate meaningful progress during 2026 and to accelerate towards commercialisation.

Peter Borup
Chief Executive Officer
20 March 2026

Consolidated Statement of Comprehensive Income

For the 6 months ended 31 December 2025

	Note	**6 months ended 31 December 2025 Unaudited £'000**	6 months ended 31 December 2024 Unaudited £'000	Year ended 30 June 2025 Audited £'000
Continuing operations				
Revenue		**45**	-	42
Other income		**12**	-	28
Production and development costs		**(1,044)**	(782)	(1,626)
Other administration expenses		**(929)**	(854)	(1,581)
Share option charge	5	**(152)**	(118)	(112)
Foreign exchange loss		**1**	(2)	(6)
Operating loss		**(2,067)**	(1,756)	(3,255)
Finance costs		**(8)**	(4)	(9)
Finance income		**81**	17	49
Loss before tax		**(1,994)**	(1,743)	(3,215)
Taxation		**--**	-	110
Total comprehensive loss for the period from continuing operations		**(1,994)**	(1,743)	**(3,105)**
Loss per share – pence				
Basic	4	**(0.10)p**	(0.10)p	(0.17)p
Diluted	4	**(0.10)p**	(0.10)p	(0.17)p

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	As at 31 December 2025 Unaudited £'000	As at 31 December 2024 Unaudited £'000	As at 30 June 2025 Audited £'000
Assets				
Non-current assets				
Property, plant and equipment	7	**888**	434	760
Right of Use assets	8	**146**	98	209
Intangible assets	9	**2,924**	2,924	2,924
Non-current assets		**3,958**	3,456	3,893
Current assets				
Cash and cash equivalents		**3,981**	1,386	5,892
Trade and other receivables		**189**	175	478
Prepayments		**165**	148	111
Inventory		**-**	-	11
Current assets		**4,335**	1,709	6,492
TOTAL ASSETS		**8,293**	5,165	10,385
Equity and liabilities				
Current liabilities				
Trade and other payables		**296**	356	470
Lease liabilities	8	**27**	90	68
Provision for lease dilapidations	8	**56**	56	56
Current liabilities		**369**	502	594
Non-current liabilities				
Lease liabilities	8	**99**	-	113
Trade and other payables		**-**	-	179
Non-current liabilities		**99**	-	292
Equity attributable to equity holders of the parent				
Issued share capital		**20,061**	17,648	19,903
Share premium		**81,830**	77,647	81,678
Merger reserve		**3,777**	3,777	3,777
Share option reserve		**777**	834	777
Warrant reserve		**-**	30	-
Reverse acquisition reserve		**522**	522	522
Accumulated losses		**(99,152)**	(95,795)	(97,158)
Total shareholders' equity		**7,815**	4,663	9,499
TOTAL EQUITY AND LIABILITIES		**8,293**	5,165	10,385

Consolidated Statement of Changes in Equity

For the 6 months ended 31 December 2025

	Issued share capital £'000	Share premium £'000	Merger reserve £'000	Share option reserve £'000	Warrant reserve £'000	Reverse acquisition reserve £'000	Accumulated losses £'000	Total £'000
As at 1 July 2025	**19,903**	**81,678**	**3,777**	**777**	**-**	**522**	**(97,158)**	**9,499**
Loss and total comprehensive loss for the period	-	-	-	-	-	-	(1,994)	(1,994)
Share option charge	-	-	-	152	-	-	-	152
Exercise of share options	158	152	-	(152)	-	-	-	158
Shareholders' equity at 31 December 2025 - unaudited	**20,061**	**81,830**	**3,777**	**777**	**-**	**522**	**(99,152)**	**7,815**
As at 1 July 2024	17,648	77,647	3,777	839	30	522	(94,175)	6,288
Loss and total comprehensive loss for the period	-	-	-	-	-	-	(1,743)	(1,743)
Share option charge	-	-	-	118	-	-	-	118
Transfer of balances relating to expired warrants	-	-	-	(123)	-	-	123	-
Shareholders' equity at 31 December 2024 - unaudited	**17,648**	**77,647**	**3,777**	**834**	**30**	**522**	**(95,795)**	**4,663**
As at 1 January 2025	17,648	77,647	3,777	834	30	522	(95,795)	4,663
Loss and total comprehensive loss for the period	-	-	-	-	-	-	(1,362)	(1,362)
Share option charge	-	-	-	(6)	-	-	-	(6)
New shares issued net of issue costs	2,177	4,353	-	-	-	-	-	6,530
Issue costs	-	(420)	-	-	-	-	-	(420)
Exercise of warrants	36	46	-	-	(30)	-	-	52
Exercise of share options	42	52	-	(52)				42
Transfer of balances relating to expired share options	-	-	-	1	-	-	(1)	-
Shareholders' equity at 30 June 2025 - audited	**19,903**	**81,678**	**3,777**	**777**	**-**	**522**	**(97,158)**	**9,499**

Consolidated Statement of Cash Flows

For the 6 months ended 31 December 2025

	Note	**6 months ended 31 December 2025 Unaudited £'000**	6 months ended 31 December 2024 Unaudited £'000	Year ended 30 June 2025 Audited £'000
Operating activities				
Loss before tax from continuing operations		**(1,994)**	(1,743)	(3,215)
Depreciation	5	**96**	98	195
Release of provision for lease dilapidations		**-**	-	(28)
Finance costs paid		**8**	4	9
Finance income received		**(81)**	(17)	(49)
Share option charge	5	**152**	118	112
Working capital adjustments				
Decrease/(increase) in trade and other receivables		**289**	(57)	(360)
Increase in prepayments		**(54)**	(57)	(20)
(Decrease)/increase in trade and other payables		**(353)**	117	410
Decrease/(increase) in inventory		**11**	-	(11)
Cash utilised in operations		**(1,926)**	(1,537)	(2,957)
Finance costs paid		**(8)**	(4)	(9)
Taxation received		**-**	-	110
Net cash outflow from operating activities		**(1,934)**	(1,541)	(2,856)
Investing activities				
Finance income received		**81**	17	49
Purchase of fixed assets	7	**(161)**	(83)	(442)
Net cash outflow from investing activities		**(80)**	(66)	(393)
Financing activities				
Issue of ordinary share capital		**-**	-	6,530
Issue costs		**-**	-	(420)
Payment of lease liabilities		**(55)**	(55)	(111)
Exercise of share options		**158**	-	42
Exercise of warrants		**-**	-	52
Net cash inflow/(outflow) from financing activities		**103**	(55)	6,093
Net (decrease)/increase in cash and cash equivalents		**(1,911)**	(1,662)	2,844
Cash and cash equivalents at the beginning of the period		**5,892**	3,048	3,048
Cash and cash equivalents at the end of the period		**3,981**	1,386	5,892

Notes to the Group Financial Statements

1. General Information

Quadrise ("QED", "Quadrise", or the "Company") and its subsidiaries (together with the Company, the "Group") are engaged principally to develop markets for its proprietary emulsion fuels, MSAR® and bioMSAR™ as low-cost, more environmentally friendly substitutes for conventional heavy fuel oil for use in power generation plants, industrial and upstream oil applications, and marine diesel engines. The Company's ordinary shares are quoted on the AIM market of the London Stock Exchange.

QED was incorporated on 22 October 2004 as a limited company under UK Company Law with registered number 05267512. It is domiciled and registered at Eastcastle House, 27-28 Eastcastle Street, London, W1W 8DH.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 30 June 2025 Annual Report and Financial Statements, a copy of which is available on the Company's website: www.quadrise.com.

Critical accounting estimates

The preparation of interim accounts requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 2.4 of the Group's 30 June 2025 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

Seasonality

The Group is not subject to seasonal variations.

2. Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial information contained in this announcement has been prepared on the basis of the accounting policies set out in the statutory financial statements for the year ended 30 June 2025. Whilst the financial information included in this announcement has been prepared in accordance with the recognition and measurement requirements of UK-adopted international accounting standards and the requirements of the Companies Act 2006, this announcement does not itself contain sufficient disclosures to comply with IFRS. The financial information does not constitute the Group's statutory financial statements for the years ended 30 June 2025 or 30 June 2024, but is derived from those financial statements. Financial statements for the year ended 30 June 2025 have been delivered to the Registrar of Companies and those for the year ended 30 June 2026 will be delivered following the Company's Annual General Meeting. The auditors' report on both the 30 June 2025 and 30 June 2024 financial statements were unqualified and did not contain statements under section 498 (2) or (3) of the Companies Act 2006. The auditors' report on the 30 June 2024 financial statements did draw attention to a material uncertainty related to going concern.

These unaudited interim accounts have been prepared in accordance with AIM Rules. In preparing this report, the group has adopted the guidance in the AIM Rules for interim accounts which do not require that the interim condensed group financial statements are prepared in accordance with IAS 34 "Interim financial reporting".

The interim accounts for the six months ended 31 December 2025 were approved by the Board on 20 March 2026.

The directors do not propose an interim dividend.

3. Going Concern

As at 31 December 2025, the Group had a cash balance of £4.0m. This funding is anticipated to be sufficient for the Group to progress planned trial activities but further funding may be required in order to achieve sustainable positive cashflows.

This expectation is based on the Group's business model, budget, business plan, and sensitivity analysis, all of which have been reviewed and approved by the Board. The business model outlines projected Group cashflows through to 30 June 2034, while the budget and business plan provide a detailed outlook for the next two financial years. The model incorporates financial projections for each project opportunity considered to have a realistic likelihood of progressing, taking into account assumptions regarding (i) the chosen operating model (licensing, tolling, or merchant), (ii) the equity stake held in each venture, (iii) costs related to chemicals and equipment, (iv) margins, and (v) growth rates. These assumptions are informed by the latest market intelligence, agreements with counterparties, and the current status of discussions. Consequently, the Directors have a reasonable basis to believe that the Group's portfolio of projects and business opportunities will generate commercially sustainable revenues in the near future.

The Directors note continued positive engagement with partners, potential clients, and project stakeholders worldwide during the period and to date, and believe that the economic and environmental benefits of MSAR® and bioMSAR™ are becoming increasingly compelling, particularly in times of global uncertainty, as counterparties seek both cost savings and enhanced environmental performance. The Board is therefore confident in the Group's ability to deliver positive trial results and commercial revenues and have therefore made the judgement that the financial statements should be prepared on a going concern basis.

4. Segmental Information

For the purpose of segmental information, the reportable operating segment is determined to be the business segment. The Group principally has one business segment, the results of which are regularly reviewed by the Board. This business segment is a business to produce emulsion fuel (or supply the associated technology to third parties) as a low cost substitute for conventional heavy fuel oil ("HFO") for use in power generation plants and industrial and marine diesel engines.

Geographical Segments

The Group's only geographical segment during the year was the UK.

5. Share Option charge

Performance Options

On 12 October 2025, the Company granted a total of 10,000,000 options (the 'Performance Options') over new ordinary shares of 1p each in the Company executives and employees of the Company in accordance with the provisions of the Company's Enterprise Management Incentive Plan ("EMI Plan"). The issue of these options follows the lapsing in full of the 13,880,000 options issued by the Company on 1 August 2024 due to the specific performance conditions of those options not having been met. 3,000,000 of the Performance Options were granted to Jason Miles, Chief Technology Officer of the Company.

The Performance Options have an exercise price of 5p and will vest as to 50% on the first anniversary of grant and the remaining 50% shall vest on the second anniversary of the date of grant. All vestings are subject to the satisfaction of specific performance conditions prior to the first anniversary of grant. The Performance Options will be exercisable from vesting until the eighth anniversary of the date of grant.

Nominal Value Options

On 12 October 2025, the Company granted a total of 520,000 nominal value options ('NVOs') over new ordinary shares of 1p each in the Company to employees in accordance with the provisions of the EMI Plan.

These Options have an exercise price of 1p, and will vest after 12 months from the date of grant, with vesting not subject to performance conditions. The NVOs will be exercisable from vesting until the tenth anniversary of the date of grant.

CEO Sign-on Options

On 24 October 2025, the Company granted a total 40,000,000 Options to Chief Executive Officer, Peter Borup, in accordance with the provisions of the EMI Plan and the 2016 Plan, in the amounts set out below (the "Sign-On Options").

There are no performance conditions to the vesting of the Sign-on Options, which will vest as to 50% on the first anniversary of grant and the remaining 50% shall vest on the second anniversary of the date of grant.

The Sign-on Options issued under the EMI Plan will be exercisable from vesting until the tenth anniversary of the date of grant, and those issued under the 2016 plan will be exercisable from vesting until the eighth anniversary of the date of grant.

Director	Number of Options	Plan	Exercise price
Peter Borup	8,000,000 32,000,000	EMI Plan 2016 Plan	5p
Total	40,000,000	-	-

CEO Performance Options

On 24 October 2025, the Company granted a total 5,625,000 Options to Chief Executive Officer, Peter Borup, in accordance with the provisions of the EMI Plan .These options have an exercise price of 5p, and will vest as to 50% on the first anniversary of grant and the remaining 50% shall vest on the second anniversary of the date of grant. All vestings are subject to the satisfaction of specific performance conditions prior to the first anniversary of grant. The options will be exercisable from vesting until the eighth anniversary of the date of grant.

The Share Option Schemes are equity settled plans, and fair value is measured at the grant date of the option. Options issued under the Schemes vest over a one-to-three-year period provided the recipient remains an employee of the Group. Options also may be exercised within one year of an employee leaving the Group at the discretion of the Board.

The share option charge for the period was £152k (2024: £118k).

6. Loss Per Share

The calculation of loss per share is based on the following loss and number of shares:

	6 months ended 31 December 2025 Unaudited	6 months ended 31 December 2024 Unaudited	Year ended 30 June 2025 Audited
Loss for the period from continuing operations (£'000s)	**(1,994)**	(1,743)	(3,105)
Weighted average number of shares:			
Basic	**2,005,378,376**	1,764,714,550	1,859,095,467
Diluted	**2,005,378,376**	1,764,714,550	1,859,095,467
Loss per share:			
Basic	**(0.10)p**	(0.10)p	(0.17)p
Diluted	**(0.10)p**	(0.10)p	(0.17)p

Basic loss per share is calculated by dividing the loss for the period from continuing operations of the Group by the weighted average number of ordinary shares in issue during the period.

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive options and warrants over ordinary shares. Potential ordinary shares resulting from the exercise of share options and warrants have an anti-dilutive effect due to the Group being in a loss position. As a result, diluted loss per share is disclosed as the same value as basic loss per share.

The 52.7 million exercisable share options issued by the Company and which are outstanding at the period-end could potentially dilute earnings per share in the future if exercised when the Group is in a profit-making position.

7. Property, Plant and Equipment

	Leasehold improvements	Computer equipment	Software	Furniture and Office equipment	Plant and machinery	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
Opening balance – 1 July 2025	89	104	23	24	1,992	2,232
Additions	14	5	-	-	142	161
Closing balance – 31 December 2025	**103**	**109**	**23**	**24**	**2,134**	**2,393**
Depreciation						
Opening balance – 1 July 2025	(85)	(96)	(23)	(18)	(1,250)	(1,472)
Depreciation charge for the period	(2)	(1)	-	-	(30)	(33)
Closing balance – 31 December 2025	**(87)**	**(97)**	**(23)**	**(18)**	**(1,280)**	**(1,505)**
Net book value at 31 December 2025 - unaudited	**16**	**12**	**-**	**6**	**854**	**888**
Cost						
Opening balance – 1 July 2024	89	97	23	24	1,557	1,790
Additions	-	3	-	-	80	83
Closing balance – 31 December 2024	**89**	**100**	**23**	**24**	**1,637**	**1,873**
Depreciation						
Opening balance – 1 July 2024	(82)	(93)	(23)	(17)	(1,187)	(1,402)
Depreciation charge for the period	(2)	(1)	-	-	(34)	(37)
Closing balance – 31 December 2024	**(84)**	**(94)**	**(23)**	**(17)**	**(1,221)**	**(1,439)**
Net book value at 31 December 2024 - unaudited	**5**	**6**	**-**	**7**	**416**	**434**
Cost						
Opening balance – 1 July 2024	89	97	23	24	1,557	1,776
Additions	-	7	-	-	435	442
Closing balance – 30 June 2025	**89**	**104**	**23**	**24**	**1,992**	**2,232**
Depreciation						
Opening balance – 1 July 2024	(82)	(93)	(23)	(17)	(1,187)	(1,402)
Depreciation charge for the year	(3)	(3)	-	(1)	(63)	(70)
Closing balance – 30 June 2025	**(85)**	**(96)**	**(23)**	**(18)**	**(1,250)**	**(1,472)**
Net book value at 30 June 2025 - audited	**4**	**8**	**-**	**6**	**742**	**760**

8. Lease Obligations

The Group follows IFRS 16 with respect to its leases, whereby the Group recognises right-of-use assets and lease liabilities for all leases on its balance sheet. Quadrise Plc and Quadrise International Limited have agreements for the lease of the Group head office and the Quadrise Research Facility respectively, to which IFRS 16 has been applied.

Amounts recognised in the statement of financial position relating to leases:	**31 December 2025 £'000s**	31 December 2024 £'000s	30 June 2025 £'000s
Right of Use Assets			
Property leases	**146**	98	209
Provisions			
Provision for lease dilapidations	**56**	56	56
Lease liabilities			
Liability falls due within 1 year	**27**	90	68
Liability falls due within 1-3 years	**99**	-	58
Liability fall due in more than 3 years			55
Total	**126**	90	181

Additions to right of use assets during the financial year were £nil (2024: £276k)

Provision for lease dilapidations

The Group and Company are required to restore the leased premises of its head office and research facility to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease and the useful life of the assets.

Amounts recognised in the statement of comprehensive income relating to leases:

	6 months ended 31 December 2025 £'000s	6 months ended 31 December 2024 £'000s	Year ended 30 June 2025 £'000s
Depreciation charge of right of use assets	**63**	62	125
Interest expense	**5**	2	5
Total cash outflow for leases	**(55)**	(55)	(116)

9. Intangible Assets

	QCC royalty payments £'000	MSAR® trade name £'000	Technology and know-how £'000	Total £'000
Cost				
Balance as at 1 July 2025 and 31 December 2025	**7,686**	**3,100**	**25,901**	**36,687**
Amortisation and Impairment				
Balance as at 1 July 2025 and 31 December 2025	**(7,686)**	**(176)**	**(25,901)**	**(33,763)**
Net book value at 31 December 2025 - unaudited	**-**	**2,924**	**-**	**2,924**
Cost				
Balance as at 1 July 2024 and 31 December 2024	7,686	3,100	25,901	36,687
Amortisation and Impairment				
Balance as at 1 July 2024 and 31 December 2024	(7,686)	(176)	(25,901)	(33,763)
Net book value at 31 December 2024 - unaudited	-	2,924	-	2,924
Cost				
Balance at 1 July 2024 and 30 June 2025	7,686	3,100	25,901	36,687
	-	-	-	-
Amortisation and Impairment				
Balance at 1 July 2024 and 30 June 2025	(7,686)	(176)	(25,901)	(33,763)
Net book value at 30 June 2025 - audited	-	2,924	-	2,924

Intangibles comprise intellectual property with a cost of £36.69m, including assets of finite and indefinite life. QCC royalty payments of £7.69m and the MSAR® trade name of £3.10m are termed as assets having indefinite life as it is assessed that there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Group. The assets with indefinite life are not amortised. The remaining intangibles amounting to £25.90m, primarily made up of technology and know-how, are considered as finite assets and are now fully amortised. The Group does not have any internally generated intangibles.

The Group tests intangible assets annually for impairment, or more frequently if there are indications that they might be impaired. As at 30 June 2025, the QCC royalty payments asset and the technology and know-how asset were fully impaired and the MSAR® trade name asset had a net book value of £2.924m. For the six-month period to 31 December 2025, there was no indication that the MSAR® trade name asset may be impaired.

As a result, the Directors concluded that no impairment is necessary for the six-month period to 31 December 2025.

10. Related Party Transactions

QED defines key management personnel as the Directors of the Company. Other than the issuance of share options to Directors (note 3) there are no transactions with Directors other than their remuneration.

11. Events After the End of the Reporting Period

On 9 January 2026, as a result of the late notifications of dealings in Ordinary Shares on 19 August 2024 and 17 January 2025 which occurred in contravention of the Company's Share Dealing Code, Dilip Shah stepped down from the Board of the Company with immediate effect.
On 19 March 2026, Quadrise announced the appointment of Michael Covington to the Board as a non-executive director and member of the Audit Committee with immediate effect.

12. Copies of the Interim Accounts

Copies of the interim accounts are available on the Company's website at www.quadrise.com.